

**APPENDIX D: PROJECT AGREEMENT No. H-PAHD-VIHA-Walter IM Hodge-LMI**  
Project Name: Walter IM Hodge Revitalization Project

An Agreement, by and between the **VIRGIN ISLANDS HOUSING FINANCE AUTHORITY** (“VIHFA” or “Grantee”), an independent instrumentality of the Government of the Virgin Islands, at 3202 Demarara Plaza, Suite 200, St. Thomas 00802, the **VIRGIN ISLANDS HOUSING AUTHORITY** (“VIHA”), an Agency of the Government of the Virgin Islands, at 3B Estate Donoe, St. Thomas, USVI 00802, and herein jointly referred to as the “Parties” or “Virgin Islands Entities.” This Agreement is condition upon, and subject to, VIHA adherence to the requirement found in Subrecipient Agreement SA-DR-HA-001-2019.

**WHEREAS**, a **SUBRECIPIENT AGREEMENT** was executed on May 24, 2019, between the **VIRGIN ISLANDS HOUSING FINANCE AUTHORITY** (“VIHFA”), a body corporate and politic constituting a public corporation and autonomous governmental instrumentality of the Government of the Virgin Islands and the **VIRGIN ISLANDS HOUSING AUTHORITY** (VIHA), an executive department in the Government of the Virgin Islands; and

**WHEREAS**, the **SUBRECIPIENT AGREEMENT** outlines the respective roles and responsibilities of the Parties and the governing terms and conditions for funds allocated under the Community Development Block Grant Disaster Recovery Program; and

**WHEREAS**, this **PROJECT AGREEMENT** (“Agreement”) provides detailed information on the project to be funded from the stated grant award specified within the Subrecipient Agreement; and

**WHEREAS**, this **PROJECT AGREEMENT** (“Agreement”) is incorporated and integrated as Appendix “D” to the Subrecipient Agreement and is subject to all the terms and conditions contained therein within the Subrecipient Agreement; and

**NOW THEREFORE**, in consideration of the principles, assurances and promises contained within the Subrecipient Agreement and herein, the Parties mutually agreed as follows:

## **SECTION 1: SCOPE OF SERVICES**

### **Activity: Rehabilitation and Preservation**

The scope of work for the Walter IM Hodge community includes interior and exterior work rehabilitation and renovation. Within the apartments the scope addresses interior rehabilitation, non-hazardous abatement new plumbing and electrical wiring, new energy-efficient kitchen and bathroom fixtures, new floor tiles and painting, new kitchen cabinets, and smoke detector upgrades. Some units will have asbestos and lead-based paint remediation, as well as mold abatement completed as identified in the apartments from environmental assessments.

The exterior scope will address exterior rehabilitation of all buildings and site improvements throughout the project. Along with new roofs on each building and planned solar photovoltaic

(PV) arrays, this new aesthetically pleasing façade system will serve as a major wind retrofit and resilient feature. The wind retrofit system will include new hurricane-wind resistant windows and entry doors, as well as a new exterior louvers and protection for stairwells. There will also be new site beautification measures, which will include landscaping, redesigned pedestrian walkways, seating areas and recreational facilities, as well as parking throughout.

The project will also include vastly improved community spaces including a renovated community center/property office building, featuring a computer room and library. In addition, the project will also include a new senior center to accommodate the needs of residents (utilizing two existing residential units to be transformed for this community space).

**Project Service/Target Area is:** This is a housing activity a service area is not needed.

## **SECTION 2: PROJECT SUMMARY**

The Walter I.M. Hodge Pavilion which is located at #194A, 194AA, 194AB & 194C Estate Smithfield, Frederiksted, St. Croix 00820 U.S. Virgin Islands was built in 1970. The revitalization project seeks to rehabilitate 248 units, consisting of thirty-six one-bedroom, eighty-nine two-bedroom, eighty-seven three-bedroom and thirty-six four-bedroom units. This project will also include the rehabilitation of the community center/management offices, the exterior of the twenty residential buildings, new recreational amenities, a senior center, site beautification and resiliency measures. The requested \$22,650,000. million from the Community Development Block Grant-Disaster Recover (CDBG-DR) funds will be used for non-hazardous abatement, unit rehabilitation and associated overhead, profit and soft costs. The property was damaged during the hurricane related events in 2017. To assist with the rehabilitation of the community, funding is being provided through several funding sources namely CDBG-DR, Federal Emergency Management Agency (FEMA) 404 and 428 funds, and insurance proceeds.

