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HOME INVESTMENT PARTNERSHIP AGREEMENT BETWEEN THE CITY OF ATLATNIC CITY AND O.C.E.A.N. INC. FOR A CHDO HOMEOWNER PROJECT

THIS AGREEMENT, made and entered into by and between the **CITY OF ATLANTIC CITY**, a municipal corporation in the State of New Jersey, hereinafter called the **"CITY"**; and **O.C.E.A.N., Inc.**, hereinafter called "O.C.E.A.N.", located at 40 Washington Street, Toms River, NJ 08754, to include any and all other parties (public and private) associated with the project described herein;

WHEREAS, the **CITY** is the recipient of HOME Investment Partnership (HOME) funds granted by the U.S. Department of Housing and Urban Development (HUD) under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990 (P.L. 101-625), as amended; and

WHEREAS, the City, as a Participating Jurisdiction designated by HUD to administer a HOME Program, wishes to utilize HOME Investment Partnership (HOME) funds to assist O.C.E.A.N. in expanding the supply of decent, safe and affordable housing with its primary attention to housing for very low and low income families; to make new construction, rehabilitation, substantial rehabilitation, and acquisition of housing feasible; and to ensure that Federal investment uses housing stock that is available to low income families for their properties' remaining useful life; and

WHEREAS, pursuant to Resolution No. 379 adopted by City Council at its meeting held on June 13, 2018, (and as amended by Resolution No. 135, adopted February 15, 2023) a copy of which is attached hereto and made a part hereof, the City is allocating not less than 15% of HOME Program Funds for investment housing to be developed, sponsored, or owned by a Community Housing Development Organization (CHDO) pursuant to 24 CFR 92.300; and in accordance with HOME Investment Partnerships Program Federal Rules and Regulations 24 CFR Part 92; and

WHEREAS, the City desires to engage O.C.E.A.N., Inc. to perform services under the HOME Program as a Community Housing Development Organization (CHDO); and

WHEREAS, the Project has met the requirement to receive a conditional commitment of HOME funds in the amount of **TWO HUNDRED TWENTY-SEVEN THOUSAND EIGHT HUNDRED FIFTY DOLLARS ($227, 850.00)** for the purpose of constructing and selling homes to low-moderate-income first-time homebuyers.

NOW, THEREFORE, in consideration of the mutual covenants and obligations herein contained , including the Attachments and subject to the terms and conditions hereinafter stated, the parties hereto understand and agree as follows:

1. **PURPOSE AND SCOPE OF SERVICES:**

A. O.C.E.A.N. shall use HOME funds for the purpose of constructing and selling homes to low-moderate-income first-time homebuyers. The City shall provide HOME funds in accordance with 24 CFR 92.205(b) for eligible costs as described in 24 CFR 92.206 and 92.207. The City of Atlantic City is hereby setting aside $227,850.00 for the construction of three single family townhomes to be located at 38 N. Texas Avenue, Atlantic City, New Jersey.

B. This HOME Agreement shall act as said deed restriction for the period of affordability based on the amount of HOME funds utilized in this project. Upon approval of the PROJECT by the CITY, O.C.E.A.N. will execute deed restrictions on all HOME assisted properties.

At the time of sale of HOME-assisted unit(s) to income-eligible buyer(s), the CITY will discharge the existing affordability restriction and the income-eligible homebuyer will execute similar deed restrictions, covenants running with the land, or other HUD-approved mechanism in order to insure a minimum Affordability Period. The Affordability Period is determined by the level of HOME assistance provided per unit as follows:

Amount of Assistance per Unit	Minimum years of affordability
Under $15,000	5
15,000 to 40,000	10
Over $40,000	15

The HOME-assisted unit must be owned and occupied by a buyer that was certified to be a low-income household at the time of purchase for the duration of the Affordability Period. If the HOME assisted unit is sold during the Affordability Period, Resale provisions are to be enforced according to HOME final rule and the CITY'S established provisions.

Sale to a homebuyer is contingent on the execution of a written agreement between the CITY and the homebuyer, which outlines in detail the applicable affordability requirements.

The following HOME requirements must be conveyed to the homebuyer in the agreement between the homebuyer and the CITY: Maximum Sales Price; Principal Residency Requirement; Period of Affordability; Income Definition, and Recapture/Resale Provisions.

O.C.E.A.N. will be responsible for monitoring the ongoing principal residency of the homebuyer to ensure compliance with the affordability restrictions. Residency may be verified by inspections of the home, signed affidavits from the homeowner or other documentation as may be deemed necessary.

O.C.E.A.N. shall be responsible for all bidding procedures and subcontractual arrangements. All architectural plans, specifications, costs estimates and work write-ups shall be submitted to the City for review prior to acceptance. All procedures shall be carried out in accordance with all federal, state and local standards, and shall be monitored by the City. The Project shall be completed in compliance with all applicable state and local building codes.

2. TIME OF PERFORMANCE

O.C.E.A.N. shall complete the project within one year from the date of this agreement. The Project will be considered complete at the time all ownership units have been purchased by low-income buyer(s), which must occur within nine (9) months of construction completion. If there is no ratified sales contract with an eligible homebuyer for the housing within nine (9) months of the date of completion of construction or rehabilitation, the housing must be rented to an eligible tenant The Agreement shall be effective until completion of the project and ownership by a low-income household and all conditions contained herein are satisfied.

