



Community Development Department

REQUEST FOR PROPOSALS

PROJECT: City of Sisters – Multi-Family Rental Workforce Housing Project

ISSUE DATE: August 15, 2022

PROPOSALS DUE: September 23, 2022
4:00 p.m., Pacific Time, at Sisters City Hall
520 E. Cascade Avenue
PO Box 39
Sisters, OR 97759
Phone: (541) 549-6022
Fax: (541) 549-0561

Contact:
Community Development Director
Scott Woodford
(541) 323-5211 (Direct)
swoodford@ci.sisters.or.us

CITY OF SISTERS

**Notice of Request for Proposals
City of Sisters Affordable Housing Grant**

Proposals due 4:00 p.m., Pacific Time, on Friday, September 23, 2022

City of Sisters (“City”) is soliciting proposals from parties interested in financial assistance for development of a qualifying affordable housing project within the City of Sisters, as more particularly described in the City’s Request for Proposal (the “RFP”). Interested firms can obtain a copy of the RFP and any addenda by visiting <https://www.ci.sisters.or.us/rfps> .

Proposals must be received by Kerry Prosser, City Recorder, by hand delivery at 520 E. Cascade Ave, or by mail at PO Box 39, Sisters, Oregon 97759, on or before 4:00 p.m., Pacific Time, on Friday, September 23, 2022. Sealed, opaque envelopes should be clearly marked “**City of Sisters – Affordable Housing Grant**”. Please provide one (1) digital copy (no email submittals), one (1) original hard copy, and five (5) hard copies of the Proposal. The original should be marked “Original” and must bear an original ink signature by an individual authorized to represent the proposer. Late submissions will not be accepted.

All questions or requests for clarification must be submitted in writing no later than September 8, 2022, to Scott Woodford by email or mail at:

Email: swoodford@ci.sisters.or.us (*preferred method*)

Mail: City of Sisters
Community Development Department
Attn: Scott Woodford
PO Box 39
Sisters, OR 97759

TABLE OF CONTENTS

SECTION

1. General Background
 - A. General Information About the City of Sisters
 - B. Project Introduction/Objectives
 - C. Solicitation Schedule
2. Qualifying Projects
 - A. Eligible Applicants
 - B. Eligible Activities
 - C. Ineligible Activities
 - D. Income Limits
3. Proposal Submission
 - A. Submission Instructions
 - B. Questions; Point of Contact; Addenda
4. Proposal Format
 - A. Minimum Required Qualifications
 - B. Proposal Content
5. Proposal Evaluation and Selection
 - A. Evaluation
 - B. Selection
6. Additional Information
 - A. Certification of Compliance with Tax Laws
 - B. Confidential Information
 - C. City Rights; Expenses

Attachment A – Sample Grant Agreement

Attachment B – Urban Renewal District Boundaries

City of Sisters
Request for Proposals
City of Sisters Affordable Housing Grant

City of Sisters (“City”) is soliciting proposals (“Proposal(s)”) from affordable housing developers (“Proposer(s)”) seeking financial assistance to develop a qualifying affordable housing project, as more particularly described in this Request for Proposals (this “RFP”).

SECTION 1 **GENERAL BACKGROUND**

A. GENERAL INFORMATION ABOUT THE CITY OF SISTERS

1. City of Sisters (“City”) is located on the east side of the Cascade Mountains, approximately 100 miles east of Salem, 18 miles west of Bend, and 20 miles west of Redmond. City encompasses approximately 1.9 square miles and has experienced relatively rapid growth in residential and commercial construction since the end of the last economic recession and the residents’ demographics are evolving rapidly.

2. City’s largest industry segment is tourism and visitor services, stemming from the town’s proximity to several large destination resorts, its specialty western architectural theme, and its location as a gateway into Central Oregon via US 20/OR126. City continues to experience large influxes of tourists and regional visitors during the peak seasons and its industrial traded sector is growing.

3. City’s annualized annual growth rate is approximately 2.4% per year. Portland State’s Population Research Center estimates City’s population at approximately 3,286 as of December 31, 2021 and City is projected to grow to approximately 7,400 people by 2040. This classifies City as one of the (relatively) fastest growing cities in Oregon.

4. City is also experiencing rapid growth in housing prices leaving few options for those earning at or below the current area median income of approximately \$83,000. Currently, median home sales prices are approximately \$750,000 and median monthly rent for a two-bedroom apartment or house is approximately \$1,500-2,000 per month.

B. PROJECT INTRODUCTION

1. In recognition of the significant need, the Sisters City Council has prioritized the provision of affordable housing.

2. City has received one time ARPA funding from Deschutes County in the amount of \$500,000 to be applied towards eligible projects. Such fundings is from different sources that City’s Affordable Housing Program (AHP) established under Ordinance No. 495 and subject to different requirements. The AHP has approximately \$100,000 of funds available. The City has up to \$400,000 from the Sisters Urban Renewal District to be applied towards eligible projects (see Attachment B showing District boundaries).