(If there are project specific timing requirements, or phases, or other items that need to be included, such as Notices to Proceed, list them here, below the Project summary narrative).

## **SECTION 3: NATIONAL OBJECTIVE**

### **Benefit to Low- and Moderate-Income Persons or Households**

Housing activities. An eligible activity conducted for the purpose of providing or improving permanent residential structure which, upon completion, will be occupied by low-and moderate-income households.

#### SECTION 4: TERM OF AGREEMENT

The term of this Agreement is \_\_\_\_\_ through \_\_\_\_\_ but may be extended pursuant to a written amendment to this Agreement as authorized in Subrecipient Agreement SA-DR-HA-001-2019. In any event, this Agreement shall cover the period that the Grantee has control over Community Development Block Grant Disaster Recovery funds.

#### SECTION 5: PROJECT BUDGET

Subject to the terms and conditions of this Agreement, VIHFA, as Grantee and administrator of the CDBG-DR Program, will make available to VIHA disaster recovery funds up to the maximum amount of twenty-two million six hundred and fifty thousand dollars (**\$22,650,000.00**) (the "Grant Funds") for the purpose of funding [Walter IM Hodge Project as shown in Action Plan] Program activities under the Action Plan, as amended from time to time, related to the stated [Walter IM Hodge] project, once VIHA is compliant with the terms and conditions of this Agreement and Subrecipient Agreement SA-CDBGDR-HA-001-2019. The Grant Funds must be expended by VIHFA within six years of the date that the funds are obligated by the U.S. Department of Housing and Urban Development (HUD) to VIHFA, unless an extension is hereinafter granted in writing by HUD or as approved by VIHFA.

VIHA is required to ensure all contracts with VIHA contractors clearly stipulate the period of performance or the date of completion. VIHA will provide to VIHFA a monthly performance narrative report, which will be included in the Monthly Status Report. The **total estimated Walter IM Hodge Project Budget** is **\$22,650,000.00** with any other sources of funding identified in **Exhibit 1, attached**. The funds allocated for VIHA are intended for use for non-hazardous abatement, unit rehabilitation and associated overhead, profit and soft costs.

#### Project Budget Summary:

Though the budget line items in Exhibit 1 are estimates, the total budget for this project as described in Section 1 Scope of Services of this project shall not exceed **\$22,650,000.00**. *Change orders shall be accommodated for this project within the existing construction contingency and/or the developer's fee.*

VIHA further agrees that it shall not deviate from this budget except with prior written approval from the Grantee. If changes to the budget are necessary, VIHA shall complete and submit a Budget Revision form for the Grantee's approval.

- A. Time of Payment: Payment shall be made upon receipt of reimbursement voucher or payment request sent to VIHFA.
  1. VIHA shall submit a reimbursement voucher or payment requests guided by the project disbursement schedule on a monthly basis and,
  2. VIHA shall submit supporting documentation for each line item reflected on the reimbursement voucher or payment request.

## **SECTION 6: DOCUMENTATION OF PROJECT COSTS AND OTHER FINANCIAL REPORTING**

A. Supporting documentation for each line item should be a part of the reimbursement or payment request.

B. Disbursement of Payment: The Grantee shall apply the funds under this Project Agreement in accordance with the Project Budget Summary and as reflected in the draw request voucher(s) submitted by VIHA. Payment shall be made to VIHA directly within forty-five calendar days.

C. Budget Revisions: Any request for a line-item expense change shall be submitted in writing; shall specifically state the reasons for the requested increase; and shall provide a justification for the corresponding decrease in other line-item(s). Any budget revisions must be necessary and meet Cost Reasonableness standards. All budget revisions and/or amendment requests will be reviewed and approved or denied.

D. CDBG-DR Regulatory Agreement: As a condition to disbursement of proceeds, VIHA will be required to execute and deliver to VIHFA the CDBG-DR Regulatory Agreement which shall be recorded in the Lt. Governor's Office and shall be subordinate only to those liens and encumbrances agreed to by VIHFA, in its sole discretion. The CDBG-DR Regulatory Agreement shall have a stated \_\_\_\_\_(\_\_\_\_) year duration, subject to termination in the event of foreclosure as provided under the CDBG-DR Regulatory Agreement.