Timely completion of the work specified in this agreement is an integral and essential part of performance. The expenditure of HOME funds is subject to Federal deadlines. Failure to use the funding properly and in a timely manner could result in the loss of the Federal funds. By the acceptance and execution of this agreement, it is understood and agreed by O.C.E.A.N. that the PROJECT will be completed as expeditiously as possible and that O.C.E.A.N. will make every effort to ensure that the project will proceed and will not be delayed. Failure to meet these deadlines can result in cancellation of this contract and the revocation of HOME funds.

Since it is mutually agreed that time is of the essence as regards this agreement, O.C.E.A.N. shall cause appropriate provisions to be inserted in all contracts or subcontracts relative to the work tasks required by this agreement, in order to ensure that the PROJECT will be completed according to the timetable set forth. It is intended that such provisions inserted in any subcontracts be, to the fullest extent permitted by law and equity, binding for the benefit of the CITY and enforceable by the CITY against O.C.E.A.N. and its successors and assigns to the project or any part thereof or any interest therein.

In the event the CITY is unable to meet the above schedule or complete the above services because of delays resulting from Acts of God, untimely review and approval by the CITY and other governmental authorities having jurisdiction over the PROJECT, or other delays that are not caused by O.C.E.A.N. the CITY shall grant a reasonable extension of time for completion of the WORK. It shall be the responsibility of O.C.E.A.N. to notify the CITY promptly in writing whenever a delay is anticipated or experienced, and to inform the CITY of all facts and details related to the delay. This schedule is subject to change by mutual agreement of both parties in writing.

3. **PROPOSED PROJECT BUDGET: HOME FUNDS**

See attached as Exhibit A, HOME Program Housing Assistance Application, dated _____

4. **COMPENSATION AND METHOD OF PAYMENT**

A. All payments under this Agreement are subject to receipt by the City of sufficient federal funds from the HOME Investment Partnership Program. These funds shall be drawn from the U.S. Treasury by the City through the Integrated Disbursement and Information System (IDIS).

O.C.E.A.N. submit a request for reimbursement for eligible expenses incurred no more

frequently than monthly. O.C.E.A.N. shall provide documents of direct costs paid, such as invoices of receipts. Approval of any request for reimbursement is conditional upon the submission of required documentation, inspection and approval of work performed, including by limited to quarterly progress reports as required by the CITY.

Five percent (5%) of each invoice for construction or rehabilitation costs shall be withheld as retention and shall be released upon CITY'S receipt of all items listed below:

i) Certificate of Use & Occupancy;

ii) Release of all construction liens, as evidenced by an updated title policy (if applicable);

iii) Recorded deed restriction for the Affordability Requirements on each property (unless provided sooner), a form of which is attached hereto as Attachment 2;

iv) Evidence that O.C.E.A.N. has complied with Sustainability and Accessibility Requirements, as described in Section III;

v) Documentation of the percentage of work performed by Disadvantage Business Enterprise and Section 3 Businesses, if applicable; and

vi) Submission of Project Cost Certification in the form of a project specific Profit and Loss Statement.

SAMPLE REQUEST FOR REIMBURSEMENT (BASED UPON SCHEDULED DRAW DOWNS):

a. DRAW #1 will be in the amount of $xx.00.
The following items must be submitted to the City for this drawdown:
   - Copy of the Recorded Deed showing O.C.E.A.N. ownership
   - Proof of all required insurances as outlined in the Agreement naming City as additionally insured.
   - Copy of service contract with NJ licensed Architect for project monitoring.
   - Other required documents as may be requested by City.

b. DRAW #2 will be in the amount of $xx.00. The following documents must be submitted to the City prior to or upon submission of the Draw Request:
   - Copy of contract with primary contractor and subcontractors
   - Copy of all Building Permits
   - Copies of the contractor's application and certificate of payment (AIA form G702, if applicable).
   - Other required documents as may be requested by City.

b. The FINAL DRAW in the amount of $xx.00, to be paid in the amount of $xx,000 per property, will only be released upon final closeout of the project as outlined in this Agreement and include the following.

- A cost certification prepared by a certified public accountant of all funding sources and project costs
- Copy of the final Certificate of Occupancy
- A statement of the interest accrued on HOME funds while held in the project escrow account, if applicable.
- A narrative description of the project and its effect on the neighborhood, with before and after photographs of the project
- Final requisition AIA G702/G703 forms, with continuation sheets, with architect's signature.
- Certificate of Eligibility of applicant acquiring property, closing documents and affordability documents
- Final lead clearance letter from the environmental consultant, if applicable.
- Any other document as may be required to close out the Agreement.

HOME funds may be used to reimburse O.C.E.A.N. for any expenses permitted under HOME regulations, including materials and labor for construction, and soft costs.

1. Except for changes made in accordance with this agreement, any and all alterations in the approved use of budgeted funds shall be subject to prior review by the CITY.

