

**CITY OF MISSOULA AND MISSOULA HOUSING AUTHORITY COOPERATION
AGREEMENT**

This Agreement entered into this 8th, day of JUNE, 2015, by and between Missoula Housing Authority (herein called the "Local Authority") and the City of Missoula (herein called the Municipality").

In consideration of the mutual covenants hereinafter set forth, the parties hereto do agree as follows:

1. Whenever used in this Agreement:

(a) The term "Project" shall mean any low-rent housing hereafter developed or acquired by the Local Authority with financial assistance of the United States of America acting through the Secretary of Housing and Urban Development (herein called the "Government"); excluding, however, any low-rent housing project covered by any contract for loans and annual contributions entered into between the Local Authority and the Government, or its predecessor agencies, prior to the date of this Agreement.

(b) The term "Taxing Body" shall mean the State or any political subdivision or taxing unit thereof in which a Project is situated and which would have authority to assess or levy real or personal property taxes or to certify such taxes to a taxing body or public officer to be levied for its use and benefit with respect to a Project if it were not exempt from taxation.

2. The Local Authority was incorporated and created in 1978. Since that time it has been committed to developing and maintaining low income and affordable housing for the benefit of the citizens of the City of Missoula. At the time of this agreement its Mission is, "Through creative partnerships and innovative development, the Missoula Housing Authority provides quality housing solutions for low and middle income households in Missoula and the surrounding area."

3. Public Housing was originally created to incentivize local municipalities to create and maintain more affordable housing. The Municipality supports this work and believes this work is important to maintain the health and vitality of the City. Providing long-term affordable housing solutions is a key goal identified in the Municipality's 2014-2018 Consolidated Plan. The Local Authority and the Municipality believe a strong partnership between the two entities is necessary and important to continuing this work in the future. The Local Authority and the Municipality will strive to maintain a strong partnership.

4. The Local Authority shall endeavor (a) to secure a contract or contracts with the Government for loans and annual contributions covering one or more Projects comprising approximately 1220 units of low-rent housing and (b) to develop or acquire and administer such Project or Projects, each of which shall be located within the corporate limits of the Municipality

or within an area 10 miles from the territorial boundaries of the Municipality. The obligations of the parties hereto shall apply to each such Project.

5. (a) Under the laws of the State of Montana, all Projects are exempt from all real and personal property taxes levied or imposed by any taxing Body with respect to any Project, so long as either (i) such Project is owned by a public body or governmental agency and is used for low-rent housing purposes, or (ii) any contract between the Local Authority and the Government for loans or annual contributions, or both, in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unpaid, whichever period is the longest. The Municipality agrees that it will not levy or impose any real or personal property taxes upon such Project or upon the Local Authority with respect thereto.

(b) During such period, the Municipality has the authority to require the Local Authority make annual payments referred to as Payment in Lieu of Taxes (PILT). However, in order to further support the Local Authority's mission of providing long-term affordable housing solutions, the Municipality agrees to waive the requirement that the Local Authority make any such PILT payments to the Municipality now or in the future.

6. During the period commencing with the date of the acquisition of any part of the site or sites of any Project and continuing so long as either (i) such Project is owned by a public body or governmental agency and is used for low-rent housing purposes, or (ii) any contract between the Local Authority and the Government for loans or annual contributions, or both, in connection with such Project remains in force and effect, or (iii) any bonds issued in connection with such Project or any monies due to the Government in connection with such Project remain unpaid, whichever period is the longest, the Municipality without cost or charge to the Local Authority or the tenants of such Project shall:

(a) Furnish or cause to be furnished to the Local Authority and the tenants of such Project public services and facilities of the same character and to the same extent as are furnished from time to time without cost or charge to other dwellings and inhabitants in the Municipality;

(b) Vacate such streets, roads, and alleys within the area of such Project as may be necessary in the development thereof, and convey without charge to the Local Authority such interest as the Municipality may have in such vacated areas; and, in so far as it is lawfully able to do so without cost or expense to the Local Authority or to the Municipality, cause to be removed from such vacated areas, in so far as it may be necessary, all public or private utility lines and equipment;

(c) In so far as the Municipality may lawfully do so, (i) grant such deviations from the building code of the Municipality as are reasonable and necessary to promote economy and efficiency in the development and administration of such Project, and at the same time safeguard health and safety, and (ii) make such changes in any zoning of the site and surrounding territory of such Project as are reasonable

and necessary for the development and protection of such Project and the surrounding territory;

(d) Accept grants of easements necessary for the development of such Project; and

(e) Cooperate with the Local Authority by such other lawful action or ways as the Municipality and the Local Authority may find necessary in connection with the development and administration of such Project.