**Conditions to be Met Prior to the Disbursement of the Initial Draw.** Prior to the disbursement of any draws, the following conditions must be satisfied in the sole and absolute discretion of VIHFA:

- a. VIHFA shall be in receipt of Authorization to Use Grant Funds, which is the HUD approval of the environmental review. No funds can be disbursed prior to receipt of this approval.
- b. VIHFA shall have received executed originals of all of this Agreement and all Loan Documents (including a disbursement statement), in form and substance acceptable to VIHFA.
- c. VIHFA shall be in receipt of a construction schedule that is in line with disbursement of funds.

- d. VIHFA shall have received the financial statements of all Guarantors.
- e. VIHFA shall have received from the VIHA a copy of the construction budget and line-item breakdown of Total Development Costs, including hard and soft costs, approved by the Investor, as evidenced in a commitment letter along with the Final Proforma of the sources and uses of funds in the amount of the Total Development Costs, a draw schedule and estimated development timing assumptions.
- f. VIHFA shall have received a copy of the certificates of insurance as to Builder's Risk and Hazard Insurance in completed value form with extended coverage in the amount of the full value of the Project, as completed, unless any of such requirements is waived by VIHFA. The policy shall also provide that such policy will not be canceled without thirty (30) days' notice to VIHA.
- g. VIHFA shall have received a copy of the payment and performance bonds from a U.S. Treasury approved surety in the full amount of the general contractor's contract price which lists VIHA as a dual obligee.
- h. VIHFA shall have received a copy of the general contractor's contract, the architect's contract, the development agreement, the management agreement and management plan, the plans and specifications, the site plan and floor plans, an appraisal and market study, utility availability letters, and such other documentation as VIHFA may require.
- i. VIHFA shall have received a copy of the building permit(s) or written confirmation from the relevant government authorities that the building permits are ready to be obtained subject only to payment of fees authorizing construction of the Project together with a certificate from the public official issuing the building permit(s) that the Project will conform to existing zoning laws and specified variances, if any; and all other authorizations, permits or approvals, if any, required by any governmental authorities for the construction and operation of the Project, which are presently procurable.
- j. VIHFA shall have received a copy of the ground lease between VIHA and the Project Owner and a copy of VIHA's mortgagee's policy of title insurance, insuring VIHA's mortgage lien on the Project.
- k. VIHFA shall have received an ALTA Survey of the current condition of the Land,

certified to VIHFA, showing any buildings or other improvements located thereon and platting building setback lines, servitudes, roads, encroachments, any plottable exceptions that are acceptable to VIHFA in its sole discretion and any other locatable or visible survey or title-related issues affecting the Land together with a statement as to the flood elevation and zoning for the Land and such other requirements and certification as VIHFA may reasonably require.

- l. VIHFA shall have received Project Owner's tax identification number, evidence that the Project Owner has been awarded Tax Credits for the Project from the VIHFA in the amount stated in the reservation, and confirmation that the Project Owner has received a commitment from an investor to purchase the tax credits pursuant to the Project Owner's Organizational Documents.
- m. VIHFA shall have received and reviewed federal System of Awards Management (SAMs) verification of good standing on all contractors.

**1.1 Conditions to be Met for All Draws.** The following are conditions for all draws and they must be satisfied in the sole and reasonable discretion of VIHFA (it being understood and agreed that, subject to the provisions contained in Section 5 of this Agreement, VIHFA may withhold from disbursement any amounts required to fund any reserve required by the terms of the Loan Documents):

(a) VIHA shall supply VIHFA with a copy of the Draw Request from VIHA (the "Draw Request") in the form provided by VIHFA requesting disbursement of funds for reimbursement of Eligible Expenses. Each Draw Request shall set forth the amount requested and shall be accompanied by partial releases of liens from the general contractor and all major subcontractors to the effect that such amount has been paid for labor and materials supplied to the Project for the immediately preceding draw period and that general contractor and the major subcontractors claim no lien on the Project, and such other evidence as may be required by this Agreement or by VIHFA. VIHFA shall have received for its approval the Draw Request for such disbursement and any other certifications provided for herein or as requested by VIHFA in its reasonable discretion. For all draw requests submitted for payment of any contractor or supplier with an Identity of Interest relationship with VIHA, VIHA's Architect shall submit a certification of cost reasonableness establishing that such costs are reasonable.

