

CONTRACT

between

AUGUSTA, GEORGIA

And

J. Lovett Homes

in the amount of

\$269,934.53 USD

Two Hundred Sixty-Nine Thousand Nine Hundred Thirty Four Dollars and 53/100

for Fiscal Year **2023**

Providing funding for

Community Development Block Grant (CDBG)

1216 Branch Street

THIS AGREEMENT (“Contract”), is made and entered into as of the ___ day of _____ 2023 (“the effective date”) by and between Augusta, Georgia, a political subdivision of the State of Georgia (hereinafter referred to as “Augusta”), acting through the Augusta Housing and Community Development Department (hereinafter referred to as “HCD”) - with principal offices at 510 Fenwick Street, Augusta, Georgia 30901, as party of the first part, and J. Lovett Homes a procured contractor, organized pursuant to the Laws of the State of Georgia, hereinafter called J. Lovett Homes as party in the second part.

In order to establish the background, context and frame of reference for this Agreement and to manifest the objectives and the intentions of the respective parties herein, the following statements, representations and explanations are set forth. Such statements, representations and explanations shall be accepted as predicates for the undertakings and commitments included within the provisions, which follow, and may be relied upon by the parties as essential elements of the mutual considerations upon which this Agreement is based.

WITNESSETH

WHEREAS, Augusta is qualified by the U. S. Department of Housing and Urban Development (hereinafter called HUD) as a Participating Jurisdiction, and

WHEREAS, Title I: Community Development - Authorizes the Secretary of Housing and Urban Development to make grants to States and Units of general local government to help finance Community Development Programs, set forth through Augusta’s HUD approved Consolidated and Action Plans; Community Development Block Grants (hereinafter “CDBG”) for the purpose of allowing local discretion for the determination of needs and priorities of community development and,

WHEREAS, through citizen participation workshops and in the Annual Plan, the Mayor and the Augusta, Georgia Commission, determined the needs and priorities of community as set forth below.

WHEREAS, WHEREAS, this activity has been determined to be an eligible activity in accordance with 24 CFR 570.200 (a), and will meet one or more of the national objectives and criteria outlined in of the Housing and Urban Development regulations; and

WHEREAS, J. LOVETT HOMES is the approved developer/contractor through a solicitation process for to assist in the redevelopment of communities improvements for 1216 Branch Street;

WHEREAS, J. LOVETT HOMES has agreed to provide services funded through this contract free from political activities, religious influences or requirements; and

WHEREAS, J. LOVETT HOMES has requested, and Augusta has approved a total of **\$269,934.53** in funding to perform eligible activities as described in Article I; below:

NOW, THEREFORE, the parties of this Agreement for the consideration set forth below, do here and now agree to the following terms and conditions:

ARTICLE I. SCOPE OF SERVICES

A. Scope of Services

Project Description: J. LOVETT HOMES agrees to utilize approved CDBG funds to support project-related costs associated with the **1216 Branch Street Project**. This project is a CDBG activity aimed at benefiting low-to-moderate income people by providing resources for livable neighborhoods, economic empowerment, decent housing, and infrastructure improvement. Under this Agreement, J. LOVETT HOMES will:

- Work to provide construction services to include clearing, demolition, and reconstruction of 1216 Branch Street.
- J. LOVETT HOMES will perform all required construction management and project oversight, in accordance with all laws, ordinances, and regulations of Augusta.
- J. LOVETT HOMES will perform all functions required to ensure delivery of a final product meeting all requirements as set forth by said Agreement to include:
 - Materials list to include brand name and/or model number of materials as specified or agreed to adjustments to specifications including but not limited to appliances, windows, HVAC, and fixtures. J. LOVETT HOMES is to provide a finish schedule with the specifications, brands, and model numbers for all interior finishes 90 days from completion for agreement by HCD. Actual material invoices may be requested to verify charges.

B. Use of Funds:

CDBG funds shall be used by J. LOVETT HOMES for the purposes and objectives as stated in Article I, Scope of Services, of this Agreement. The use of funding for any other purpose(s) is not permitted. The following summarizes the proposed uses of funds under this Agreement based on **total material and labor cost of \$269,934.53**

1. Profit

CDBG funds shall be used by J. LOVETT HOMES for the purposes and objectives as stated in Article I, Scope of Services, of this Agreement. The use of funding for any other purpose(s) is not permitted. The following summarizes the proposed uses of funds under this Agreement based on **total material and labor cost of \$269,934.53**

An amount not to exceed percent (100%) of the construction cost as outlined and approved in Article I. Scope of Services, Section B. Use of Funds and on the Work Write-Up, shall be paid to J. LOVETT HOMES for costs identified as necessary operating time and expenses in addition to the profit accrued in the demolition, clearing and reconstruction of (1) single family unit building identified as **1216 Branch Street**. The design and specifications of the property shall be approved by HCD prior to construction (see Appendix). HCD will have the latitude to pay O&P directly to the procured developer/contractor on a pay for performance basis or upon completion.