2. The purpose of this RFP is to establish a process for the selection of eligible projects for receipt of grant funds. City specifically desires to fund multi-family projects with 40 or more dwelling units that will remain affordable to those at 60-80% of area median income for City for at least 20 years.

3. Grant funds will be disbursed pursuant to the terms and conditions of a grant agreement, in a form acceptable to City, that will generally require documentation of eligible expenses with grant funds disbursed as reimbursement for such expenses unless City approves of an alternative form of disbursement.

C. SOLICITATION SCHEDULE

City anticipates the following general timeline for this RFP. The following dates are subject to change at City’s discretion:

RFP posted on City website and other media outlets	August 15, 2022
Clarification inquiries deadline	September 8, 2022
Proposals due (Time)	September 23, 2022 (4:00 p.m., Pacific)
Interviews	October 3-7, 2022
Advisory Committee Recommendations	October 14, 2022
Council Award (tentative)	October 26, 2022

SECTION 2 QUALIFYING PROJECTS

Projects seeking grant funds must meet the following requirements:

A. ELIGIBLE APPLICANTS

Applications will be accepted from property owners, private sector for-profit developers, certified Community Housing Development Organizations (CHDO’s), government housing providers and qualified 501(c)(3) organizations that meet the minimum experience requirements set out below.

B. ELIGIBLE PROJECTS/ELIGIBLE USES OF GRANT FUNDS

Grants will only be awarded to new multi-family projects with 40 or more dwelling units.

Grant funds may only be used for:

- Acquisition of real property by purchase
- Building permit fees/system development charges
- Construction of housing

C. INELIGIBLE ACTIVITIES

Grant funds may not be used for:

- Rehabilitation of existing housing
- Overhead or administrative expenses

- Purchase of construction equipment, fire protection equipment, furnishings and personal Properties
- Operating and maintenance expenses
- Income payments
- Land use application fees

D. INCOME LIMITS

Projects awarded funding will be subject to a grant agreement and deed restrictions, each in a form acceptable to City, but generally requiring that initial tenants of units supported by grant funds must have an annual household income which does not exceed 120% of area median income for City (adjusted for family size) as of the time of rental application however not less than 60%. The deed restriction will be effective for 20 years from the date final certificate of occupancy is issued for the project. The deed restrictions will also include notice and annual reporting requirements to City’s compliance reviews.

SECTION 3 PROPOSAL SUBMISSION

A. SUBMISSION INSTRUCTIONS

1. Proposals must be submitted in a sealed envelope or other sealed container. Please provide one (1) digital copy, one (1) original hard copy, and five (5) hard copies of the Proposal. The original should be marked “Original” and must bear an original ink signature by an individual authorized to represent the Proposer. Please indicate if you would like the device on which the digital copy is submitted returned to you.

2. Please clearly label the outside of the envelope “**City of Sisters – Affordable Housing Grants.**” Proposals must be received by City on or before **4:00 p.m., Pacific Time, on September 23, 2022.** Proposals received after the deadline time/date, for any reason, will not be considered. Without limiting the foregoing, mis-deliveries, late, incomplete, electronic, and/or faxed submittals will be considered nonresponsive. Proposals must address all items listed in this RFP; incomplete Proposals may not be considered as discretion of City.

3. Proposals must be addressed to:

For Hand Delivery/UPS/FedEx/DHL:
 City of Sisters
 Attention: Kerry Prosser City Recorder
 520 E. Cascade Ave
 Sisters, OR 97759

For traceable, regular mail via USPS delivery:
 City of Sisters
 Attention: Kerry Prosser City Recorder
 PO Box 39
 Sisters, OR 97759

4. Postmarks are not considered proof of delivery. If the Proposal is hand delivered, it must be delivered to and stamped by personnel at City Hall.

B. QUESTIONS; POINT OF CONTACT; ADDENDA

1. Questions, inquiries, or comments regarding this RFP, must be submitted in writing no later than 5:00 p.m., Pacific Time, on Thursday September 8, 2022, and must be directed to Scott Woodward at:

Email:

swoodford@ci.sisters.or.us (*preferred method*)

Mail:

City of Sisters

Attn: Scott Woodward

PO Box 39

Sisters, OR 97759

2. Any addenda or amendments to this RFP will be in writing and posted on City's website at <https://www.ci.sisters.or.us/rfps>. It is the responsibility of potential Proposers to check the website for addenda or amendments. No Proposal will be considered that is not responsive to any issued amendments.

