

RESOLUTION NO. _____

A PUBLIC HEARING ON A RESOLUTION OF THE TOWNSHIP OF FERGUSON, CENTRE COUNTY, PENNSYLVANIA AUTHORIZING THE TOWNSHIP TO ENTER INTO THE MEMORANDUM OF UNDERSTANDING WITH THE CENTRE COUNTY HOUSING AND LAND TRUST, ATTACHED HERETO AS EXHIBIT "A," TO SERVE AS THE THIRD PARTY ADMINISTRATOR IN ACCORDANCE WITH THE FERGUSON TOWNSHIP CODE OF ORDINANCES, CHAPTER 27 ZONING, SECTION 215 WORKFORCE HOUSING.

WHEREAS, Chapter 27, Section 215 of the Ferguson Township Code of Ordinances establishes regulations governing the provision of workforce housing in certain zoning districts, and

WHEREAS, said ordinance authorizes the Board of Supervisors to designate a third party administrator to ensure compliance with the provisions of the workforce housing program, and

WHEREAS, the Centre County Housing and Land Trust is capable and desirous of providing the administrative services associated with the workforce housing program.

NOW THEREFORE, the Ferguson Township Board of Supervisors does hereby authorize the Chairman to enter into a Memorandum of Understanding, attached hereto as Exhibit "A," with the Centre County Housing and Land Trust for the administration of the Township's workforce housing program.

RESOLVED this 17th day of October, 2016.

**FERGUSON TOWNSHIP
BOARD OF SUPERVISORS**

By: _____
Steve Miller, Chairman
Board of Supervisors

[S E A L]

ATTEST:

Mark A. Kunkle, Secretary

Exhibit "A"

MEMORANDUM OF UNDERSTANDING

THIS AGREEMENT is made the _____ day of _____, 2016, by and between:

CENTRE COUNTY HOUSING AND LAND TRUST with a mailing address at 1155 Zion Road, Bellefonte, PA 16823, hereinafter "CCHLT", party of the first part,

-AND-

THE TOWNSHIP OF FERGUSON, a home-rule municipality located in Centre County, Pennsylvania, with offices located at 3147 Research Drive, State College, PA 16801, hereinafter "Township", party of the second part.

BACKGROUND

A. CCHLT is a non-profit 501(c)(3) charitable organization organized to strengthen Centre County communities through the development and stewardship of permanently affordable homes for people of low- to moderate-income.

B. CCHLT was formed in 2007 as a 501(c)(3) charitable organization in order to create a collaborative effort of local organizations to promote and preserve affordable housing, provide education, create partnerships, and assist municipalities on affordable housing policies.

C. Chapter 27, Section 215, of the Ferguson Township Code of Ordinances has been adopted for the purpose of providing a wide range of quality, affordable housing units for qualified buyers in the township, and to ensure the continued affordability of established workforce housing units by creating a development agreement between real estate developers, Township, and CCHLT.

NOW, THEREFORE, in consideration of the covenants and premises contained herein, and intending to be legally bound, the parties agree as follows:

1. CCHLT to Serve as Third Party Administrator. The parties agree that CCHLT shall serve as the third party administrator for Township's workforce housing program.

2. Schedule of Fees. CCHLT agrees to furnish Township with a schedule of fees that shall include the total administrative fee per workforce housing unit assessed by CCHLT and the schedule of services provided for all workforce units that are to be built in accordance with an approved land development plan. The Schedule of Fees for each calendar year shall be provided to the Township no later than November 1st of the preceding year. The Schedule of Fees shall be affixed to this MOU as “Exhibit A.”

3. CCHLT Duties as Administrator. CCHLT, during such time as they serve as the third party administrator, shall a) take all necessary action to qualify potential residents for workforce housing units in accordance with the requirements of Chapter 27, Section 215, of the Ferguson Township Code of Ordinances; b) CCHLT shall coordinate the closings of workforce housing units being sold to such qualified residents; and, c) otherwise provide services in connection with the creation and continuity of workforce housing units pursuant to Chapter 27, Section 215, of the Ferguson Township Code of Ordinances, as more fully set forth in “Exhibit B.”

Finally, CCHLT agrees to provide an annual report by November 1 each year to the Board of Supervisors that shall include, at minimum, a) a description of the prior year’s activities with regard to the administration of the Township’s workforce housing program, b) the number of available workforce housing units within the Township; and, c) any proposed changes to the services that are described within “Exhibit B.” The Board of Supervisors may, at its sole discretion, request additional reports from CCHLT that will be provided at a mutually agreeable date and time.