C. Program Location and Specific Goals to be Achieved

J. LOVETT HOMES shall conduct project development activities and related services in its project area that incorporates the following boundaries: Fifteenth Street, MLK Boulevard and Branch Street.

D. Project Eligibility Determination

It has been determined that the use of CDBG funds by J. LOVETT HOMES will be in compliance with legislation supporting community development. Notwithstanding any other provisions of this contract, J. LOVETT HOMES shall provide activities and services as described in the description of the project, including use of funds, its goals and objectives, tasks to be performed and a detailed schedule for completing the tasks for this project as provided in Exhibit A of this contract.

ARTICLE II. BUDGET AND METHOD OF PAYMENT

J. LOVETT HOMES will carry out and oversee the implementation of the project as set forth in this Agreement and agrees to perform the required services under the general coordination of HCD. In addition, and upon approval by Augusta, J. LOVETT HOMES may engage the services of outside professional services consultants and contractors to help carry out the program and projects.

- A. Augusta shall designate and make funds available in the following manner:
1. Augusta agrees to pay J. LOVETT HOMES a maximum of **\$269,934.53** under this Agreement for project expenses incurred as outlined in ARTICLE I, Scope of Services, subject to J. LOVETT HOMES compliance with all terms and conditions of this Agreement and the procedures for documenting expenses and activities as set forth in said Agreement;
 2. The method of payment for construction costs, including only materials and labor as outlined and approved on the Work Write-Up, not to exceed the aforementioned contracted amount of **\$269,934.53** and shall be on a pay for performance basis provided J. LOVETT HOMES and HCD determine the progress is satisfactory. J. LOVETT HOMES shall utilize the AIA Form provided by HCD (see Appendix). For invoicing, J. LOVETT HOMES will include documentation showing proof of completion of work in accordance with the amount

requested, inspected, and accepted by HCD, lien waivers for vendors and sub-contractors, as specified in the Work Write-Up found in Exhibit B & E.

3. HCD will monitor the progress of the project and J. LOVETT HOMES' performance on a weekly basis with regards to the production of housing units and the overall effectiveness of project.
4. Upon the completion of this Agreement, any unused or residual funds remaining shall revert to Augusta and shall be due and payable on such date of the termination and shall be paid no later than thirty (30) days thereafter. J. LOVETT HOMES and HCD shall share in the cost and proceeds of developing the property at **1216 Branch Street** as follows:
5. Funds may not be transferred from line item to line item in the project budget without the prior written approval of Augusta Housing and Community Development.
6. This Agreement is based upon the availability of funding under approved CDBG. Should funds no longer be available, it is agreed to by both parties that this contract shall terminate and any J. LOVETT HOMES deemed satisfactorily progress made within the contracted construction only amount not to exceed fifty percent (100%) shall be paid to J. LOVETT HOMES .
7. HCD will retain ten percent (10%) of an amount within the one hundred percent (100%) of construction costs, including only materials and labor as outlined and approved on the Work Write-Up, after the Certificate of Occupancy has been issued until J. LOVETT HOMES and HCD determine that all HCD punch-list items have been satisfied.

B. Project Financing

Augusta Housing and Community Development will provide an amount not to exceed the actual construction costs including only materials and labor as outlined and approved on the Work Write-Up to be expended by J. LOVETT HOMES for construction costs related to the development of one single family detached home identified as **1216 Branch Street**

Additionally, HCD will provide 100% of all change orders (where applicable) as approved by HCD and J. LOVETT HOMES in writing.

All funding is being provided as payment for services rendered as per this Agreement.

C. Timetable for Completion of Project Activities

J. LOVETT HOMES shall be permitted to commence with the expenditure of CDBG funds as outlined in said Agreement upon procurement of a construction contractor in accordance with its policies and procedures; and approval of a detailed outline of project expenditures anticipated for the completion of the development within 180 days of said home identified as **1216 Branch Street**

Liquidated Damages

J. LOVETT HOMES agrees to pay as liquidated damages to HCD the sum of two hundred dollars (\$200.00) for each consecutive calendar day after the expiration of the Contract Time of Completion Time, except for authorized extensions of time by Augusta. This section is independent of any section within this Agreement concerning the default of J. LOVETT HOMES. The parties agree that these provisions for liquidated damages are not intended to operate as penalties for breach of Contract.