SECTION 4 PROPOSAL FORMAT

The following requirements as to the form, content, and manner of submitting Proposals must be observed; variance from these requirements may result in rejection of the Proposal as unresponsive. A Proposer interested in funding must submit a signed and dated Proposal to City containing the information identified below. Proposals will first be evaluated for compliance with the minimum required qualifications identified below. Proposals meeting the minimum requirements will be forwarded to an evaluation committee for review and evaluation.

A. MINIMUM REQUIRED QUALIFICATIONS

Failure to comply with one or more of the following criteria may result in rejection of the Proposal. However, City reserves the right to

1. At least one copy of the submitted Proposal must bear an original signature on the cover letter. A duly authorized representative empowered to bind the Proposer must sign the Proposal.

2. The Proposal must demonstrate that the Proposer has the following experience: (a) relevant experience with at least three multi-family housing projects (affordable or otherwise) of similar scope to a qualifying project under this RFP; and (b) at least one income restricted housing project (i.e. any project where tenants/owners of the resulting housing had to meet specified income restrictions) of similar scope to a qualifying project under this RFP.

3. Each Proposal must not exceed 25 pages (not including the letter of transmittal, attachments, and/or appendices). If the Proposal exceeds 25 pages, only the first 25 pages will be

considered. Each Proposer must number the pages of each section in consecutive order. Each 8 ½" x 11" side of a page will be counted as one page. Each side of an 11" x 17" page will be counted as two pages.

Information included within the Proposal may be used to evaluate your submission as part of any criteria regardless of where that information is found within the Proposal. Information obtained from the Proposal and from any other relevant source may be used in the evaluation and selection process.

B. PROPOSAL CONTENT

In addition to the minimum required contents, Proposals must include, without limitation, the content listed below. Concise Proposals without needless duplication are encouraged. Emphasis should be on completeness and clarity of content and project readiness of the Proposal. Proposals should be prepared generally in the following format for the ease of the selection committee in reviewing multiple proposals.

1. Letter of Transmittal. All Proposals must include a cover letter addressed to Kerry Prosser, City Recorder, and signed by a representative legally authorized to bind the Proposer to its Proposal. The letter must: (a) express interest in obtaining funding; and (b) agree to comply with the requirements for an award for funding within the time periods established by City. The letter must also contain brief information concerning the Proposer, including, without limitation, the name of the Proposer, RFP contact person, email address, mailing address, telephone number, background of the Proposer, and must be signed by a person authorized to bind the Proposer.

2. Table of Contents. Proposals must include a table of contents and include a clear identification of the material by section and by page number.

3. Executive Summary. The Proposer must use this section to introduce the scope of the Proposal and to summarize the key provisions of the Proposal. Provide a statement describing why you or the firm are qualified for an award of funding.

4. Experience, Technical, and Other Qualifications. List the firm/organization and key personnel for the project. Include, without limitation, the following information:

a. Indicate the location of the firm/organization and the number of people, by level, expected to handle the project.

b. Provide a list of the firm/organization's current and recent projects, indicating the nature of the project, number of dwelling units, total project cost, project duration (application for building permit to issuance of certificate of occupancy/final governmental inspection), whether the project was subject to income-restrictions, and whether the project was the recipient of any similar public funding.

c. Provide names of principals, key personnel, and any subcontractors who will be assigned to the project, their experience, qualification, and periods of service with the firm.

5. Project Description:
- a. Describe the project proposed for fundings including, without limitation, the following:
- i. Number of dwelling units/dimensions of dwelling units
 - ii. Estimated total cost and amount of funding requested
 - iii. Whether units will be rented/owned
 - iv. Whether land has been secured
 - v. Anticipated commencement, completion, and other milestone dates
 - vi. Site plans/renderings
 - vii. Amenities
- b. Describe project financing including, without limitation, the following:
- i. A detailed line-item budget describing the total project cost and operating income and expenses, including consideration of inflationary factors, maintenance costs, insurance costs, etc.
 - ii. A completed Budget showing secured and potential sources of funding, including other federal and state grants and loans, monetary donations, in-kind contributions, volunteer labor, and donation of materials and supplies (attach additional sheets if necessary). Volunteer labor should be included under 'Private Funds'. Attach letters of funding commitment from sources, if available.
 - iii. A description of the assumptions used to determine the total project cost and the operating budget, including the sources consulted and how costs were determined.
 - iv. A statement regarding your agency's ability to proceed with the project without your requested funding assistance, or with an award less than your requested amount.
 - v. A detailed pro forma.
- c. Describe project feasibility and readiness including, without limitation, the following:
- i. A description of the proposer's administrative capacity to complete the project, including its experience in implementing and managing projects similar to the proposed project. If capacity is achieved through partnerships with or utilization of other organizations or agencies, describe the nature and status of these partnerships.
 - ii. A description of the proposer's readiness to proceed with the project. For example, if the purchase of property is involved, is the property currently available for purchase? Is staff/contractors currently available to work on the project, or is the agency ready to proceed with hiring/contracting? Have permits/approvals been obtained?
 - iv. A description of any land use processes (such as a zone change or a conditional use permit) the project will require and what steps, if any, have been taken to address these issues.