(b) All conditions precedent to the funding of the Construction Loan shall have been satisfied to the construction lender's satisfaction and there shall be no defaults or events with which could serve as the basis for a default under the Construction Loan.

(c) There shall be at all times undisbursed Grant funds which, when combined with any equity amounts to be funded by the Investor, are sufficient to complete the construction of the Project. Each Draw Request shall be deemed to be a certification by VIHA to the VIHFA that, taking into account any retainage, there will be sufficient funds to complete the Project. VIHFA shall have received from the Inspector (as "Inspector" is defined in the Loan Documents) or from VIHA a copy of the Inspector's report prior to the date of such Draw Request and such report shall be satisfactory to VIHFA in its sole discretion.

(d) VIHA shall have received an endorsement to the title insurance policy, using standard construction loan disbursement endorsements, updating the status of title to the date of the current Draw Request and increasing the insurance coverage to an amount equal to the sum of all prior Draw Requests and the current Draw Request, without additional exceptions or objections, except those specifically approved in writing by VIHA.

(e) VIHFA shall have received evidence that all certificates of insurance as to Builder's Risk and Hazard Insurance remain in effect.

(f) VIHFA shall have received a certificate of VIHA included with each Draw Request stating that VIHA has satisfied and is in compliance with all of the terms, covenants and conditions of this Agreement, the Program, and all laws, rules, regulations, ordinances, and codes applicable to the Project, including without limitation CDBG regulations, to the extent not waived in writing. Such certificate shall state that all of VIHA's representations, warranties and covenants contained in the Application and the Grant Documents are true and correct in all material respects as of the Disbursement Date, and VIHA has performed all of its obligations under the Grant Documents, and no Default, or circumstance or event which with notice or the passage of time, or both would constitute a Default under the Grant Documents shall exist as of the Disbursement Date.

(g) If requested by VIHFA, VIHA shall furnish copies, certified by VIHA to be true and correct, of all subcontracts and purchase orders for the provision of labor and materials for the construction of the Improvements and statements from each subcontractor and supplier, which (1) state the amount of its contract and the amount paid to date and (2) acknowledge full payment (less retainage) of all sums due and payable for all work done and materials supplied.

(h) If requested by VIHFA, VIHA shall furnish to VIHFA evidence satisfactory to VIHFA that Project Owner and general contractor have obtained or can obtain all necessary materials as and when required for the completion of the Project in accordance with the Plans and Specifications.

**1.2 Conditions to be Met Prior to the Disbursement of the Final Draw.** When the Project has been completed, VIHA shall: (1) supply VIHFA with the following documents; (2) satisfy the following terms and conditions; and (3) satisfy all of the conditions and supply all of the information required under the Grant Documents, prior to final disbursement of the Grant proceeds (including any retainage withheld).

(a) Certificates of occupancy for each building and unit in the Project or its equivalent from the applicable governmental authorities for the Territory. Certificate from the Project Owner's architect or engineering firm that the Project has been completed in substantial compliance with the Plans and Specifications for the Project, and with the Architectural Barriers Act of 1968 (42 U.S.C. §§4151-4157); the Uniform Federal Accessibility Standards, as set forth in 24 CFR Section 570.614; the Americans with Disabilities Act of 1990; for existing properties build prior to 1978, the Lead-Based Paint Poisoning Protection Act (42 U.S.C. §4831(b)) and the Residential Lead based Paint Hazard Reduction Act of 1992 (42 U.S.C. §§4851-4856) and implementing regulations at 24 CFR Part 35; and Section 504 of the Rehabilitation Act of 1973.

(b) Certificate from the Inspector that the Project has been completed in accordance with the Plans and Specifications in a good and workmanlike manner (the "**Certificate of Completion**").

(c) A copy of the ALTA "As Built" Survey, certified to VIHA, showing the buildings and improvements comprising the Project to be within lot lines and building setback lines, all easements, roads, rights of way and matters affecting title, and any other information required by VIHFA.