The liquidated damages set forth above are not intended to compensate Augusta for any damages other than inconvenience and loss of use or delay in services. The existence or recovery of such liquidated damages shall not preclude Augusta from recovering other damages in addition to the payments made hereunder which Augusta can document as being attributable to the documented failure of J. LOVETT HOMES. In addition to other costs that may be recouped, Augusta may include costs of personnel and assets used to coordinate, inspect, and re-inspect items within this Agreement as well as attorney fees if applicable.

Specified excuses

J. LOVETT HOMES is not responsible for delay in performance caused by hurricanes, tornados, floods, and other severe and unexpected acts of nature. In any such event, the contract price and schedule shall be equitably adjusted.

Temporary Suspension or Delay of Performance of Contract

To the extent that it does not alter the scope of this Agreement, Augusta may unilaterally order a temporary stopping of the work or delaying of the work to be performed by J. LOVETT HOMES under this Agreement.

D. Project Budget: Limitations

All costs associated with construction, O&P, construction management, and real estate expenses have been outlined in said Agreement as percentage-based costs related to the development of one single family detached home identified as **1216 Branch Street** that HCD will have the latitude to pay such costs directly to the procured construction contractor. J. LOVETT HOMES shall be paid a total consideration of no more than **\$269,934.53** for full performance of the services specified under this Agreement. Any cost above this amount shall be the sole responsibility of HCD. It is also understood by both parties to this contract that the funding provided under this contract for this specific project shall be the only funds provided by Augusta unless otherwise agreed to by Augusta and J. LOVETT HOMES.

Augusta shall adhere to the budget as outlined in the Work Write-Up (Exhibit B) in the performance of this contract.

ARTICLE III. TERM OF CONTRACT

The term of this Agreement shall commence on the date when this Agreement is executed by Augusta and J. LOVETT HOMES (whichever date is later) and shall end at the completion of all program activities, within the time specified in Article II.C, or in accordance with ARTICLE VII: Suspension and Termination.

ARTICLE IV. DOCUMENTATION AND PAYMENT

- A. This is a pay-for-performance contract and in no event shall HCD provide advance funding to J. LOVETT HOMES, or any subcontractor hereunder.
- B. J. LOVETT HOMES, shall not use these funds for any purpose other than the purpose set forth in this Agreement.
- C. Subject to J. LOVETT HOMES compliance with the provisions of this Agreement, Augusta agrees to reimburse all budgeted costs allowable under federal, state, and local guidelines.
- D. All purchases of capital equipment, goods and services shall comply with the procurement procedures of OMB Circular A-110 "Uniform Administrative Requirements for Grant Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations" as well as the procurement policy of Augusta.
- E. Requests by J. LOVETT HOMES for payment shall be accompanied by proper documentation and shall be submitted to HCD, transmitted by a cover memo, for approval no later than thirty (30) calendar days after the last date covered by the request. For purposes of this section, proper documentation includes: Updated Exhibit A- schedule (Gantt Chart), Updated Exhibit B- Work Write-Up, and AIA Form.
- F. J. LOVETT HOMES shall maintain an adequate financial system and internal fiscal controls.
- G. Unexpended Funds: Unexpended funds shall be retained by Augusta upon written request, Augusta may consider the reallocation of unexpended funds to eligible projects proposed by J. LOVETT HOMES .
- H. The terms of this Agreement supersede any and all provisions of the Georgia Prompt Pay Act.
- I. Upon completion of the detached single-family home at **1216 Branch Street**, HCD is to provide J. LOVETT HOMES with any outstanding payments on approved invoices and related costs received within ten (10) business days.

ARTICLE V. ADMINISTRATIVE REQUIREMENTS

A. Conflict of Interest

J. LOVETT HOMES will comply with the provisions of the applicable HUD regulations of 24 C.F.R. Parts 84, 85, 85.36, 570.611 and sections 2-2-121, 2-2-201, 7-3-4256, 7-3-4367, 7-5-2106, 7-5- 4109, Super Circular A-110 and Super Circular A-102 and Article 3 of Augusta's Policy and Procedure (Ethics in Public Procurement), (as applicable) regarding the avoidance of conflict of interest.