2. Funds may be shifted between line items of the PROJECT without prior approval of the CITY only to the extent that such action does not result in a change in the PROJECT and so long as it does not exceed ten percent (10%) of the line item total from which the funds are being removed or to which the funds are being added.

3. A report of funds shift not requiring prior approval by the CITY shall be provided in writing to the HUD Grants Manager within three (3) working days after its effective date.

4. Any costs and expenses not covered by the attached Project Budget, and hence not properly payable from Grant funds, shall be borne entirely by O.C.E.A.N.

REIMBURSEMENT OF EXPENSES.

1. O.C.E.A.N. shall submit a request for reimbursement for eligible expenses incurred no more frequently than monthly. Requests for reimbursement may be submitted on a payment request form provided by the CITY, a standardized American Institute of Architects ("AIA") form, or other form approved by the CITY. All payment requests shall be submitted to the HUD Grants Manager.

2. O.C.E.A.N. shall provide documentation of direct costs paid, such as invoices or receipts.
3. Approval of any request for reimbursement is conditional upon the submission of required documentation, inspection and approval of work performed, including but not limited to progress reports as required by the CITY.

4. The CITY shall make careful review of all requests for reimbursement. So long as each request conforms to the terms and intent of this Agreement, CITY shall reimburse funds in a timely manner, which shall be within fifteen (15) business days of O.C.E.A.N. submission of a complete reimbursement request.

5. Five percent (5%) of each invoice for construction or rehabilitation costs shall be withheld as retention and shall be released upon CITY's receipt of all items listed below:

i) Certificate of Use & Occupancy;

ii) Release of all construction liens, as evidenced by an updated title policy (if applicable);

iii) Recorded deed restriction for the Affordability Requirements on each property (unless provided sooner), a form of which is attached hereto as Attachment 2;

iv) Evidence that O.C.E.A.N. has complied with Sustainability and Accessibility Requirements, as described in Section III;

v) Documentation of the percentage of work performed by Disadvantage Business Enterprise and Section 3 Businesses, if applicable; and

vi) Submission of Project Cost Certification in the form of a project specific Profit and Loss Statement.

5. TERMS AND CONDITIONS

A. O.C.E.A.N. agrees to comply with all requirement of the 2013 HOME Final Rule, including but not limited to all applicable federal, state, and local laws and regulations governing the funds provided under this Contract. Said HOME regulations are published in 24 CFR Part 92. No HOME project funds will be committed until an environmental review of the proposed project site has been conducted and approval of the request for release of funds and related certification, except as authorized by 24 CFR Part 58. Additionally, O.C.E.A.N will not undertake or commit any funds (not limited to HUD funds) to physical or choice-limiting actions, including property acquisition, demolition, movement, rehabilitation, conversion, repair or construction, prior to completion of the environmental review. The environmental review may result in a decision to proceed with, modify or cancel the project. NOTE – The Environmental Review will be conducted by CITY staff. O.C.E.A.N will disclose any new information that becomes available or changes in project scope that may affect the environmental review determination.

B. O.C.E.A.N. will ensure that any expenditure of HOME funds will be in compliance with the requirements at 24 CFR 92.206, and acknowledges that HOME funds will only be provided

as reimbursement for eligible costs incurred, including actual expenditures or invoices for work completed, as outlined in the approved Budget [Exhibit 2].

C. Home Value

a) If the PROJECT is "new construction" as described in Section 1, above, O.C.E.A.N will ensure the value of the property does not exceed 95 percent of the median purchase price for the area using Federal Housing Administration (FHA) single family mortgage program data for newly constructed housing, with a minimum limit based on 95 percent of the U.S. median purchase price for new construction for nonmetropolitan areas. By example, the one-year period starting April 15, 2019, the maximum sale prices for a 1-unit newly constructed home is $252,000.

b) If the PROJECT is rehabilitation, as described in Section 1, above, the maximum property value included in the agreement will be based on the funds provided in this agreement.

D. Sales Price

E. O.C.E.A.N will ensure that all HOME-assisted units will be in compliance with the 2013 HOME Final Rule definition of Affordable Housing found at 24 CFR 92.254, including:

1) That it will be sold to a family whose income has been certified using the 24 CFR Part 5 methodology as being 80% or less of the Area Median Income by household size at time the family signs a contract to purchase the property. See Exhibit 3 for current HUD Income Limits by Household Size;

2) That it will be used as the buyer's principal place of residence throughout the HOME Period of Affordability outlined in Section IV;

3) If there is no ratified sales contract with an eligible homebuyer for the housing within nine (9) months of the date of completion of construction or rehabilitation, the housing must be rented to an eligible tenant; and,

4) The buyer must receive housing counseling.

F. O.C.E.A.N. shall collect and maintain Project beneficiary information pertaining to household size, income levels, racial and ethnic characteristics, and the presence of Female Headed Households in order to determine low-income benefit in a cumulative and individual manner.

Income documentation shall be in a form consistent with HOME requirements as stated in the HUD Technical Guide for Determining Income and Allowances Under the HOME Program. O.C.E.A.N. agrees that it will not use a prospective buyer's religion or religious membership as criteria in the selection process for a HOME unit.