(d) A copy of the endorsement to the title insurance policy updating VIHA's title insurance policy to the completion date, increasing the insurance coverage to the full amount of the Loan, containing no additional exceptions not previously approved by VIHA, and evidencing the subordination of any Senior mortgage or lien to the terms and conditions of the CDBG Regulatory Agreement.

(e) A complete set of signed and sealed "as built" Plans and Specifications.

(f) Satisfaction and compliance with all of the terms, covenants and conditions contained in the Application, the Program Description, this Agreement, and the other Loan Documents.

(g) Compliance with all laws, rules, regulations, ordinances, and codes applicable to the Project, including without limitation CDBG regulations, to the extent not waived in writing, applicable to the Project.



(h) VIHFA shall have approved the Cost Certification Audit (as defined in the Note) from VIHA and shall have completed the final subsidy layering review of the Project costs.

(i) VIHFA shall have received copies of (a) current certificates of insurance as required by this Agreement; (b) reserved; (c) an estoppel certificate from any other lenders providing financing for the Project stating that no defaults have occurred and that its loan terms are being complied with; (d) updated financial information from Project Owner and each Guarantor, including copies of the most recent year's tax returns and audited financial statement, and such other information as VIHFA deems necessary; (e) a certificate of Project Owner evidencing compliance with all Davis-Bacon requirements; (f) a certificate of Project Owner summarizing all actions taken to comply with the Housing and Urban Project Act of 1969 (Section 3); and (g) a warranty from the construction contractor, acceptable to VIHFA in its sole discretion, providing a full guarantee for all workmanship and materials, without regard to whether such work or materials was paid by VIHFA or other funding sources, for a period of not less than twelve (12) months from the date of the Certificate of Completion.

(j) Copies of current good standing certificates and certified copies of the Organizational Documents for the Project Owner, its general partner(s)/managing member(s), Guarantor(s), and such other parties as required by VIHFA.

(k) Evidence that the Low-Income Housing Tax Credits initially awarded to Project Owner are still available and committed to Project Owner for the Project and evidence of an initial contribution from Investor showing an intent to purchase the tax credits.

(l) Evidence that all FEMA funding awarded to the Project is available and committed to the Project Owner for the Project and evidence of such.

(m) Evidence that Insurance Proceeds named as a source of funding is also available and committed to the Project Owner and evidence of such is provided.

(n) Lien-free completion of the Project, as evidenced by final lien waivers in form and substance satisfactory to VIHFA and its counsel, from the general contractor and all major subcontractors, which may be conditioned on receipt of payments from the final disbursement of Grant proceeds hereunder) and expiration of the lien periods provided by applicable Virgin Islands law, with no liens being filed against the Project.

(o) Any approval required by any governmental authority to the extent that any such approval is a condition to the lawful use and occupancy of the Project.

(p) A complete list of any contractor(s) or subcontractor(s) who have performed work on, or furnished materials for, the Project.

**Payment of Draw Requests.** If all conditions precedent to VIHFA's obligations hereunder and to the Draw Request have been performed to the reasonable satisfaction of VIHFA, VIHFA will make the Draw Request, in accordance with this Agreement, payable to VIHA. VIHFA shall make each Draw Request in the amount justified by the applications, affidavits, and certificates. The proceeds of each Draw Request hereunder shall be applied solely and exclusively to payment or to reimbursement of VIHA for payment of the Total Development Costs and soft costs approved by VIHFA. Upon request of VIHFA, VIHA agrees to provide to VIHFA, at any time and from time to time, receipts, vouchers, statements, bills of sale or other evidence satisfactory to VIHFA of actual payment(s) of such Total Development Costs approved by VIHFA. Notwithstanding the foregoing, VIHFA may apply any amounts due VIHA hereunder toward satisfaction of any of the terms or conditions of this Agreement. Amounts so applied shall be part of the Loan and secured by the lien of the Mortgage. All disbursements from any "contingency" categories shall be made at VIHFA's sole and absolute discretion.

#### **Duplication of Benefits**

CDBG-DR funding is considered as the "funding of last resort." As such, the VIHA is required to exhaust all other potential funding sources prior to using CDBG-DR funding. This includes funding potentially made available by FEMA. Documentation of a refusal by FEMA to provide funding for this project will be required prior to a final commitment of CDBG-DR funding. In addition, VIHFA requires that the VIHA, as a condition for receiving cost reimbursement, repay to VIHFA any funding the VIHA has or later receives from any other disaster assistance funding source for the activities for which it will be receiving CDBG-DR funds.