This conflict-of-interest provision applies to any person who is an employee, agent, consultant, officer, or elected official or appointed official of J. LOVETT HOMES . No person described above who

exercises, may exercise or has exercised any functions or responsibilities with respect to the activities supported under this contract; or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain any financial interest or benefit from the activities, or have a financial interest in any contract, sub-contract, or agreement with respect to the contract activities, either for themselves or those with whom they have business or family ties, during their tenure or for one year thereafter. For the purpose of this provision, "family ties", as defined in the above cited volume and provisions of the Code of Federal Regulations, include those related as Spouse, Father, Mother, Father-in-law, Mother-in-law, Step-parent, Children, Step-children, Brother, Sister, Brother-in-law, Sister-in-law, Grandparent, Grandchildren of the individual holding any interest in the subject matter of this Agreement. J. LOVETT HOMES in the persons of Directors, Officers, Employees, Staff, Volunteers and Associates such as Contractors, Sub-contractors and Consultants shall sign and submit a Conflict of Interest Affidavit. (Affidavit form attached as part in parcel to this Agreement)

Augusta may, from time to time, request changes to the scope of this Agreement and obligations to be performed hereunder by J. LOVETT HOMES. In such instances, J. LOVETT HOMES shall consult with HCD/Augusta on any changes that will result in substantive changes to this Agreement. All such changes shall be made via written amendments to this Agreement and shall be approved by the governing bodies of both Augusta and J. LOVETT HOMES.

Statutes, regulations, guidelines, and forms referenced throughout this Agreement are listed in Appendix A and are attached and included as part in parcel to this Agreement.

No officer or employee of the local jurisdiction or its designees or agents, no member of the governing body, and no other public official of the locality who his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed. Further, the Contractor shall cause to be incorporated in all subcontracts the language set forth in this paragraph prohibiting conflict of interest.

No member of or delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

J. LOVETT HOMES covenants that it presently has no interest and will not acquire any interest, direct or indirect, in the CDBG project that would conflict in any manner or degree with the performance of its services hereunder. J. LOVETT HOMES further covenants that, in the performing this Contract, it will employ no person who has any such interest.

ARTICLE VI. OTHER REQUIREMENTS

- A. J. LOVETT HOMES agrees that it will conduct and administer activities in conformity with Pub. L. 88-352, "Title VI of the Civil Rights Act of 1964", and with Pub. L. 90-284 "Fair Housing Act" and that it will affirmatively further fair housing. One suggested activity is to use the fair housing symbol and language in J. LOVETT HOMES 's publications and/or advertisements. (24 CFR 570.601).

- B. J. LOVETT HOMES agrees to comply with 24CFR Part I, which provides that no person shall be excluded from participation in this project on the grounds of race, color, national origin, or sex; or be subject to discrimination under any program or activity funded in whole or in part with federal funds made available pursuant to the Act.
- C. No person employed in the work covered by this contract shall be discharged or in any way discriminated against because he or she has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable hereunder to his or her employer. (24 CFR 570.603)
- D. J. LOVETT HOMES agrees that in accordance with the National Environmental Policy Act of 1969 and 24 CFR Part 58, it will cooperate with Augusta/HCD in complying with the Act and regulations, and that no activities will be undertaken until notified by Augusta/HCD that the activity is in compliance with the Act and regulations. Prior to beginning any project development activity, an environmental review must be conducted by HCD pursuant to (24 CFR 570.604).
- E. Consistent with the Flood Disaster Protection Act of 1973 (42 USC 4001-4128), J. LOVETT HOMES agrees that funds shall not be expended for acquisition or construction in an area identified by the Federal Emergency Management Agency (FEMA) as having special flood hazards (representing the 100-year floodplain). Exceptions will be made if the community is participating in the National Flood Insurance Program or less than a year has passed since FEMA notification and flood insurance has been obtained in accordance with section 102(a) of the Flood Disaster Protection Act of 1973.
- F. J. LOVETT HOMES agrees to take all reasonable steps to minimize displacement of persons as a result of assisted activities. Any such activities will be conducted in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) and the Housing and Community Development Act of 1974 (24 CFR 570.606).
- G. J. LOVETT HOMES agrees to comply with Executive Order 11246 and 12086 and the regulations issued pursuant thereto (41 CFR 60) which provides that no person shall be discriminated against on the basis of race, color, religion, sex or national origin. J. LOVETT HOMES will in all solicitations or advertisements for employees placed state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin or familial status.
- H. J. LOVETT HOMES will not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or familial status. J. LOVETT HOMES will take appropriate action to ensure that applicants are employed, and that employees are treated fairly during employment, without regard to their race, color, religion, sex, national origin or familial status. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or advertising; lay-off or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. J. LOVETT HOMES agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Augusta setting forth the provisions of this nondiscrimination clause
- I. In accordance with Section 570.608 of the CDBG Regulations, J. LOVETT HOMES agrees to comply with the Lead Based Paint Poisoning Prevention Act pursuant to prohibition against

the use of lead-based paint in residential structures and to comply with 24 CFR 570.608 and 24 CFR 35 with regard to notification of the hazards of lead-based paint poisoning and the elimination of lead-based paint hazards.

