

## AFFORDABLE HOUSING SERVICES AGREEMENT

This Affordable Housing Services Agreement (the “Agreement”) is entered into this 31\_ day of May, 2021 by and between the City of Flagstaff, a municipal corporation of the State of Arizona (the “City”), and Catholic Charities Community Services, Inc., an Arizona nonprofit corporation (the “Manager”).

### RECITALS

Whereas the City desires to provide temporary housing to income-qualified household(s) in a residential rental property located at 311 W. Cherry Avenue, Flagstaff, Arizona 86001 (“the Property”);

### AGREEMENT

Now, therefore, the parties agree as follows:

1. Services. The Manager will manage the Property subject to the terms and conditions of this Agreement.
2. Term. This Agreement shall commence May 31, 2021 and continue through May 31, 2022. The Agreement may be extended by mutual written agreement of the parties. The Agreement may be revoked by City for convenience without further liability, upon at least 90 days written notice.
3. License. City hereby grants a license to Manager for use of the Property for affordable housing purposes to income-qualified households with income not exceeding 80% of Area Median Income, as defined by the U.S. Department of Housing and Urban Development (HUD) for Coconino County, Arizona.
4. Manager Responsibilities.
  - 4.1 As consideration for this Agreement, Manager will pay City a monthly license fee of \$1,800 per month, effective May 31, 2021 and perform the responsibilities as set forth herein. The monthly license fee is due in advance, from and after execution of this Agreement..
  - 4.2 Manager will provide affordable housing services at the Property.
  - 4.3 Manager will be responsible for keeping the Property in good condition, reasonable wear and tear excepted. A \$3,000 refundable security deposit is required and may be utilized to pay for any repair or necessary maintenance beyond normal wear and tear.
  - 4.4 Utilities will remain in the City’s name and are included in the monthly payment

amount.

- 4.5 Manager will rent the Property at an amount not to exceed 30% of the eligible household's income.
  - 4.6 Manager will prepare the form of sublicense for use of the Property. The City reserves the right to approve the form of sublicense in advance of occupancy.
  - 4.7. Manager will collect all rents due or that become due from the household occupying the Property; terminate sublicenses for nonpayment of rent, and sign and cause to be sent or served such notices as shall be required; to do any and all lawful acts and things necessary to enforce and collect rents or damages due.
  - 4.8 Manager is responsible for promptly making all necessary, and reasonable non-structural repairs including but not limited to plumbing, and appliances provided, however, that Manager shall not incur any obligation in excess of \$1,000 annually. Manager shall not undertake structural repairs, alterations, or improvements without obtaining City's advance written approval. The City Real Estate Manager is authorized to approve obligations requiring City approval under this subsection. Manager may make such emergency repairs as it deems necessary to protect the Property, whatever amount where such emergency results in sudden and unexpected events.
5. Responsibilities of the City. The City will cause to be paid all taxes, insurance premiums, mortgage payments or special assessments due or to become due in relation to the Property during the term of this Agreement.
  6. Compliance with Law. Manager agrees to comply with the provisions of Federal law, State law, and City Code applicable to maintenance and use of the Property.
  7. Insurance. Manager agrees to procure and maintain in force during the term of this Agreement, at its own cost, the following coverages:
    - 7.1. Commercial General or Business Liability Insurance with minimum combined single limits of ONE MILLION DOLLARS (\$1,000,000.00) each occurrence and TWO MILLION DOLLARS (\$2,000,000.00) general aggregate.
    - 7.2. Manager shall procure and maintain the minimum insurance coverages listed herein. Such coverages shall be procured and maintained with forms and insurers acceptable to the City, acceptable of which shall not be unreasonably withheld. All coverages shall be continuously maintained to cover all liability, claims, demands and other obligations assumed by Manager pursuant this Agreement. In the case of any claims made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage. The certificate will name the City, its officers, agents, employees, and volunteers as additional insured, except for workers compensation and professional liability insurance, and will

specify that the insurance provided by Manager is primary insurance and any City insurance is excess coverage and not contributory insurance to that provided by Broker. The policy must contain a severability of interest provision. The City reserves the right to continue payment of the premium for which reimbursement will be deducted from amounts due or subsequently due Manager.

- 7.3. A Certificate of Insurance shall be completed by Manager's insurance agent(s) as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect. The Certificate shall identify this Agreement and shall provide that the coverages afforded under the policies shall not be canceled, terminated or limits reduced until at least thirty (30) days prior written notice has been given to the City. The completed Certificate of Insurance shall be sent or emailed to:

City of Flagstaff  
Attn: Risk Manager  
211 West Aspen Ave  
Flagstaff, AZ 86001

9. Applicable Law; Venue. This Agreement shall be governed by the laws of Arizona and any suit pertaining to this Agreement may be brought only in courts in Coconino County, Arizona.

9. Miscellaneous.

- 9.1. Amendments. This Agreement may be modified only by a written amendment signed by the parties.
- 9.2. Severability. The provisions of this Agreement are severable. If any provision is held to be invalid by a court of competent jurisdiction, the remainder of this Agreement shall remain in effect.
- 9.3. Entire Agreement. This Agreement represents the entire agreement of the parties.
- 9.4. Notices and Requests. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed duly given if: (a) delivered to the party at the address set forth below; (b) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below; or (c) given to a recognized and reputable overnight delivery service, to the address set forth below:

CITY:  
Real Estate Manager  
City of Flagstaff  
211 West Aspen Avenue  
Flagstaff, Arizona 86001

MANAGER:  
Catholic Charities  
Sandi Flores  
2101 N. 4<sup>th</sup> Street  
Flagstaff, AZ 86004

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection.

- 9.6. Confidentiality of Records. Manager shall establish and maintain procedures and controls acceptable to the City such that personal and financial information regarding lessees or occupants of the Property.
- 9.7. Discrimination. Broker and City will perform their respective duties under this Agreement in compliance with the Americans with Disabilities Act, Fair Housing Act, and all other laws relating to unlawful discrimination.
- 9.8. Immigration Laws. Under the provisions of A.R.S. § 41-4401, Manager hereby warrants to the City that Manager and each of its subcontractors will comply with, and are contractually obligated to comply with, all federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter “Contractor Immigration Warranty”).
- 9.9. Conflict of Interest. This Agreement is subject to cancellation pursuant to the provisions of A.R.S. § 38-511.
- 9.10. Third Party Beneficiaries. Notwithstanding any other language in this Agreement, the parties do not intend for this Agreement to benefit any third parties.

IN WITNESS WHEREOF, the parties have executed this Agreement, effective on this 28th day of June, 2021.

CATHOLIC CHARITIES/MANAGER

  
\_\_\_\_\_

By: Sandy Remy  
Its: Director of Property Management

CITY OF FLAGSTAFF

\_\_\_\_\_  
City Manager

Attest:

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City Clerk

Approved as to form:

*Anja Wendal*

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City Attorney

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