6. Additional Information. Any other information that the Proposer feels applicable to the evaluation of the Proposal or of their qualifications should be included in this section. You may use this section to address those aspects of your firm/organization or project that distinguish your firm/organization or project from others.

FAILURE TO INCLUDE ALL INFORMATION REQUESTED AND/OR FAILURE TO PROVIDE EVIDENCE THAT THE PROPOSER MEETS THE MINIMUM QUALIFICATIONS LISTED HEREIN MAY CAUSE SUCH PROPOSAL TO BE REJECTED AND NOT BE EVALUATED OR CONSIDERED IN THE SELECTION PROCESS.

SECTION 5 PROPOSAL EVALUATION AND SELECTION

A. EVALUATION

1. Evaluation Committee. City will establish a committee of at least three individuals to review, score and rank Proposals according to the evaluation criteria set forth in this RFP. City may appoint to the evaluation committee consultants, City employees, and/or employees of other public agencies with experience in land use planning. At least one member of the evaluation committee must be a City employee.

2. Evaluation Criteria. City will score each Proposal by reviewing and evaluating the Proposal content requirements outlined above. The following table indicates how the total points in the scoring will be assigned by required Proposal item. Failure to meet minimum requirements for any individual item may disqualify the Proposal regardless of the total points scored for the other items. Each item will be evaluated as follows:

<u>Requirement</u>	<u>Maximum Points</u>
Experience, Technical and Other Qualifications	10
Efficient use of grant funds	20
Project feasibility and readiness	20
Total	50 maximum points

3. Evaluation. The evaluation committee may check references and may seek outside expertise, including, without limitation, input from technical advisors, to assist in evaluating Proposals. The committee may request additional information from any Proposer. The committee will score and rank the Proposals based on the information submitted according to the evaluation criteria and point factors. The committee may, in the committee’s discretion, choose to recommend the preferred Proposal based solely on the written Proposal evaluation or select a short list of Proposers for interviews. If interviews are determined to be necessary, the scores for the written Proposals will be considered preliminary. Final scores will be determined following the interviews (if conducted). Based upon Proposal scoring, as modified by the interview, and the results of reference checks, the Proposers will be given final ranking by the evaluation committee. Such interviews and any presentation materials will be at the Proposer’s expense. If the evaluation committee conducts interviews, interviews will be ranked based upon the following:

<u>Requirement</u>	<u>Maximum Points</u>
Experience, Technical and Other Qualifications	10
Efficient use of grant funds	20

Project feasibility and readiness
Total

20
50 maximum points

4. City reserves the right to modify or incorporate additional steps in the evaluation process in the interest of having a thorough and comprehensive body of information in order to make a recommendation.

B. SELECTION

1. City may award grant funds to one or more Proposers at City's discretion. Upon completion of the evaluation process by the evaluation committee, City will advise the Proposers of the selection.

2. If City does not cancel this RFP after it receives the results of the scoring and ranking of each Proposal, City will begin negotiating grant agreements and deed restrictions with the selected Proposer(s). Such negotiations will be directed toward obtaining written agreement on (a) the Proposer's performance obligations and a performance schedule, (b) the payment methodology, and (c) any other provisions City believes to be in City's best interest to negotiate. City reserves the right to negotiate and execute a final grant agreement and deed restrictions that are in the best interest of City.

3. If negotiations with the selected Proposer(s) fail to result in agreement, City reserves the right to formally terminate negotiations and enter negotiations with other Proposers, until the negotiations result in agreement. If City's negotiation efforts fail to result in an agreement within a reasonable amount of time, as determined by City, the RFP may be formally terminated.

4. If grant funds are awarded, City and the Proposer's will enter into a grant agreement and deed restrictions. Such instruments will contain terms and conditions required under applicable law, those specified in this RFP, and will otherwise be in form and content satisfactory to City. Without otherwise limiting the generality of the immediately preceding sentence, or other provisions herein, the grant agreement include terms and conditions concerning, among other things, acceptable standards of performance, methodology for distributing funds, minimum insurance requirements, compliance with laws, indemnification, and representations and warranties. The grant will include a requirement for grant funds to be irrevocably committed by March 31, 2023. The grant agreement will be subject to approval of the City Council.