4. Failure to Perform. In the event either party to this agreement fails to perform its obligations, written notice shall be provided to the breaching party. Upon receipt of the notice, the breaching party shall have thirty (30) days to cure the breach.

5. Indemnification. The parties hereto agree they will indemnify and save the other harmless of and from any and all fines, suits, claims, demands, penalties, losses and actions

(including attorneys' fees) for damages or loss sustained by the party as a result of the negligence, willful misconduct or breach of the terms of this agreement by the other party or its agents or employees.

6. Storage of Records. Storage of hardcopy records shall be as mutually agreed upon by the parties. The Township agrees upon request CCHLT to electronically store the records related to the administration of the Township program without cost to CCHLT.

7. Nondiscrimination. It is the policy and commitment of the parties to this agreement that they will not discriminate on the basis of race, color, sex, pregnancy, childbirth, or pregnancy-related conditions, age (if the individual is 40 years of age or older, religion, national origin, disability, sexual orientation, or gender identity in the administration of the Township program). The Township affirms its policy of equal housing opportunity pursuant to state and federal fair housing laws.

8. Conflict Resolution. Should an issue arise between the parties related to this agreement, the parties agree to use their best efforts to resolve the issue before proceeding with any legal proceedings related to the issue.

9. Representation on the CCHLT Board of Directors. The Township shall provide one staff member to serve on the Board of Directors of CCHLT for the duration of this agreement.

10. Expansion of Services. In the event the scope of services provided by CCHLT to the Township is desired to expand, the parties agree to negotiate in good faith regarding an expansion of services and this agreement may be amended to accommodate such expansion of services.

11. Pennsylvania Law. This agreement shall be construed under the laws of the Commonwealth of Pennsylvania.

12. Entire Agreement. This agreement sets forth the entire agreement between and among the Parties.

13. Modification. This agreement shall only be modified in a writing executed by all parties hereto.

14. Binding Nature. This agreement shall be binding upon and inure to the benefits of the parties and their respective successors and assigns.

15. Term. This agreement shall be effective once fully executed by all parties, and continue in perpetuity unless cancelled by either party. Any party wishing to cancel this agreement shall notify the other of their intent to do so at least one (1) year prior to the effective date of the termination.

CCHLT:

Attest: _____ By: _____
Rachel Fawcett, Executive Director Timothy A. Schoonover, President

FERGUSON TOWNSHIP:

Attest: _____ By: _____
Mark A. Kunkle, Secretary Steve Miller, Chair of the Board of Supervisors

Exhibit B: List of Services

1. Consultation with Developer
 - a. Work with developer/builder to calculate the original sales price
 - b. Participate in process of drafting a Developer's Agreement
 - i. Factor in housing costs of any HOA fees
 - c. Consistency Statement per Policies and Procedures Manual

2. Homebuyer Qualification
 - a. Pre-Screen Applicants – Pre-qualified
 - i. Explanation of program to interested buyer
 - ii. Conduct screening interview
 - iii. Provide and explain application documents
 - iv. Review deed restriction
 - b. Pre-Screen Applications – Not Eligible
 - i. Explanation of program to interested buyer
 - ii. Conduct screening interview
 - iii. Send denial
 - c. Pre-qualified applicant referred to the list of participating lenders –list updated annually
 - d. Work with lenders on the application
 - e. Homebuyer completes application and provides necessary documentation to lender
 - f. Lender processes mortgage application and reviews the deed restriction with applicant
 - g. Lender provides application with documentation and income qualification status to CCHLT
 - h. CCHLT reviews application for completeness
 - i. Determination is made on program qualification - CCHLT informs homebuyer and lender
 - j. Lender provides mortgage qualification letter to applicant with approval to receive homebuyer counseling
 - k. Homebuyer schedules and participates in homebuyer counseling with CCHLT
 - l. Counselor issues a completion certificate that is provided to the lender and CCHLT
 - m. Lender completes the mortgage application
 - n. Homebuyer signs form that they have been informed of the deed restrictions attached to the property that they are purchasing
 - o. Attend closing for completion of deed restriction

3. Monitoring
 - a. Certify principal residency on an annual basis by either US Mail or WEBIA data search for the length of the deed restriction (99 years)

4. Resale Assistance
 - a. Receive Notice of Intent to Sale
 - b. Notify parties with purchase option or right of first refusal
 - c. Calculate maximum re-sale price using CCHLT re-sale formula
 - d. Assist with marketing of the home
 - e. Respond to inquiries regarding the deed-restricted property
 - f. Monitor listing history
 - g. Repeat Steps 2-4 with next homebuyer

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