G. If the PROJECT consists of five (5) or more units, the availability of units will be affirmatively marketed in accordance with the CITY'S Affirmative Marketing Plan. Specifically, affirmative marketing requirements and procedures adopted must include:

1) Methods for informing the public, owners, and potential tenants about Federal fair housing laws and the participating jurisdiction's affirmative marketing policy (e.g., the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations for owners, and written communication to fair housing and other groups);

2) Requirements and practices the must adhere to in order to carry out the affirmative marketing procedures and requirements (e.g., use of commercial media, use of community contacts, use of the Equal Housing Opportunity CITY and O.C.E.A.N. logotype or slogan, and display of fair housing poster);

3) Procedures to be used by the CITY and O.C.E.A.N. to inform and solicit applications from persons in the housing market area who are not likely to apply for the housing program or the housing without special outreach (e.g., through the use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies);

4) Records that will be kept describing actions taken by the CITY and O.C.E.A.N. to affirmatively market the program and units and records to assess the results of these actions; and

5) A description of how the CITY will annually assess the success of affirmative marketing actions and what corrective actions will be taken where affirmative marketing requirements are not met.

H. If the PROJECT involves the displacement or relocation of existing tenants, O.C.E.A.N. agrees to comply with 24 CFR 92.353.

I. If the PROJECT involves acquisition of real property as defined by 49 CFR 24.101,

O.C.E.A.N. agrees to comply with the Uniform Relocation Act and 24 CFR 92.353, as applicable.

J. O.C.E.A.N. has provided sufficient evidence to establish it will comply with 24 CFR 92.257 regarding the awarding of HOME funds to churches and primarily religious organizations.

K. O.C.E.A.N. agrees that any homeownership assistance provided homebuyer(s) in the sale of the PROJECT unit(s) will not include servicing, origination, processing, inspection, or other fees.

L. The City shall have no responsibility or liability for the maintenance, operation or program funding for O.C.E.A.N.

M. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. O.C.E.A.N. shall at all times remain an independent non-profit Housing Developer with respect to the services to be performed under this Agreement. The City shall be exempt from payment of all Unemployment Compensation, FICA, retirement, life and/or medical insurance and Workers' Compensation Insurance as O.C.E.A.N. is an independent contractor and developer.

N. All housing assisted with HOME Investment Partnership funds shall be maintained in compliance with the property standards defined in 24 CFR 92.251, and any locally enforceable housing standards, laws and codes of the City.

O. It is understood that O.C.E.A.N. has certified that it is and will maintain CHDO (Community Housing Development Organization) status for the term of the PROJECT/AGREEMENT in accordance with 24 CFR 92. O.C.E.A.N. agrees to provide information as may be requested by the CITY to document its continued compliance, including but not limited to an annual board rooster and certification of continued compliance. Any funds advanced as CHDO pre-development funds must be in compliance with 92.301, and are forgivable only under the terms in 92.301. Any funds that the CHDO is permitted to retain as CHDO proceeds from this project shall be used in compliance with 24 CFR 92.300(a)(2) or as specified in this Agreement.

P. Procurement: O.C.E.A.N. shall establish procurement procedures to ensure that materials and services are obtained in a cost-effective manner. When procuring for services to be provided under this agreement, O.C.E.A.N. shall comply at a minimum with the nonprofit procurement standards at 2 CFR 200.318-.326.

As per 24 CFR 92.350(a), O.C.E.A.N. is forbidden from participation by debarred,

suspended, or ineligible contractors and participants in project-related contracts/subcontracts. XI. Conflict of Interest Provisions

O.C.E.A.N. warrants and covenants that it presently has no interest and shall not acquire any interest, directly or indirectly, which could conflict in any manner or degree with the performance of its services hereunder. O.C.E.A.N. further warrants and covenants that in the performance of this contract, no person having such interest shall be employed.

No employee, agent, consultant, officer, or elected official or appointed official of the CITY which are receiving HOME funds who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in a position to participate in a decision-making process or gain inside information with regard to these activities may obtain a financial interest or financial benefit from a HOME-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to the HOME-assisted activity, or the proceeds from such activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. Immediate family ties include (whether by blood, marriage or adoption) the spouse, parent (including a stepparent), child (including a stepchild), brother, sister (including a stepbrother or stepsister), grandparent, grandchild, and in-laws of a covered person.

No owner, developer, or sponsor of a project assisted with HOME funds (or officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor) whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer, or sponsor) may occupy a HOME-assisted affordable housing unit in a project during the required period of affordability specified in § 92.252(e) or § 92.254(a)(4).

In addition, no member of Congress of the United States, official or employee of HUD, or official or employee of the CITY who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME funds or who is in a position to participate in a decision-making process or gain inside information with regard to these activities shall be permitted to receive or share any financial or unit benefits arising from the HOME-assisted project or program.

Prior to the implementation of the Home-assisted activity, exceptions to these provisions may be requested by the O.C.E.A.N. in writing to the CITY. Exceptions will be made on a case-by-case basis when it is determined that the exception will serve to further the purposes of the HOME Program and the effective and efficient administration of the program or HOME-assisted project. The CITY may grant exceptions or forward the requests to HUD as permitted by 24 CFR 92.356, 2 CFR 200.112, as they apply.