SECTION 5 ADDITIONAL INFORMATION

A. CERTIFICATION OF COMPLIANCE WITH TAX LAWS

By submitting a Proposal, the signatory must certify that the Proposer is not, to the best of the Proposer's knowledge, in violation of any Oregon tax law. For purpose of the certification, "Oregon tax law" means a state tax imposed under ORS 320.005 to 320.150 and 403.200 to 403.250, ORS Chapters 118, 314, 316, 317, 318, 321, and 323, and local taxes administered by the Oregon Department of Revenue under ORS 305.620.

B. CONFIDENTIAL INFORMATION

1. Any Proposal submitted may be subject to public information requests as permitted by Oregon Public Records Law. City will attempt to maintain the confidentiality of materials marked "Confidential" if and to the extent required under Oregon Public Records Law. If it is necessary to submit trade secrets and/or other confidential information to comply with the terms and conditions of this RFP, each Proposer must label any information that it desires to protect from disclosure to third parties as a trade secret under ORS 192.345(2) and/or confidential under ORS 192.355(4) with the following: "This material constitutes a trade secret under ORS 192.345(2) [and/or confidential information under ORS 192.355(4)] and is not to be disclosed except as required by law." Each page containing the trade secret and/or other confidential information must be so marked.

2. City will take reasonable measures to hold in confidence all such labeled information; provided, however, City will not be liable for release of any information when required by law or court order to do so, whether pursuant to the Oregon Public Records Law or otherwise, and will also be immune from liability for disclosure or release of information as provided under ORS 646.473(3).

3. In submitting a Proposal, each Proposer agrees that City may (a) reveal trade secret and/or other confidential materials and/or information contained in the Proposal to City staff and to any City consultant or evaluator, and (b) post the Proposal on City's intranet or internal network for purposes related to its evaluation and ranking. By responding to this RFP, each Proposer agrees to defend, indemnify, and hold City and each City officer, employee, and representative harmless for, from, and against all costs, damages, and expenses incurred in connection with refusing to disclose any material that the Proposer has designated as a trade secret and/or as confidential information. Any Proposer that designates its entire Proposal as a trade secret may be disqualified.

C. CITY RIGHTS; EXPENSES

Notwithstanding anything contained in this RFP to the contrary, if in City's best interest, City reserves the right to (a) amend and/or revise this RFP in whole or in part, (b) cancel this RFP, (c) extend the submittal deadline for responses to this RFP, (d) waive minor informalities and errors in such Proposals, and/or (e) reject any or all Proposals for any reason and/or without indicating reasons for rejection. Further, City reserves the right to seek clarification(s) from each proposer and/or require supplemental information from any Proposer, and/or negotiate with alternate Proposers, if initial contract negotiations are unsuccessful. City reserves the right to hold the Proposals for sixty (60) days before rendering a decision. This RFP does not obligate City to award any grant funds (or any other City funds). City reserves the right to make one or more grant awards. Proposers responding to this RFP do so at their own expense; City is not responsible for any costs and/or expenses associated with the preparation and/or submission of any Proposal. By requesting Proposals, City is in no way obligated to award a grant or to pay expenses of the proposing firms in connections with the preparation or submission of a Proposal. Furthermore, City reserves the right to reject all Proposals with no penalty to the City of Sisters.

D. COUNTY GRANT AGREEMENT

As a result of this RFP, a recommendation may be made to Deschutes County to enter into a grant agreement with designee for up to \$500,000 of reserved ARPA funds for development of a multi-family rental workforce housing project in the City of Sisters.

**ATTACHMENT A
SAMPLE GRANT AGREEMENT**

[attached]

CITY OF SISTERS – AFFORDABLE HOUSING GRANT AGREEMENT

This City of Sisters – Affordable Housing Grant Agreement (this “Agreement”) is made and entered into effective on August 18, 2021 (the “Effective Date”) between Sisters _____ (“_____”), an Oregon nonprofit corporation, whose address is 141 W. Main Street, Sisters, Oregon 97759, and City of Sisters (“City”), an Oregon municipal corporation, whose address is 520 E. Cascade Avenue, Sisters, Oregon 97759.

RECITALS:

A. City desires to encourage the development of affordable housing for its residents. In furtherance of this objective, City adopted Ordinance No. 495 pursuant to which it adopted the City of Sisters Affordable Housing Program (the “Program”).

B. _____ is engaging in development activities (i.e. installation of utilities, street improvements, etc.) necessary to replat the six (6) lots identified on the attached Exhibit A into ten (10) lots for the purposes of constructing (or has constructed) certain homes (each a “Home” and collectively, the “Homes”) on the resulting 10 lots (and all improvements located thereon). Each lot, whether before or after the replat, is a “Property” and collectively, the “Properties”. _____ will sell each Home to an Income-Qualified Person.