7. In respect to any Project the Municipality further agrees that within a reasonable time after receipt of a written request therefor from the Local Authority:

(a) It will accept the dedication of all interior streets, roads, alleys, and adjacent sidewalks within the area of such Project, together with all storm and sanitary sewer mains in such dedicated areas, after the Local Authority, at its own expense, has completed the grading, improvement, paving, and installation thereof in accordance with specifications acceptable to the Municipality;

(b) It will accept necessary dedications of land for, and will grade, improve, pave, and provide sidewalks for, all streets bounding such Project or necessary to provide adequate access thereto (in consideration whereof the Local Authority shall pay to the Municipality such amount as would be assessed against the Project site for such work if such site were privately owned); and

(c) It will provide, or cause to be provided, storm and sanitary sewer mains, leading to such Project and serving the bounding streets thereof (in consideration whereof the Local Authority shall pay to the Municipality such amount as would be assessed against the Project site for such work if such site were privately owned).

8. If by reason of the Municipality's failure or refusal to furnish or cause to be furnished any public services or facilities which it has agreed hereunder to furnish or to cause to be furnished to the Local Authority or to the tenants of any Project, the Local Authority incurs any expense to obtain such services or facilities, then the Local Authority may deduct the amount of such expense from any other payments due or to become due to the Municipality in respect to any Project or any other low-rent housing projects owned or operated by the Local Authority.

9. As part of the Municipality's commitment toward development of low-income and affordable housing in Missoula, whenever the Municipality is considering disposing of non-city park or non-city conservation lands owned by the Municipality, the Municipality agrees that prior to attempting to dispose of such property, it shall first provide written notice to the Local Authority and offer the Local Authority the opportunity to acquire the land. The Local Authority shall have 60 days from the date of the Municipality's written notice to determine if the Local Authority is interested in acquiring and developing the real property. If the Local Authority is interested in acquiring and developing the property for low-income or affordable housing

purposes, the Municipality may transfer ownership of the real property to the Local Authority as authorized by §7-8-4201, MCA

10. As part of the Municipality's commitment and support of low income and affordable housing, the Municipality agrees to provide government services to the Local Authority as needed and as authorized by law. Section 7-15-4439(3)(b), MCA authorizes a Local Authority to utilize the Municipality's City Attorney for legal services. The Municipality commits that it shall provide such legal services to the Local Authority that the Missoula City Attorney's office has the expertise, knowledge and reasonable attorney staff availability to provide to the Local Authority.

11. As part of the Municipality's commitment toward development of low income and affordable housing and recognizing that cost efficiency allows the Local Authority to provide more affordable housing, the Local Authority and the Municipality will communicate regularly and work together to seek ways to reduce and eliminate redundancies wherever possible. To enhance communication and cooperation between the two entities, the Mayor and the Executive Director of the Local Authority shall meet regularly. In addition, to further this commitment and foster a strong partnership between the Municipality and the Local Authority, the entities will hold a joint Municipality and Local Authority Board meeting once a year and Board members of the Local Authority will provide the City Council with periodic updates.

12. The parties agree that this Cooperation Agreement shall supersede and replace all prior Cooperation Agreements. No Cooperation Agreement heretofore entered into between the Municipality and the Local Authority shall be construed to apply to any Project covered by this Agreement.

13. No member of the governing body of the Municipality or any other public official of the Municipality who exercises any responsibilities or functions with respect to any Project during her or his tenure or for one year thereafter shall have any interest, direct or indirect, in any Project or any property included or planned to be included in any project, or any contracts in connection with such Projects or property. If any such governing body member or such other public official of the Municipality involuntarily acquires or had acquired prior to the beginning of her or his tenure any such interest, s/he shall immediately disclose such interest to the Local Authority.

14. So long as any contract between the Local Authority and the Government for loans (including preliminary loans) or annual contributions, or both, in connection with any Project remains in force and effect, or so long as any bonds issued in connection with any Project or any monies due to the Government in connection with any Project remain unpaid, this Agreement shall not be abrogated, changed, or modified without the consent of the Government. The privileges and obligations of the Municipality hereunder shall remain in full force and effect with respect to each Project so long as the beneficial title to such project is held by the Local Authority or by any other public body or governmental agency, including the Government, authorized by law to engage in the development or administration of low-rent housing projects. If at any time the beneficial title to, or possession of, any Project is held by such other public body or governmental agency, including the Government, the provisions hereof shall inure to the

benefit of and may be enforced by, such other public body or governmental agency, including the Government.

IN WITNESS WHEREOF the Municipality and the Local Authority have respectively signed this Agreement and caused their seals to be affixed and attested as of the day and year first above written.

(SEAL)

City of Missoula

By Marilyn Mullen
Mayor

City Council President + Acting Mayor

Attest:

[Signature]
City Clerk

(SEAL)



Missoula Housing Authority

By *[Signature]*
Chairman

Attest:

[Signature]
Executive Director