6. PERFORMANCE AND REPORTING

A. O.C.E.A.N. shall direct all notices, reports, and other communications related to or required by this Agreement to the office of the City of Atlantic City, c/o Marc Starling, Asst. Director, Community Development Block Grant (CDBG), 1301 Bacharach Boulevard, Atlantic City, New Jersey 08401. Notice by both O.C.E.A.N. and the City shall be given by ordinary mail.

B. Until the completion of the Project and expenditure of all HOME Investment Partnership funds disbursed under this Agreement, O.C.E.A.N. shall submit monthly reports describing progress of the project activities. This report will be due fourteen (14) days after the end of each month.

C. Not later than 30 days after completion, or 180 days after transfer of title, whichever is soonest, O.C.E.A.N. shall provide the City with a Certified Statement of the Expenditure of Funds disbursed under this Agreement.

D. O.C.E.A.N. shall promptly furnish the City or HUD with any financial records, statements, other records, data and information as the City or HUD may reasonably request pertaining to this Agreement.

E. During the term of this Agreement, any time during normal business hours, O.C.E.A.N. shall make available to the City, HUD and/or the Comptroller General of the United States, or their duly authorized representatives, all of O.C.E.A.N. 's records in order to permit examination of any audits, invoices, materials, payrolls, personnel records, conditions of employment, and other data relating to all matters covered by this Agreement.

F. O.C.E.A.N. shall retain financial records, supporting documents, statistical records, and all other records pertaining to expenditures under this Agreement for a period of seven (7) years

after the termination of this Agreement.

G. During the performance of this contract, O.C.E.A.N. agrees as follows:

1. O.C.E.A.N. will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origins(s). The O.C.E.A.N. will take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origins(s).

Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

O.C.E.A.N. agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer of the CITY setting forth the provisions of the nondiscrimination clause.

2. O.C.E.A.N. will, in all solicitations or advertisements for employees placed by or on behalf of the O.C.E.A.N., state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

3.. In the event the O.C.E.A.N. is found to be in noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations or orders, this contract may be canceled, terminated or suspended in whole or in part and the O.C.E.A.N. may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965 or by rule, regulations or order of the Secretary of Labor or as otherwise provided by law.

7. ADMINISTRATIVE REQUIREMENTS

A. Financial Management

1) Accounting Standards: O.C.E.A.N. agrees to comply with OMB Circular A-110 and agrees to adhere to the accounting principles and procedures required therein, utilize adequate internal controls, and maintain necessary source documentation of all costs incurred.

B. Documentation and Record-Keeping

1) Records to be Maintained: O.C.E.A.N. shall maintain all records that are pertinent to the activities to be funded under this Agreement, including but not limited to:

a. Records providing a full description of each activity undertaken;

b. Records required to document the acquisition, improvement, use or disposition of real property acquired or improved with HOME assistance;

c. Records documenting compliance with the fair housing and equal opportunity components of the HOME program; and

d. Financial records as required by OMB Circular A-122 and/or OMB Circular A-133 and/or OMB Circular A-110.

2) Client Data: O.C.E.A.N. shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, signed verification of income statement, or other basis for determining eligibility, and description of service provided. Such information shall be made available to City monitors or their designees for review upon request.

3) National Objectives and Eligibility: O.C.E.A.N. agrees to maintain documentation demonstrating the activities carried out with funds provided under this contract will benefit low income persons, as defined in 24 CFR Part 92.205 and 92.217.

C. Procurement

1) Compliance: In the event of termination for cause as provided in paragraph 15 or termination for convenience as provided in paragraph 16, a pro-rated portion of program assets (unexpended program income, property, equipment, etc.) attributable to the City's HOME investment shall revert to the City upon termination of this contract, as provided in Paragraph 15 or Paragraph 16 of this Agreement.

2) OMB Standards: O.C.E.A.N. shall procure materials in accordance with the requirements of A-133, A-122, and OMB Circular A-110, Procurement Standards, and Property Management and Disposition Standards covering utilization and disposal of property. Copies of said circulars are provided and by execution of this Agreement, O.C.E.A.N. acknowledges their receipt.

D. Amendments: The City or O.C.E.A.N. may amend this Agreement at any time provided that such amendments are executed in writing and signed by a duly authorized

representative of both organizations. Such amendments shall not invalidate this Agreement, nor relieve or release the City or O.C.E.A.N. from its obligations under this Agreement.

8. NON-DISCRIMINATION and AFFIRMATIVE MARKETING

No person shall be excluded from or denied the benefits of O.C.E.A.N. 's service on the basis of age, race, color, religion, creed, national origin, sex, marital status, disability, gender identity or sexual orientation. All current and prospective project beneficiaries must, however, be persons in need of the programs provided by O.C.E.A.N. O.C.E.A.N. shall comply with the affirmative marketing requirements set forth in 24 CFR 92.351.