C. Subject to and in accordance with the Program, _____ desires to receive a _____ affordable housing grant from City for purposes of _____’s costs and expenses arising out of the development and construction of the Homes. In accordance with the Program, _____ and City enter into this Agreement in order to provide the terms and conditions under which City will make the Grants to _____.

AGREEMENT:

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Definitions. Unless defined elsewhere in this Agreement, capitalized terms used in this Agreement have the meanings assigned to them in the attached Appendix A.

2. Grant.

2.1 Grant. Subject to the terms and conditions contained in this Agreement, and in accordance with the Program, City grants _____ ten (10) affordable housing grants in the amounts identified on the attached Exhibit B and totaling _____ (individually and collectively, the “Grant(s)”). City will provide the Grants to _____ to assist _____ with the costs and expenses incurred by _____ to develop and construct the Homes. _____ will use the Grants solely for costs and expenses arising out of and/or related to the development and construction of the Homes (including development activities related to the replat) and for no other purpose.

2.2 Conditions Precedent to Disbursement. City will not be obligated to disburse the Grants, or any portion thereof, to _____ unless and until each of the following conditions have been satisfied or waived by City: (a) each of _____’s representations and warranties contained in this Agreement must be true and accurate as of the Effective Date and the disbursement date; (b) _____ has paid and/or otherwise satisfied all then due debts, liabilities, and/or obligations outstanding with City; and (c) _____ has satisfied any other conditions that City may reasonably impose on _____ as a condition to City’s disbursement of any Grant funds to _____.

3. Home Transfer.

3.1 Disqualifying Transfer; Termination. Subject to the terms and conditions contained in this Agreement, upon any Disqualifying Transfer of a Property during the applicable Affordable Housing Period, (a)

City's Grant with respect to the applicable Property will terminate and be of no further force and effect, and (b) _____ will pay City an amount equal to the applicable Grant within ninety (90) days after the date of the Disqualifying Transfer.

3.2 Exceptions; Permitted Transfer. Notwithstanding the Disqualifying Transfer provisions under Section 3.1, the Grant provided under this Agreement will not terminate with respect to a Property if the Property Transfer occurs in accordance with the following: (a) the Transfer is to another Income-Qualified Person; (b) the Transfer is to _____ and _____ subsequently Transfers the Property to an Income-Qualified Person within one hundred eighty (180) days after the Transfer to _____; provided, however, if _____ is unable to Transfer the Property to an Income-Qualified Person within the 180-day period, _____ may request an additional period of ninety (90) days within which to Transfer the Property to an Income-Qualified Person (which 90-day extension will be granted if _____ provides City sufficient evidence that _____ has made reasonable efforts to Transfer the Property to an Income-Qualified Person during the 180-day period); (c) a mortgage lender acquires the Property by foreclosure or deed in lieu of foreclosure; and/or (d) if the Owner dies (or if the last surviving co-Owner dies), then both the following occur: (i) the executor or personal representative of the Owner's estate notifies _____ within thirty (30) days of the date of death, and (ii) _____ consents to a Transfer of the Property to one or more of the following: (1) the Owner's spouse and/or children; or (2) a member of the Owner's household who has resided in the Home for at least one year immediately preceding Owner's death.

3.3 Transfer Notice; Proof of Eligibility; Affordability Certification. _____ will provide City no less than fifteen (15) days' advance written notice of any proposed Transfer of a Property (the "Transfer Notice"). The Transfer Notice will include, without limitation, the following information and documentation: (a) whether the Transfer is made in accordance with Section 3.2; (b) if applicable, appropriate documentation supporting the determination that the transferee is an Income-Qualified Person; and (c) any other information and/or documentation City may reasonably request. Subject to City's review and approval, _____ will initially determine whether a transferee is an Income-Qualified Person or otherwise a permitted transferee under this Agreement. City's receipt and review of a Transfer Notice will not be construed as City's approval and/or determination that any proposed Transfer qualifies for an exception under Section 3.2. _____'s failure to provide the Transfer Notice and subsequent Transfer of the Property may, in City's sole discretion, result in termination of the applicable Grant provided under this Agreement and payment of all amounts required under Section 3.4. During the term of this Agreement, _____ will maintain such documentation and information necessary to demonstrate that each Home is occupied by an Income-Qualified Person(s) and continues to meet the eligibility requirements of this Agreement. _____ will, within ten (10) days after request from City, certify to City, in form and content satisfactory to City, that each Home is occupied by an Income-Qualified Person(s) and continues to meet the eligibility requirements of this Agreement.