- J. J. LOVETT HOMES agrees to comply with 24 CFR 570.609 with regards to the direct or indirect use of any J. LOVETT HOMES during any period of debarment, suspension or placement in ineligibility status. No contract will be executed until such time that the debarred, suspended or ineligible J. LOVETT HOMES has been approved and reinstated by HCD.
- K. In accordance with 24 CFR part 24, subpart F, J. LOVETT HOMES agrees to administer a policy to provide a drug-free workplace that is free from illegal use, possession or distribution of drugs or alcohol by its beneficiaries as required by the Drug Free Workplace Act of 1988.
- L. Any publicity generated by J. LOVETT HOMES for the project funded pursuant to this Agreement, during the term of this Agreement or for one year thereafter, will make reference to the contribution of Augusta, Georgia in making the project possible. The words "Augusta Georgia Housing and Community Development Department" will be explicitly stated in any and all pieces of publicity; including but not limited to flyers, press releases, posters, brochures, public service announcements, interviews, and newspaper articles.
- M. J. LOVETT HOMES shall comply with all applicable laws, ordinances and codes of the federal, state, and local governments and shall commit no trespass on any public or private property in performing any of the work embraced by this contract. J. LOVETT HOMES agrees to obtain all necessary permits for intended improvements or activities.
- N. J. LOVETT HOMES shall not assign any interest in this contract or transfer any interest in the same without the prior written approval of Augusta.
- O. J. LOVETT HOMES shall comply with the Davis Bacon Act 1931.
- P. J. LOVETT HOMES agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by Augusta setting forth the provisions of this nondiscrimination clause. Except as prohibited by law or the March 14, 2007 Court Order in the case Thompson Wrecking, Inc. v. Augusta, Georgia, Civil Action No. 1:07-CV-019 (S.D. GA 2007). **ANY LANGUAGE THAT VIOLATES THIS COURT ORDER IS VOIDABLE BY THE AUGUSTA GOVERNMENT.** J. LOVETT HOMES agrees to comply with any federally mandated requirements as to minority and women owned- business enterprises.
- Q. All contractors and sub-contractors entering into contracts with Augusta, Georgia for the physical performance of services shall be required to execute an Affidavit verifying its compliance with O.C.G.A § 13-10-91, stating affirmatively that the individual, firm, or corporation which is contracting with Augusta, Georgia has registered with and is participating in a federal work authorization program. All Architect and/or Engineers and sub-Architect and/or Engineers must provide their E-Verify number and must be in compliance with the electronic verification of work authorized programs operated by the United States Department of Homeland Security or any equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, pursuant to the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603, in accordance with the applicability provisions and deadlines established in
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O.C.G.A. § 13-10-91 and shall continue to use the federal authorization program throughout the contract term. All Architect and/or Engineers shall further agree that, should it employ or contract with any associates in connection with the physical performance of services pursuant to its contract with Augusta, Georgia J. LOVETT HOMES will secure from such sub-Architect and/or Engineers each sub-Architect and/or Engineer's E-Verify number as evidence of verification of compliance with O.C.G.A §13-10-91 on the associates affidavit provided in Rule 300-10-01-.08 or a substantially similar form. All Architect and/or Engineers shall further agree to maintain records of such compliance and provide a copy of each such verification to Augusta, Georgia at the time the sub-Architect and/or Engineers are retained to perform such physical services.