VIHA agrees, as a condition of funding, to repay the funding if it later receives other disaster assistance funding for the same purposes therein. Additionally, funds may be used as a matching requirement, share, or contribution for any other Federal program when used to conduct an eligible CDBG-DR activity if there is no duplication of benefits of federal funds. This includes programs or activities administered by, but not limited to, FEMA, the U.S. Environmental Protection Agency (EPA), or the U.S. Army Corps of Engineers (USACE).

*Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.*

*VIHA is also required to include the above warning in its vendor contracts and/or agreement that are executed pursuant to this Agreement.*

Any funds not disbursed at the close of construction will remain with the project unless these funds are determined to be duplicative.

### **Program Income**

Grantee agrees to permit the VIHA to retain program income. The VIHA agrees to collect and record Program Income generated by activities assisted under this Agreement. Program Income, as defined in 24 CFR 570.500(a) and further refined by Federal Register notice (FR-6066-N-01), means any gross income received by the VIHA that was directly generated by the use of grant funds. This includes but is not limited to principal and interest payments on any loans made to the Project by the VIHA, as well as income earned on Program Income pending disposition of the income. Program Income generated after the closeout of the grant, must be returned to VIHFA.

VIHFA will establish a Program Income account specifically for the VIHA in the Disaster Recovery Grant Reporting (DRGR) system and shall record as part of the financial transaction the receipt and expenditure of Program income by the VIHA. The VIHA agrees to submit a quarterly report to the Grantee detailing receipt and uses of Program Income.

### **SECTION 6: DOCUMENTATION OF PROJECT COSTS AND OTHER FINANCIAL REPORTING**

All payments shall be made as progress payments for work performed. All project costs must be supported with source documentation, including purchase orders, invoices, cancelled checks, evidence of electronic payments, etc. and submitted to VIHFA for review.

Prior to subsequent reimbursement requests, VIHA must reconcile its financial records, identify any unspent funds or excess cash on hand, along with any earned interest from the unspent funds or excess cash on hand. Any earned interest from unspent funds or excess cash on hand must be remitted to VIHFA immediately. These reconciliations must be available to VIHFA for review upon request.

Normal indirect cost rules apply. If an agency intends to charge indirect costs to the award, the project budget must clearly state the rate and distribution base intended to be used. If there is a Federally negotiated indirect cost rate, the agency must include the letter or other documentation from the cognizant agency showing the approved rate. Any changes to the indirect cost rate must be submitted to VIHFA before utilization under this agreement.

### **SECTION 7: PERFORMANCE MEASURES / PROJECT MILESTONES**

#### **Conditions**

- Provide Final Investor commitment letter and Proforma from Goldman Sachs at closing
- Provide Evidence of Insurance Proceeds received
- Provide copy of the Final Executed Rental Assistance Demonstration Conversion Commitment

- Execution of all CDBG-DR required closing documents and copies of all closing documents
- Updated Disbursement Schedule.

**Milestones:**

- VIHA will provide Davis Bacon Weekly Payroll for review and certification.
- VIHA will complete the CDBG-DR Monthly Status Report that would provide details on the progress of the project based on the disbursement schedule provided at the time of application approval.
- VIHA will provide Monthly Status Report on resident relocation with supporting documentation.
- VIHA will provide Monthly 3<sup>rd</sup> Party Inspection Report on the status of site activities related to the defined scope of work.
- VIHA will provide Monthly Status of Lead and Asbestos/ Remediation/Abatement with supporting documentation
- As funds are disbursed, VIHA will provide disposition and reconciliation of funds awarded prior to each draw request.
- VIHA will provide Quarterly Report on the disposition of any program income received
- VIHA will adhere to disbursement Schedule as provided at closing
- Project completion will occur by March 31, 2024, any deviation from this date will be documented by VIHA and shared with VIHFA.

**SECTION 8: CLOSE-OUT**

VIHA obligations under this Agreement shall not end until all close-out requirements as set forth in 24 CFR 570.509 are completed. The terms of this Agreement shall remain in effect until the project has been closed out.