3.4 Termination Payment. Upon any Disqualifying Transfer of a Property during the applicable Affordable Housing Period, _____ will pay City an amount equal to the Grant applicable to the Property plus interest at the rate of three percent (3%) per annum from the date of the Certificate to the date payment of the Grant (and accrued interest) is made in full to City. Payment of the Grant (plus interest) will be made in full no later than ninety (90) days after the date of the event triggering _____'s payment of the applicable Grant. City's city manager will provide _____ a notice stating the amount payable under this Agreement resulting from the Disqualifying Transfer (the "Termination Notice"); provided, however, the city manager's failure to provide the Termination Notice will not relieve _____ from _____'s obligation to timely make payment of the amounts required under this Section 3.4.

4. Representations; Warranties; Covenants. In addition to any other _____ representations, warranties, and covenants contained in this Agreement, _____ represents, warrants, and covenants to City as follows:

4.1 Authority; Binding Obligation; Conflicts. In addition to any other _____ representations, warranties, and covenants contained in this Agreement, _____ represents, warrants, and covenants to City as follows: (a) _____ has full power and authority to sign and deliver this Agreement and to perform all _____'s obligations under this Agreement; (b) this Agreement is the legal, valid, and binding obligation of _____,

enforceable against _____ in accordance with its terms; (c) the signing and delivery of this Agreement by _____ and the performance by _____ of all _____'s obligations under this Agreement will not (1) breach any agreement to which _____ is a party, or give any person the right to accelerate any obligation of _____, (2) violate any law, judgment, and/or order to which _____ is subject, and/or (3) require the consent, authorization, and/or approval of any person, including, without limitation, any governmental body; (d) no action, arbitration, audit, hearing, investigation, litigation, suit, and/or other proceeding is pending or threatened against _____; (e) no representation or warranty made by _____ in this Agreement includes any untrue statement or omits to state a material fact necessary to make the statements made, in the light of the circumstances under which they were made, not misleading; (f) as of the Effective Date, _____ meets all Program requirements; (g) no report, financial statement, representation, and/or other information and/or documentation furnished by _____ to City in connection with the eligibility to participate in the Program contains any misstatement of fact or omits to state any fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and (g) during the term of this Agreement, _____ agrees to comply with the provisions of the Program, including, without limitation, providing City all documents, reports, and other information concerning the Grants as City requires from time to time.

4.2 Indemnification. _____ will defend, indemnify, and hold City and each City Representative harmless for, from, and against all claims, actions, proceedings, damages, liabilities, obligations, costs, and expenses of every kind, whether known or unknown, including, without limitation, attorney fees and costs, resulting from or arising out of, whether directly or indirectly, _____'s breach and/or failure to perform any _____ representation, warranty, and/or covenant contained in this Agreement.

4.3 Homeowner(s) Subject to Transfer Restrictions. During the Affordable Housing Periods, _____ represents, warrants, and covenants that (a) each Home will be owned and occupied by one or more Income-Qualified Persons, and (b) any agreement between _____ and an Owner will contain an affordability requirement and Transfer restrictions substantially similar to those set forth in this Agreement. At any time upon request by City, _____ will deliver to City copies of any agreement between _____ and an Owner.

4.4 Update Exhibits. _____ agrees to notify City of the date on which the recording of the plat to establish the ten (10) lots occurs and the parties will update Exhibit A and Exhibit B to reflect the properties established by the replat.

4.5 No Additional Funding. _____ covenant not to request, apply for, or otherwise seek any additional funding from City and/or the Program for any Properties.

5. Term; Remedies. Subject to the terms and conditions contained in this Agreement, the term of this Agreement commenced on the Effective Date and will remain in full force and effect until the expiration of all Affordable Housing Periods. This Agreement may be terminated at any time by the mutual written agreement of City and _____. Upon termination of this Agreement and/or an Event of Default, _____ will pay to City the Grants (plus interest at the rate of three percent (3%) per annum from the date of the Certificates). Termination of this Agreement will not constitute a waiver or termination of any rights, claims, and/or causes of action a party may have against the other party. If a party breaches and/or otherwise fails to perform any of its terms, covenants, conditions, and/or obligations under this Agreement, the non-defaulting party may, in addition to any other remedy provided to the non-defaulting party under this Agreement, pursue all remedies available to the non-defaulting party at law or in equity. All available remedies are cumulative and may be exercised singularly or concurrently.

6. Runs with Land. This Agreement (including, without limitation, _____'s obligations and covenants under Section 3) will run with the land and be binding upon the successors and assigns of _____ and/or any interest in the Properties. At City's election, the parties will execute and record a memorandum of this Agreement.

7. Miscellaneous.

7.1 Notices; Successors. Any notice required under this Agreement must be in writing. Any notice will be deemed given when personally delivered or delivered by email or facsimile transmission (with electronic confirmation of delivery), or will be deemed given three business days following delivery of the notice by U.S. mail, postage prepaid, certified, return receipt requested, by the applicable party to the address of the other party first shown above (or any other address that a party may designate by notice to the other party), unless that day is a Saturday, Sunday, or legal holiday, in which event it will be deemed given on the next following business day.