9. SECTION 504 COMPLIANCE

No otherwise qualified individual with handicaps shall, solely by reason of his/her handicap, be excluded from participation, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. This includes, but is not limited to, programs and/or activities related to housing, employment, and the delivery of services.

10. EQUAL EMPLOYMENT OPPORTUNITY and FAIR HOUSING

O.C.E.A.N. certifies that it is an "Equal Opportunity Employer" and that it will comply with Chapter 7, Article II, of the City Code (Equal Opportunity Employment); and all applicable regulations of the State of New Jersey and the U.S. Department of Housing and Urban Development pertaining to equal opportunity and affirmative action in employment. Further, O.C.E.A.N. shall ensure that all contracts for work under this Agreement contain appropriate equal employment opportunity statements. In addition, O.C.E.A.N. shall comply with all provisions of 24 CFR 92.350.

11. W/MBE

O.C.E.A.N. will use its best efforts to afford minority and women-owned business enterprises (at least fifty-one [51] percent owned and controlled by minority group members or women) the maximum practicable opportunity to participate in the performance of this Agreement.

12. LABOR

O.C.E.A.N. agrees to not using suspended or debarred contractors and will abide by 24 CFR 92.357.

13. ENVIRONMENTAL ASSESSMENT and HISTORIC PRESERVATION

O.C.E.A.N. shall assist the City in complying with all applicable environmental assessment and historic preservation requirements of HUD and the State Historic Preservation Officer of New

Jersey.

14. LEAD-BASED PAINT POISONING PREVENTION

O.C.E.A.N. shall comply with requirements of Section 302 of the Lead-Based Paint Poisoning Prevention Act and HUD regulations hereunder (24 CFR Part 35 and 24 CFR 92.355) insofar as they apply to the performance of this Agreement.

15. TERMINATION OF AGREEMENT FOR CAUSE

If O.C.E.A.N. fails to fulfill its obligations under this Agreement in a timely and proper manner, or if O.C.E.A.N. violates any of the terms, agreements or stipulations of this Agreement, the City shall thereupon have the right to terminate this Agreement by giving written notice to O.C.E.A.N. of such termination, specifying the default or defaults, and stating that this Agreement shall be terminated 30 days after the giving of such notice unless such default or defaults are remedied within such cure period. The City shall be obligated to make no payment due hereunder after it gives said notice unless the defaults are remedied within said 30-day period. In the event of such termination, O.C.E.A.N. shall promptly repay to the City the full grant amount or that portion of the amounts that have been disbursed to O.C.E.A.N. prior to such termination.

16. TERMINATION OF AGREEMENT FOR CONVENIENCE

This Agreement may be terminated in whole or in part upon the mutual agreement of the parties hereto, in which case the City and O.C.E.A.N. shall agree upon the termination conditions, including the effective date, the disposition of contract amounts, and in the case of partial termination, the portion to be terminated. However, if, in the case of partial termination, the City determines that the remaining portion of the award will not accomplish the purposes for which the award was made, and the award is terminated in its entirety, O.C.E.A.N. shall promptly repay to the City the full grant amount or that portion of the amount which has been disbursed to O.C.E.A.N. prior to such termination.

17. INTEREST OF CERTAIN FEDERAL AND OTHER OFFICIALS

A. No member or delegate to the Congress of the United States, and no resident Commissioner, shall be admitted to any share or part of this Agreement, or to any benefit arising herefrom.

B. No member of the governing body of the City, no officer, employee, official or agent

of the City, or other local public official who exercises any functions or responsibilities in connection with the review, approval or carrying out of the Project to which this Agreement pertains, shall have any private interest, direct or indirect, in this Contract.

C. No federal funds appropriated under this contract shall be paid, by or on behalf of O.C.E.A.N. , to any person for influencing or attempting to influence a member of Congress, an officer or employee of Congress or any federal agency in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or agreement.

D. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, O.C.E.A.N. shall complete and submit Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

E. O.C.E.A.N. shall require that the language of this certification be included in the award documents for all subrecipients and that all subrecipients shall certify and disclose accordingly.

F. O.C.E.A.N. agrees to comply with the provisions of 24 CFR 92.356, Conflict of Interest.

18. GRANTOR RECOGNITION All activities, facilities, and items utilized pursuant to this contract shall be prominently labeled as HOME funded. In addition, O.C.E.A.N. will include a reference to the support provided herein in all publications made possible with funds made available under this contract.

19. ASSIGNABILITY

O.C.E.A.N. shall not assign or transfer any interest in this Agreement without the prior written approval of the City. Any assignment made without such consent shall be void. This Agreement shall be binding upon and shall inure to the benefit of the successors and assigns of the parties hereto.

20. HOLD HARMLESS PROVISION

O.C.E.A.N. shall indemnify, defend and hold harmless the City, its officers, employees and agents from all liability, loss, cost, damage and expense (including reasonable attorney's fees and court costs) resulting from or incurred by reason of any actions based upon the negligent acts or omissions of O.C.E.A.N. 's employees or agents during the performance of this Agreement.

21. SEVERABILITY CLAUSE

If any one or more of the provisions contained in this Agreement are held to be invalid, illegal, or unenforceable, this Agreement shall be deemed severable and the remainder of the Agreement shall remain in full force and effect.