VIHA shall submit within thirty (30) days after the date of expiration of this Agreement, all financial, performance and other reports required by this Agreement and Subrecipient Agreement SA-CDBGDR-HA-001-2019, and in addition, will cooperate in any project audit.

Closeout of funds will not occur unless all requirements of 24 CFR 92.507 and any outstanding issues with a contractor / vendor and or subcontractor have been resolved to the satisfaction of VIHFA, and/or HUD.

The following is a list of items/activities that will be required and will concur prior to project close-out:

- Final Walk Through with Program and Environmental Staff

- Electronic Files documenting tenant income/ demographics
- Evidence of Green Building Certification and Broadband Compliance
- Final copies of all insurance certificates- Hazard and Title with update
- Final As-Built Survey
- Evidence of Compliance with Section 504
- Provide copy of the Construction Warranty
- Provide Issuance of Certificate of Occupancies from DPNR
- *Low Income Housing Tax Credit- Cost Certification*

### **Records**

VIHA shall comply with 24 CFR Section 570.506 and 2 CFR Part 200 regarding records that must be maintained for the Project. VIHA shall maintain all Project financial records, including source documentation to support how CDBG-DR funds loaned to VIHA hereunder were expended, which includes, but is not limited to, invoices, schedules containing comparisons of budgeted amounts and actual expenditures, and other documentation as may be required by VIHFA or HUD to support the expenditures for this Project. All supporting documents shall be maintained in accordance with the requirements of 2 CFR Part 200 or for such other period required by VIHFA or HUD. The records shall be made available to VIHFA, HUD, and/or any of their authorized representatives, who shall have access to and the right to examine any of the Project records during such period. All record keeping requirements set forth in this Agreement or any record keeping requirements mandated by CDBG-DR regulations shall survive termination of this Agreement.

### **Monitoring**

VIHA will allow on-site monitoring of the Project by VIHFA or an agent on its behalf, at such times as VIHFA or HUD deems necessary or required, and VIHFA and/or HUD shall have the right, but shall be under no obligation, to conduct any reasonable monitoring to determine compliance with the CDBG-DR Regulatory Agreement and this Agreement, including but not limited to the right to enter the Project (upon 48 hours prior written notice to the VIHA) to inspect the Project and to inspect the books and records kept regarding the Project, and the right to inquire and receive responses from VIHA regarding the Project and its operation at any time that may be required by VIHFA or HUD.

### **SECTION 9: NOTICES**

Any notice required to be given under, or in connection with this Project Agreement, shall be in writing and shall be hand-delivered, mailed, emailed or facsimiled. All such communications shall

be transmitted to the address or numbers set forth below, or such other address or numbers as may be hereafter designated by either Party in written notice to the other Party compliant with this Section.

**To the VIHFA:**        **Dayna Clendinen, Interim Executive Director**  
Virgin Islands Housing Finance Authority  
3202 Demarara Plaza Suite 200  
St. Thomas, US Virgin Islands 00802  
Email: [dclendinen@vihfa.gov](mailto:dclendinen@vihfa.gov)  
Phone 340-777-4432, Facsimile: 340-775-7913

**To AGENCY:**        **Robert Graham, Executive Director**  
Virgin Islands Housing Authority  
9900 Oswald Harris Court  
St. Thomas, US Virgin Islands 00802-3100  
Email: [rgraham@vihousing.org](mailto:rgraham@vihousing.org)  
Phone: 340-777-8442, Facsimile: 340-775-0832

#### **SECTION 10: INTEGRATED DOCUMENT**

This Agreement, along with Subrecipient Agreement SA-CDBGDR-HA-001-2019 and any attachments, constitutes the entire agreement between the parties and both parties acknowledge that there are no other agreements, written or oral, that have not been fully set forth in the text of this Agreement.

#### **SECTION 11: SEVERABILITY**

The terms and provisions of this Agreement are severable. Unless the primary purpose of this Agreement would be frustrated, the invalidity or unenforceability of any term or provision of this Agreement shall not affect the validity or enforceability of any other term or provision of this Agreement. The Parties intend and request that any judicial or administrative authority that may deem any provision invalid, reform the provision, if possible, consistent with the intent and purposes of this Agreement, and if such a provision cannot be reformed, enforce this Agreement as set forth herein in the absence of such provision.