- R. J. LOVETT HOMES agrees that low-and-moderate income persons reside within Augusta-Richmond County and that contract for work in connection with the project be awarded to eligible businesses which are located in or owned in substantial part by persons residing in Augusta-Richmond County. (24 CFR 570.697) **Utilization of contractors and/or sub-contractors outside of the Augusta-Richmond County area is not desirable.**
- S. J. LOVETT HOMES agrees to comply with the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) and implementing regulations at 24 CFR part 146 and the prohibitions against otherwise qualified individuals with handicaps under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR part 8. For purposes of the emergency shelter grants program, the term dwelling units in 24 CFR Part 8 shall include sleeping accommodations.
- T. J. LOVETT HOMES will not discriminate against any employee or applicant for employment on the basis of religion and will not give preference of persons on the basis of religion. J. LOVETT HOMES will not discriminate against any person applying for shelter on the basis of religion. J. LOVETT HOMES will provide no religious instruction or counseling, conduct no religious worship or services, engage in no religious proselytizing and exert no religious influence in the provision of shelter and other eligible activities funded by this grant.
- U. Indirect costs will only be paid if J. LOVETT HOMES has indirect cost allocation plan approved by the Department of Housing and Urban Development prior to the execution of this Contract.
- V. HCD shall not approve any travel or travel related expenses to J. LOVETT HOMES with funds provided under this contract.
- W. J. LOVETT HOMES represents and warrants that it and its design team are not debarred, suspended, or placed in ineligibility status under the provisions of Article 8 of Augusta's Procurement Policy and Procedures (Suspension or Debarment of Bidder or Proposer Policy) and the 24 CFR 570.609 (government debarment and suspension regulations).
- X. Salaries of personnel performing work under this Contract shall be paid unconditionally and not less often than once a month without payroll deduction or rebate on any account except only such payroll deductions as are mandatory by law or permitted by the applicable regulations issued by the Secretary of Labor pursuant to the "Anti-Kickback Act" of June 13, 1934 (48 Stat. 948; 62 Stat. 740; 63 Stat. 108; Title 18 U.S.C. 874; and Title 40 U.S.C. 276c). J. LOVETT HOMES shall comply with all applicable "Anti-Kickback" regulations and shall insert appropriate provisions in all subcontracts covering work under this contract to insure compliance by the subcontractors with such regulations, and shall be responsible for the

submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for variations of or exemptions from the requirements thereof. As well as the requirements of Article 3, Section 1-10-28 of Augusta's Policy and Procedures (Authority and responsibility of procurement director).

Y. J. LOVETT HOMES certifies, to the best of their knowledge and belief that:

No federally appropriated funds have been paid or will be paid, by or on behalf of the contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the contractor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions

Z. J. LOVETT HOMES shall put forth reasonable, professional efforts to comply with applicable laws, codes, and regulations in effect as use of the date of (execution of this Agreement, submission to building authorities, or other appropriate date). Design changes made necessary by newly enacted laws, codes, and regulations after this date shall entitle J. LOVETT HOMES to a reasonable adjustment in the schedule and additional compensation in accordance with the Additional Services provisions of this Agreement.

ARTICLE VII. SUSPENSION AND TERMINATION

A. In the event J. LOVETT HOMES materially fails to comply with any terms of this Agreement, including the timely completion of activities as described in the timetable and/or contained in ARTICLE II.C, Augusta may withhold cash payments until J. LOVETT HOMES cures any breach of the Agreement. If J. LOVETT HOMES fails to cure the breach, Augusta may suspend or terminate the current award of funds. J. LOVETT HOMES will not be eligible to receive any other funding.

B. Damages sustained as a result of any breach of this Agreement. In addition, to any other remedies it may have at law or equity, HCD may withhold any payments to J. LOVETT HOMES for the purposes of offsetting the exact amount of damages once determined.

C. Notwithstanding the above, J. LOVETT HOMES shall not be relieved of its liability to Augusta for damages sustained as a result of any breach of this Agreement. In addition, to any other remedies it may have at law or equity, Augusta may withhold any payments to J. LOVETT HOMES for the purposes of offsetting the exact amount of damages once determined.

D. In the best interest of the project and to better serve the people in the target areas either party may terminate this Agreement upon giving **thirty (30) day notice** in writing of its intent to terminate, stating its reasons for doing so. In the event Augusta terminates this

Agreement, Augusta shall pay J. LOVETT HOMES for documented committed eligible costs incurred prior to the date of notice of termination.

- E. Notwithstanding any termination or suspension of this Agreement, J. LOVETT HOMES shall not be relieved of any duties or obligations imposed on it under this Agreement with respect to CDBG funds previously disbursed or income derived therefrom.
- F. To the extent that it does not alter the scope of this Agreement, Augusta, GA may unilaterally order a temporary stopping of the work or delaying of the work to be performed by J. LOVETT HOMES under this contract.

ARTICLE VIII. NOTICES

Whenever either party desires to give notice unto the other, such notice must be in writing, sent by certified United States mail, return receipt requested, addressed to the party for whom it is intended, at the place last specified, and the place for giving of notice shall remain such until it shall have been changed by written notice.

Augusta will receive all notices at the address indicated below:

Office of the Administrator
ATTN: Takiyah A. Douse, Interim Administrator
Municipal Building
535 Telfair Street, Suite 200
Augusta, Georgia 30901

With copies to:
Augusta Housing and Community Development Department
ATTN: Hawthorne Welcher, Jr., Director
510 Fenwick Street
Augusta, Georgia 30901

J. Lovett Homes will receive all notices at the address indicated below:

J. Lovett Homes
3062 Damascus Road-Suite G
Augusta, Georgia. 30909

ARTICLE VII. INDEMNIFICATION

J. LOVETT HOMES will at all times hereafter indemnify and hold harmless Augusta, its officers, agents, and employees, against any and all claims, losses, liabilities, or expenditures of any kind, including court costs, attorney fees and expenses, accruing or resulting from any or all suits or damages of any kind resulting from injuries or damages sustained by any person or persons, corporation, or property, by virtue of the performance of this Agreement. By execution of this Agreement, J. LOVETT HOMES specifically consents to jurisdiction and venue in the Superior Court of Richmond County, Georgia and waives any right to contest jurisdiction or venue in said Court.