22. LIMITATIONS OF CITY LIABILITY - DISCLAIMER OF RELATIONSHIP

The City shall not be liable to O.C.E.A.N. , or to any party, for completion of or failure to complete any improvements which are part of the Project. Nothing contained in this Agreement, nor any act or omission of the City or O.C.E.A.N. shall be construed to create any special duty, relationship, third-party beneficiary, respondent superior, limited or general partnership, joint venture, or any association by reason of O.C.E.A.N. 's involvement with the City.

23. INTERPRETATION AND CONSTRUCTION STANDARDS

Unless expressly provided otherwise herein, this agreement shall be governed by and construed in accordance with the Uniform Commercial Code of the State of New Jersey.

If the PROJECT is "new construction," as described in Section 1, above, the PROJECT shall meet all applicable State and local codes, ordinances, and zoning requirements, as well as the current Model Energy Code published by the Council of American Building Officials. The PROJECT shall meet the property standards as outlined at 24 CFR 92.251 upon project completion.

If the PROJECT will rehabilitate existing housing, as described in Section 1, above, the PROJECT's shall meet the CITY'S's rehabilitation standards for all HOME-assisted housing rehabilitation activities.

O.C.E.A.N. shall comply with HUD's Lead Safe Housing Rule at 24 CFR Part 35, Subparts A, B, J, and R.

All new construction projects must meet the accessibility requirements of 24 CFR part 8, which implements Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), and Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) implemented at 28 CFR parts 35 and 36, as applicable. Covered multifamily dwellings, as defined at 24 CFR 100.201, must also meet the design and construction requirements at 24 CFR 100.205, which implements the Fair Housing Act (42 U.S.C. 3601-3619).

All new construction projects must also meet the following requirements:

a) Disaster mitigation. Where relevant, the housing must be constructed to mitigate the impact of potential disasters (e.g., earthquakes, hurricanes, flooding, and wildfires), in accordance with State and local codes, ordinances, or other State and local requirements, or such other requirements as HUD may establish.

b) Written cost estimates, construction contracts and construction documents. O.C.E.A.N. must ensure the construction contract(s) and construction documents describe the work to be undertaken in adequate detail so that inspections can be conducted. O.C.E.A.N. Inc. must review and approve written cost estimates for construction and determining that costs are reasonable.

c) Construction progress inspections. O.C.E.A.N. must conduct progress and final inspections of construction to ensure that work is done in accordance with the applicable codes, the construction contract, and construction documents.

24. CHOICE OF LAW

This contract shall be governed and construed in accordance with the law of the State of New Jersey.

25. INSURANCE

Without limiting the foregoing, O.C.E.A.N. shall at its own expense, maintain during its performance under this Agreement insurance policy or policies, written with an insurance company or joint insurance fund currently admitted in New Jersey, in at least the following types and amounts:

(a)	Workers Compensation	Statutory
(b)	Public Liability	$500,000/$1,000,000
(c)	Property Damage	$500,000
(d)	Errors & Omissions	$1,000,000

The Contractor shall further provide the City with certificates of Insurance stating that the City is an "ADDITIONAL NAMED INSURED WITH RESPECT TO LIABILITY COVERAGES AFFORDED BY THE POLICY". The Contractor shall also provide to the City evidence of Worker's Compensation Insurance to cover all workers involved in any work contemplated under this agreement.

26. INDEMNIFICATION

O.C.E.A.N. shall indemnify, defend and hold harmless the City from and against any claim (including any claim brought by employees of Contractor), liability, damage or expense (including attorneys' fees) that such City may incur relating to, arising out of or existing by reason of (i) O.C.E.A.N. 's performance of this Agreement or the conditions created thereby (including the use, misuse or failure of any equipment used by O.C.E.A.N. or its subcontractors, servants or employees) or (ii) O.C.E.A.N. 's breach of this Agreement or the inadequate or improper performance of this Agreement by O.C.E.A.N. or its subcontractors, servants, or employees.

27. WAIVER AND RENUNCIATION

No waiver or renunciation by either party to this agreement with respect to any breach or default or of any right or remedy consequent thereon shall be deemed to constitute a continuing waiver or renunciation or a waiver or renunciation of any other breach or default or any other right or remedy consequent thereon unless such waiver or renunciation be expressed in writing, signed by the party making such waiver or renunciation and specifying the nature and extent of such waiver or renunciation.

28. REPORTING

On a monthly basis, O.C.E.A.N. shall promptly furnish the City and HUD all financial records, statements, other records, data and information as the City and HUD may reasonably request. O.C.E.A.N. shall account for all expenditures for this project with monthly summaries and receipts. City and O.C.E.A.N. will determine the final cost of the project prior to the property being placed for sale.

29. RESALE AND REINVESTMENT OR RETURN OF PROFITS

At the end of the project, O.C.E.A.N. shall have the property appraised and list it for sale to a first time low income buyer as described in this contract. O.C.E.A.N. shall submit the Real Estate Settlement Procedures Act (RESPA) form to the City. The profits from the resale of the property shall be applied by O.C.E.A.N. to the costs of acquiring and

constructing/rehabilitating other residential property in need of rehabilitation owned by the county or municipality.