Reviewed for Legal Sufficiency:



Nycole A. Thompson

Dated: 21st day of April, 2022

**WITNESSES:**

**VIRGIN ISLANDS HOUSING AUTHORITY**

\_\_\_\_\_

BY: \_\_\_\_\_  
Robert Graham, Executive Director

\_\_\_\_\_

DATE: \_\_\_\_\_

**WITNESSES:**

**VIRGIN ISLANDS HOUSING FINANCE  
AUTHORITY**

\_\_\_\_\_

BY: \_\_\_\_\_  
Dayna Clendinen, Interim Executive Director

\_\_\_\_\_

DATE: \_\_\_\_\_

Subrecipient Agreement **SA-CDBGDR-HA-001-2019**

Appendix D: Project Agreement No. **H-PAHD-VIHA-WALTER IM HODGE LMI**

Project Name: **WALTER IM HODGE REVITAIZATION PROJECT**

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**EXHIBIT I**  
**WALTER I.M. HODGE DETAILED BUDGET SHEET**



## SECTION II – BUDGET INFORMATION

CATEGORY	CDBG-DR BUDGET								TOTAL COST
	LIHTC	FEMA 428	FEMA 404	INSURANCE PROCEEDS (FIRE CASUALTY)	DEFERRED DEVELOPER FEE	ACCRUED INTEREST	LESSOR'S NOTE		
	1st Funding Source	2nd Funding Source	3rd Funding Source	4th Funding Source	5th Funding Source	6th Funding Source	7th Funding Source	8th Funding Source	
Program Administration <i>(At the discretion of the grantee)</i>									
Budget Item A									\$ -
Budget Item B									\$ -
<b>Total Program Administration</b>	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
Budget Item A - Land Cost								\$ -	\$ -
Budget Item B - Acquisition of Existing Buildings								\$ 13,300,000	\$ 13,300,000
Budget Item C - General Development Costs	\$ 346,298	\$ 7,297,355	\$ 2,673,781	\$ 664,999					\$ 10,982,433
Budget Item D - Financing Costs		\$ 5,592,343					\$ 849,151		\$ 6,441,494
Budget Item E - Construction Costs									
ACM Abatement	\$ 1,826,156		\$ 43,405						\$ 1,869,561
LBP Abatement		\$ 117,980							\$ 117,980
Unit Rehab	\$ 17,284,500		\$ 3,553,500	\$ 2,195,695					\$ 23,033,695
Common Areas/Exteriors/Grounds	\$ 135,400	\$ 1,782,865	\$ 15,980,408	\$ 14,421,596					\$ 32,320,269
GC, Overhead and Profit, Bond	\$ 2,939,666	\$ 272,317	\$ 4,249,607	\$ 1,278,801					\$ 8,740,391
Allowance for Building 16 Roof Damage		\$ 214,000			\$ 386,000				\$ 600,000
Hard Cost Contingency	\$ 117,980	\$ 3,797,641	\$ 2,499,300	\$ 181,471					\$ 6,596,392
Budget Item F - Developer Fee		\$ 8,484,725		\$ 1,380,084		\$ 2,220,191			\$ 12,085,000
<b>Subtotal Project Cost (Direct)</b>	\$ 22,650,000	\$ 27,559,227	\$ 29,000,000	\$ 20,122,646	\$ 386,000	\$ 2,220,191	\$ 849,151	\$ 13,300,000	\$ 116,087,215
Project Cost (Activity Delivery Cost)									
Budget Item A									\$ -
Budget Item B									\$ -
Budget Item C									\$ -
<b>Subtotal Project Cost (Activity Delivery Cost)</b>	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
<b>TOTAL PROJECT COST</b>	\$ 22,650,000	\$ 27,559,227	\$ 29,000,000	\$ 20,122,646	\$ 386,000	\$ 2,220,191	\$ 849,151	\$ 13,300,000	\$ 116,087,215
Indirect Cost									
Planning									
Budget Item A - Acq., Soft Costs, Reserves (est.)									\$ -
Budget Item B									\$ -
Budget Item C									\$ -
<b>Total Planning Cost</b>	\$ -	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	\$ 22,650,000	\$ 27,559,227	\$ 29,000,000	\$ 20,122,646	\$ 386,000	\$ 2,220,191	\$ 849,151	\$ 13,300,000	\$ 116,087,215