Should it become necessary to determine the meaning or otherwise interpret any work, phrase or provision of this Agreement, or should the terms of this Agreement in any way be the subject of litigation in any court of laws or equity. It is agreed that the laws of the State of Georgia shall exclusively control the same.

The parties hereto do agree to bind themselves, their heirs, executors, administrators, trustees, successors, and assigns, all jointly and severally under the terms of this Agreement.

ARTICLE VIII. PRIOR AND FUTURE AGREEMENTS

This Document incorporates and includes all prior negotiations, correspondence, conversations, agreements, or understandings applicable to the matters contained herein and the parties agree that there are no commitments, agreements, or understandings concerning the subject matter of this Agreement that are not contained in this document. Accordingly, it is agreed that no deviation from the terms hereof shall be predicated upon any prior representations or agreements whether oral or written. HCD is not obligated to provide funding of any kind to J. LOVETT HOMES beyond the term of this Agreement.

J. LOVETT HOMES warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by J. LOVETT HOMES for the purpose of securing business and that J. LOVETT HOMES has not received any non-Augusta fee related to this Agreement without the prior written consent of HCD. For breach or violation of this warranty, HCD shall have the right to annul this Agreement without liability or at its discretion to deduct from the Agreement prices of consideration the full amount of such commission, percentage, brokerage, or contingent fee.

ARTICLE IX. LEGAL PROVISIONS DEEMED INCLUDED

Each and every provision of any law or regulations and clause required by law or regulation to be inserted in this Agreement shall be deemed to be inserted herein and this Agreement shall be read and enforced as though it were included herein and if, through mistake or otherwise, any such provision is not inserted or is not correctly inserted, then upon application of either party this Agreement shall forthwith be amended to make such insertion.

ARTICLE XII. DISCLAIMER

Any and all language in this Agreement pertaining to HUD regulations and/or the utilizations of CDBG funding is deemed voidable when utilizing CDBG in its entirety. However, if there are any federal funds utilized by this project, including Homebuyer Subsidy funds, this Agreement will be enforceable in its entirety.

ARTICLE XIII. COUNTERPARTS

This Agreement is executed in two (2) counterparts– each of which shall be deemed an original and together shall constitute one and the same Agreement with one counterpart being delivered to each party hereto.

ARTICLE XIV. INSURANCE

The DEVELOPER/CONTRACTOR shall provide, at all times that this Agreement is in effect, Insurance with limits of not less than:

- A. Workmen's Compensation Insurance – in accordance with the laws of the State of Georgia.
- B. Public Liability Insurance – in an amount of not less than One Million (\$1,000,000) Dollars for injuries, including those resulting in death to any one person, and in an amount of not less than One Million (\$1,000,000) Dollars on account of any one occurrence.
- C. Property Damage Insurance – in an amount of not less than One Million (\$1,000,000) Dollars from damages on account of an occurrence, with an aggregate limit of One Million (\$1,000,000) Dollars.
- D. Valuable Papers Insurance – in an amount sufficient to assure the restoration of any plans, drawings, field notes, or other similar data relating to the work covered by the Project.
- E. Professional Liability Insurance – in an amount of not less than One Million (\$1,000,000) Dollars or an amount that correlates to the aggregate fee on the project should it exceed \$1,000,000.

IN WITNESS WHEREOF, the parties have set their hands and seals as of the date first written above:

Approved as to Form By (please initial here):

By: _____
Augusta, Georgia Law Department

Date: _____

By: _____
Mayor Garnett L. Johnson, as its Mayor

Date: _____

By: _____
Takiyah A. Douse, as its Interim Administrator

Date: _____

By: _____
Hawthorne Welcher, Jr., as its Director

Date: _____

Affix Seal Here:

By: _____
Lena Bonner, as its Clerk of Commission

ATTEST: J. Lovett Homes

By: _____

Date: _____

APPENDIX 1
Architectural Plans/Designs

APPENDIX 2
American Institute of Architects (AIA) Form - Sample

APPENDIX 3
Statutes: (Available on Request)

OMB Circular A-110 - Uniform Administrative Requirements for Grants and Agreement with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations

OMB Circular A- 122 - Cost Principles for Non-Profit Organizations

OMB Circular A-133 - Audits of Institutions of Higher Education & other Non-Profit Institutions

40 USC 276 Davis-Bacon Act

40 USC 327 Contract Work Hours and Safety Standard Act

Uniform Relocation Assistance and Real Property Acquisition Policies Act

Lead Based Paint Poisoning Prevention Act

24 CFR 35 – HUD Requirements for Notification, Evaluation and Reduction of Lead-Based Paint Hazards in Housing Receiving Federal Assistance and Federally-Owned Residential Property being sold, Final Rule

Augusta, Georgia- Richmond County Procurement Policy

Conflict of Interest Affidavit

APPENDIX 4
CONSTRUCTION REQUIREMENTS

1. All construction projects shall comply with Federal, State, and local codes and ordinances, including, but not limited to, the following:
 - A. All work shall be in compliance with the International Building Code current edition of National Electric Code, International Plumbing and Mechanical Code, and ADA 2010 Guidelines.
 - B. Georgia Energy Code International Energy Conservation Code (IECC-2015).
 - C. Williams-Steiger Occupational Safety and Health Act of 1970, Public Law 91-596.
 - D. Part 1910 – Occupational Safety and Health Standards, Chapter XVII of Title 29, Code of Federal Regulations (Federal Register, Volume 37, Number 202, October 18, 1972).
 - E. Part 1926 - Safety and Health Regulations for Construction, Chapter XVII of Title 29, Code of Federal Regulations (Federal Register, Volume 37, Number 243, December 16, 1972).
 - F. Section 106 of the National Historic Preservation Act (16 U.S.C. 470f).
2. Project Review. All plans, specifications, work write-ups, projected cost estimates, punch lists or other means of outlining work on a particular project will be submitted in writing to HCD for review and approval prior to bidding. HCD Construction and Rehabilitation Inspectors or HCD's agent will review these items for compliance with new construction and/or rehabilitation standards and materials use.
3. Rehabilitation Standards. All rehabilitation work will comply with the "Uniform Physical Condition Standards for HUD Housing." Workmanship and material standards will comply with the Antioch Ministries, Inc. -Richmond County Housing & Community Development Department Contractors Manual and Performance Standards. A copy of this manual is provided to every contractor when included on the HCD Approved Contractors List. A copy is enclosed for inclusion.
4. Inspections. All projects will be inspected and approved by an HCD Construction and Rehabilitation Inspector or HCD's agent prior to release of the funds for that project.

APPENDIX 5
CONTRACTOR ACKNOWLEDGEMENT

J. Lovett Homes acknowledges that this contract and any changes to it by amendment, modification, change order or other similar document may have required or may require the legislative authorization of the Board of Commissioner and approval of the Mayor. Under Georgia law, J. Lovett Homes is deemed to possess knowledge concerning HCD ability to assume contractual obligations and the consequences of Contractor's provision of goods or services to HCD under an unauthorized contract, amendment, modification, change order or other similar document, including the possibility that J. Lovett Homes may be precluded from recovering payment for such unauthorized goods or services. Accordingly, J. Lovett Homes agrees that if it provides goods or services to Augusta, Georgia under a contract that has not received proper legislative authorization or if J. Lovett Homes provides goods or services to Augusta, Georgia in excess of the any contractually authorized goods or services, as required by Augusta, Georgia's Charter and Code, Augusta, Georgia may withhold payment for any unauthorized goods or services provided by J. Lovett Homes. J. Lovett Homes assumes all risk of non-payment for the provision of any unauthorized goods or services to Augusta, Georgia and it waives all claims to payment or to other remedies for the provision of any unauthorized goods or services to Augusta, Georgia, however characterized including, without limitation, all remedies at law or equity. This acknowledgement shall be a mandatory provision in all Augusta, Georgia contracts for goods and services, except revenue producing contracts.

Name

J. Lovett Homes

EXHIBIT A
PROJECT SCHEDULE OF COMPLETION

J. LOVETT HOMES MUST PROVIDE A COMPLETED SCHEDULE OF COMPLETION AS EXHIBIT A- WITH APPROPRIATE PROJECT MILESTONES WITHIN 10 TO 15 DAYS AFTER SIGNING THIS AGREEMENT. THIS SCHEDULE MUST BE PROVIDED IN SUFFICIENT DETAIL TO PERMIT HCD TO MONITOR AND ASSESS PROGRESS IN CONNECTION WITH THE PERFORMANCE OF THIS AGREEMENT. A SAMPLE SCHEDULE IS PROVIDED.