IN WITNESS WHEREOF, the City has caused these presents to be executed by its Mayor, attested by its City Clerk and its corporate seal affixed hereto, and O.C.E.A.N. has caused these presents to be executed and attested by its proper officers and its corporate seal affixed hereto the day and year first written below.

ATTEST:

Paula Geletei
Paula Geletei, City Clerk

CITY OF ATLANTIC CITY

Marty Small Sr., Mayor

Date: 3/14/23

ATTEST:

_____
Secretary

O.C.E.A.N. Inc.

_____
President

The within Agreement approved as to form and execution.

Date: 3/15/2023

By: _____
Karl Timbers, Esquire
Assistant City Solicitor

Date: 3/15/23

By: _____
Marc Starling
Community Development Block Grant

Attachments:
Exhibit A, HOME Program Housing Assistance Application

EXHIBIT A
MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE
N.J.S.A. 10:5-31 et seq. (P.L. 1975, C. 127)
N.J.A.C 17:27

During the performance of this contract, the contractor agrees as follows:

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this nondiscrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

The contractor or subcontractor, where applicable, will send to each labor union with which it has a collective bargaining agreement, a notice, to be provided by the agency contracting officer, advising the labor union of the contractor's commitments under this chapter and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

The contractor or subcontractor where applicable, agrees to comply with any regulations promulgated by the Treasurer pursuant to **N.J.S.A. 10:5-31 et seq.**, as amended and supplemented from time to time and the Americans with Disabilities Act.

The contractor or subcontractor agrees to make good faith efforts to meet targeted county employment goals established in accordance with **N.J.A.C. 17:27-5.2.**

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex; and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personal testing conforms to the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable law and applicable Federal court decisions.

In conforming with the applicable targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

The contractor shall submit to the public agency, after notification of award but prior to execution of a goods and services contract, one of the following three documents:

Letter of Federal Affirmative Action Plan Approval

Certificate of Employee Information Report

Employee Information Report Form AA302 (electronically provided by the Division and distributed to the public agency through the Division's website at www.state.nj.us/treasury/contract_compliance)

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Public Contracts Equal Employment Opportunity Compliance as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Public Contracts Equal Employment Opportunity compliance for conducting a compliance investigation pursuant to **Subchapter 10 of the Administrative Code at N.J.A.C. 17:27.**

Company Name: O.C.E.A.N, Inc

Name: Channell Wilkins

Title: CEO

Signature: Channell Wilkins

Date: 3/14/23

Resolution of the City of Atlantic City
No. 135

Approved as to Form and Legality on Basis of Facts Set Forth

Assistant City Solicitor /s/ Karl Timbers

Factual contents certified to by

Assistant CDBG Director/s/ Marc Starling

Prepared by City Solicitor's Office

Council Members RANDOLPH & SHABAZZ present the following Resolution:

RESOLUTION AMENDING RESOLUTION NO. 837 OF 2022
TO CORRECT THE AMOUNT OF FUNDS CERTIFIED

WHEREAS, Resolution 837 of 2022, adopted December 21, 2022, reflected that the funding amount to be set aside for the project was $288,094.00; however, the certification of funds reflects that the amount available to be set aside is $227,850.00.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Atlantic City that Resolution No. 837 of 2022 is hereby amended to reflect that the HOME funding the City's CDBG Office recommends the amount to be set aside for **O.C.E.A.N. INC. COMMUNITY DEVELOPMENT CORPORATION** is **TWO HUNDRED TWENTY-SEVEN THOUSAND EIGHT HUNDRED FIFTY DOLLARS ($227,850.00)** from its CHDO reserve to assist in the completion of three (3) newly constructed homes For Sale Project; and

BE IT FURTHER RESOLVED by the Council of the City of Atlantic City that the Mayor is hereby authorized and directed to enter into an agreement with **O.C.E.A.N. INC. COMMUNITY DEVELOPMENT CORPORATION**, and the City Clerk shall attest this Agreement which will allow the City of Atlantic City to allocate HOME Investment Partnership funds from the Department of Housing and Urban Development (HUD) to **O.C.E.A.N. INC. COMMUNITY DEVELOPMENT CORPORATION.**

kc March 10, 2023 1:20 PM

DO NOT USE SPACE BELOW THIS LINE

RECORD OF COUNCIL VOTE ON FINAL PASSAGE

COUNCIL MEMBER	AYE	NAY	N.V	A.B.	MOT.	SEC.	COUNCIL MEMBER	AYE	NAY	N.V.	A.B.	MOT.	SEC.
DUNSTON	X						SHABAZZ	X				X	
KURTZ	X						TIBBITT	X					
MARSHALL	X						WEEKES	X					
MORSHED	X					X	ZIA	X					
							RANDOLPH, PRESIDENT	X					

X-Indicates Vote NV-Not Voting AB-Absent MOT-Motion SEC-Second

This is a Certified True copy of the Original Resolution on file in the City Clerk's Office.

DATE OF ADOPTION: FEBRUARY 15, 2023

Paula Geletei

/s/ Paula Geletei, City Clerk