7.2 Interpretation; Severability. For purposes of this Agreement, the term "person" means any natural person, corporation, limited liability company, partnership, joint venture, firm, association, trust, unincorporated organization, government or governmental agency or political subdivision, or any other entity. All pronouns contained herein and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word "or" is not exclusive. The words "include," "includes," and "including" are not limiting. If any provision contained in this Agreement is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining provisions will not be affected, and the rights and obligations of the parties will be construed and enforced as if this Agreement did not contain the provision held to be invalid.

7.3 Entire Agreement; Counterparts; Signatures. This Agreement represents the complete, exclusive, and final understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior and contemporaneous negotiations and agreements, whether written or oral, between the parties with respect to the subject matter of this Agreement. No addition, modification, amendment, or alteration to this Agreement will be effective against the parties unless specifically agreed upon in writing and signed by the parties. This Agreement may be signed in counterparts. A fax or email transmission of a signature page will be considered an original signature page. At the request of a party, the other party will confirm a fax or email transmitted signature page by delivering an original signature page to the requesting party.

7.4 Governing Law; Venue; Attorney Fees; Assignment. This Agreement is governed by and will be construed in accordance with the laws of the State of Oregon (without giving effect to any conflict-of-law principle of any jurisdiction), and venue for any action concerning this Agreement will lie in Deschutes County, Oregon. If any arbitration or litigation is instituted to interpret, enforce, and/or rescind this Agreement, including, without limitation, any proceeding brought under the United States Bankruptcy Code, the prevailing party on a claim will be entitled to recover with respect to the claim, in addition to any other relief awarded, the prevailing party's reasonable attorney fees and other fees, costs, and expenses of every kind, including, without limitation, the costs and disbursements specified in ORCP 68A(2), incurred in connection with the arbitration, the litigation, any appeal or petition for review, the collection of any award, or the enforcement of any order, as determined by the arbitrator or court. Subject to Section 3 and this Section 7.4, _____ will not assign and/or delegate any _____ rights and/or obligations under this Agreement to any person without City's prior written consent. Subject to the immediately preceding sentence, this Agreement will be binding upon and inure to the benefit of the parties and their respective successors and assigns.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and effective for all purposes as of the Effective Date.

an Oregon nonprofit corporation

CITY:
City of Sisters,
an Oregon municipal corporation

By: _____
Its: _____

By: Cory Misley, City Manager

Appendix A
Definitions

“Affordable Housing Period(s)” means, individually and collectively, the period commencing on the date of issuance of a Home’s Certificate and ending ten (10) years immediately thereafter.

“Agreement” has the meaning assigned to such term in the preamble.

“Certificate(s)” means the certificate(s) of occupancy or final inspection approval applicable to each Home.

“City” has the meaning assigned to such term in the preamble.

“City Representative(s)” means each present and future City employee, officer, agent, and representative.

“Disqualifying Transfer” means any Transfer that is not a permitted (exempted) Transfer under Section 3.2.

“Effective Date” has the meaning assigned to such term in the preamble.

“Event of Default” means _____’s breach and/or failure to perform any _____ representation, warranty, covenant, and/or obligation arising out of or under this Agreement.

“Grant(s)” has the meaning assigned to such term in Section 2.1.

“ _____ ” has the meaning assigned to such term in the preamble.

“Home(s)” has the meaning assigned to such term in Recital A.

“HUD” means the U.S. Department of Housing and Urban Development.

“Income-Qualified Person(s)” means a person or group of persons whose household income does not exceed eighty percent (80%) of the median household income for Deschutes County as calculated and adjusted for household size from time to time by HUD or HUD’s successor.

“Owner(s)” means the Income-Qualified Person(s) purchasing or who has purchased a Property and his or her permitted successors and assigns.

“Program” has the meaning assigned to such term in Recital A.

“Property(ies)” has the meaning assigned to such term in Recital B.

“Termination Notice” has the meaning assigned to such term in Section 3.4.

“Transfer(s)” means (a) any transfer, including, without limitation, any sale, conveyance, exchange, gift, lease, encumbrance, foreclosure of an encumbrance, or attachment, regardless of whether the transfer occurs voluntarily or involuntarily, by operation of law, or because of any act or occurrence, and (b) any agreement involving the ownership, lease, and/or use of all or any portion of the Home and/or Property for a period longer than thirty (30) days.

“Transfer Notice” has the meaning assigned to such term in Section 3.3.

Exhibit A
Property Descriptions

DRAFT

Exhibit B
Grant Amounts

DRAFT

**ATTACHMENT B
SISTERS URBAN RENEWAL DISTRICT BOUNDARIES**

