

COOPERATION AGREEMENT

THIS AGREEMENT is made and entered into as of the ____ of _____, 2019, between **THE MAYOR AND ALDERMAN OF THE CITY OF SAVANNAH**, a Georgia municipal corporation (“**City**”) and the **COMMUNITY HOUSING SERVICES AGENCY, INC.**, a Georgia not-for-profit corporation (“**CHSA**”).

RECITALS

WHEREAS, at the request of the Mayor and Aldermen of the City of Savannah (hereafter referred to as the “**City**”), local banks, community leaders and the City joined forces to establish the CHSA, Inc. in 1989 and its subsidiary CHSA Development, Inc. in 1991 (hereafter referred to as “**CHSA**”); and

WHEREAS, CHSA was established, in part, to develop, finance and implement affordable housing partnerships with lenders, developers and property owners in ways that would otherwise be difficult for the City to undertake such as borrowing money from banks to develop housing and/or lend to developers; and

WHEREAS, the City had an interest in bringing about the redevelopment of the blighted and crime-riddled property, like Strathmore Estate Apartments into Savannah Gardens, and it accomplished this by having CHSA borrow bank and other funds necessary to acquire the property, manage it through tenant relocation and demolition, and serve as master developer of the resulting 600 plus housing community; and

WHEREAS, when CHSA was originally established, members of the City’s Housing Department were assigned, part-time, to manage its activities and report to its Board of Directors, with staff salaries, benefits, office space and associated support paid for by the City; and

WHEREAS, subsequently CHSA and the City determined it was in the best interest of both organizations for CHSA to hire a full-time Director and staff dedicated to the growth and expansion of CHSA and City housing goals; and

WHEREAS, in an effort to support CHSA, the City agreed CHSA employees could be placed within the City’s employee roster and receive payroll accounting services and benefits afforded City of Savannah employees, for which CHSA agreed to reimburse the City for related payroll costs and benefit expenses; and

WHEREAS, since CHSA inception, the City has provided CHSA in-kind services such as office space, utilities, phone, computer network, and accounting services, the related value of which can be counted by the City as part of its federal U.S. Department of Housing and Urban Development (HUD) HOME program match requirements; and

WHEREAS, continuing the provision of these services and benefits makes it possible for CHSA to continue to serve as the City's non-profit housing partner as envisioned when it was established in 1989, and ending these benefits would significantly increase costs to CHSA and the City, making the continued existence of CHSA doubtful; and

WHEREAS, this Agreement seeks to formalize this long-standing relationship between the City and CHSA.

WITNESSETH

In consideration of the mutual promises contained herein, the parties hereby agree as follows:

1. CHSA Responsibilities. CHSA shall perform the following:

- a. Continue a board of directors of CHSA consisting of representatives of banking institutions and representatives of the community-at-large which will consider, create, implement and oversee programs and lending activities that encourage the development of affordable housing within the Savannah community.
- b. Employ a qualified full-time Executive Director to work under the direction of the CHSA Board to carry out its policies and programs.
- c. Reimburse the City for all salary and related employment costs associated with CHSA employees who are part of the City's roster of employees.
- d. Obtain and present to the City an annual financial audit conducted in accordance with generally accepted auditing standards by an independent auditing firm.
- e. Provide an annual report to the City, and any other periodic reports reasonably requested by the City, concerning the activities and accomplishments of CHSA.
- f. Cooperate with staff of the City in the coordination and operation of programs establish by CHSA and the City for the provision of affordable housing and related activities.
- g. Assist the City in the administration of the Savannah Affordable Housing Fund in accordance with policies establish by the City.
- h. Assist the City in the administration of the City's DreamMaker, housing development and property improvement programs in cooperation with City staff.
- i. Adhere to the terms of this Agreement and other reasonable requests that may from time-to-time be asked of CHSA by the City.

2. City Responsibilities. The City shall perform the following:

- a. Place CHSA employees on the City roster of employees allowing them to receive payroll and employment benefits offered City employees. This City responsibility is conditioned on CHSA reimbursing the City for such salaries and related employment costs from CHSA resources.

- b. Allow CHSA to continue to receive in-kind office space, utilities, computer/network, phone (landline), and support services provided by City departments including Revenue, Budget, IT/Computer, Finance, and Housing and Neighborhood Services.

3. Term and Termination.

- a. This agreement shall remain in effect for an initial term with a termination date of December 31, 2020 and shall automatically renew on January 1 of each year thereafter unless terminated as provided herein.
- b. Under normal circumstances, either party may terminate this agreement, for any reason, by giving written notice to the other party at least 24 months prior to the proposed final termination date.
- c. The City may immediately terminate this agreement if CHSA fails to carry out its responsibilities as described herein and/or if doing so is determined by the City to be necessary.
- d. In the event this agreement is terminated, the City and CHSA shall undertake a review and reconciliation of all financial, payroll, equipment and fixed assets, outstanding performance or contractual obligations and other related agreements and shall ensure the return of any unexpended City funds, equipment and assets due the City and, if applicable, due CHSA.
- e. In the event this agreement is terminated because CHSA is dissolved, all CHSA equipment, assets, loan and other receivables shall be assigned to the City.

IN WITNESS WHEREOF, the parties have caused these presents to be executed by their duly authorized officers as of the date first above written.

THE MAYOR AND ALDERMAN OF THE CITY OF SAVANNAH

By: _____

City Manager

COMMUNITY HOUSING SERVICES AGENCY, INC.

By: _____

Chairman of CHSA Board