

COOPERATION AGREEMENT

This Agreement entered into this 5 day of March, 1965, by and between HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS (herein called the "Local Authority") and MAYOR, ALDERMEN OF THE CITY OF ANNAPOLIS (herein called the "Local Government").

WITNESSETH:

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 as an entity by the Local Authority with financial assistance of the Public Housing Administration (herein called the "PHA"); excluding, however, any low-rent housing project covered by any contract for loans and annual contributions entered into between the Local Authority and the PHA, 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.

(c) The term "Shelter Rent" shall mean the total of all charges to all tenants of a Project for dwelling rents and non-dwelling rents (excluding all other income of such Project), less the cost to the Local Authority of all dwelling and non-dwelling utilities.

(d) The term "Slum" shall mean any area where dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities, or any combination of these factors, are detrimental to safety, health or morals.

2. The Local Authority shall endeavor (a) to secure a contract or contracts with the PHA for loans and annual contributions covering one or more Projects comprising approximately 250 units of low-rent housing and (b) to develop and administer such Project or Projects, each of which shall be located within the corporate limits of the Local Government. The obligations of the parties hereto shall apply to each such Project.

3. (a) Under the constitution and statutes of the State of Maryland, all Projects are exempt from all real and personal property taxes and special assessments 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 PHA 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 PHA in connection with such Project remain unpaid, whichever period is the longest, the Local Government agrees that it will not levy or impose any real or personal property taxes or special assessments upon such Project or upon the Local Authority with respect thereto. During such period, the Local Authority shall make annual payments (herein called "Payments in Lieu of Taxes") in lieu of taxes and special assessments and in payment for the public services and facilities furnished from time to time without other cost or charge for or with respect to such Project.

(b) Each such annual Payment in Lieu of Taxes shall be made after the end of the fiscal year established for such Project, and shall be in an amount equal to either (i) ten percent (10%) of the Shelter Rent charged by the Local Authority in respect to such Project during such fiscal year or (ii) the amount permitted to be paid by applicable state law in effect on the date such payment is made, whichever amount is the lower.

(c) The Local Government shall distribute ^{50% of} the Payments in Lieu of Taxes ~~among~~ to the County of Anne Arundel; ~~the Taxing Bodies for the property which the real property taxes which would have been paid to such Taxing Body for such year if the Project were not exempt from taxation; and the County of Anne Arundel for such year if the Project were not exempt from taxation.~~ Provided, however, That no payment for any year shall be made to any Taxing Body in excess of the amount of the real property taxes which would have been paid to such Taxing Body for such year if the Project were not exempt from taxation.

(d) Upon failure of the Local Authority to make any Payment in Lieu of Taxes, no lien against any Project or assets of the Local Authority shall attach, nor shall any interest or penalties accrue or attach on account thereof.

4. The Local Government agrees that, subsequent to the date of initiation (as defined in the United States Housing Act of 1937, as amended) of each Project and within five years after the completion thereof, or such further period as may be approved by the PHA, there will be elimination (as approved by the PHA) by demolition, condemnation, effective closing, or compulsory repair or improvement, of unsafe or insanitary dwelling units situated in the locality or metropolitan area of the Local Government substantially equal in number to the number of newly constructed dwelling units provided by such Project; Provided, that, where more than one family is living in an unsafe or insanitary dwelling unit, the elimination of such unit shall count as the elimination of units equal to the number of families accommodated therein; and Provided, further, that this paragraph 4 shall not apply in the case of (i) any Project developed on the site of a Slum cleared subsequent to July 15, 1949 and that the dwelling units eliminated by the clearance of the site of such Project shall not be counted as elimination for any other Project or any other low-rent housing Project, or (ii) any Project located in a rural non-farm area.

5. 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 PHA 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 PHA in connection with such Project remain unpaid, whichever period is the longest, the Local Government without cost or charge to the Local Authority or the tenants of such Project (other than the Payments in Lieu of Taxes) 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 Local Government.
- (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 Local Government may have in

such vacated areas; and, insofar as it is lawfully able to do so without cost or expense to the Local Authority or to the Local Government cause to be removed from such vacated areas, insofar as it may be necessary, all public or private utility lines and equipment;

(c) Insofar as the Local Government may lawfully do so, (i) grant such deviations from the building code of the Local Government 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 Local Government and the Local Authority may find necessary in connection with the development and administration of such Project.

6. In respect to any Project the Local Government 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, ^{street lighting on such 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 Local Government;

(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 Local Government 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, water mains, and 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 Local Government such amount as would be assessed against the Project site for such work if such site were privately owned).

7. ~~If by reason of the Local Government's failure or refusal to furnish or cause to be furnished any public services or facilities which it has~~

agreed hereunder to furnish or 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 Payments in Lieu of Taxes due or to become due to the Local Government in respect to any Project or any other low-rent housing Projects owned or operated by the Local Authority.

8. No Cooperation Agreement heretofore entered into between the Local Government and the Local Authority shall be construed to apply to any Project covered by this Agreement.

9. So long as any contract between the Local Authority and the PHA for loans (including preliminary loans) or annual contributions, or both, in connection with any Project shall remain in force and effect, or so long as any bonds issued in connection with any Project or any monies due to the PHA in connection with such Project remain unpaid, this Agreement shall not be abrogated, changed or modified without the consent of the PHA. The privileges and obligations of the Local Government 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 any other public body or governmental agency, including the PHA, 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 PHA, the provisions hereof shall inure to the benefit of and may be enforced by, such other public body or governmental agency including the PHA.

IN WITNESS WHEREOF, the Local Government 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)

Attest:

Katherine S. Russell
(Title) CITY CLERK

(SEAL)

Attest:

James R. Altough
SECRETARY TREASURER

MAYOR, ALDERMEN OF THE
CITY OF ANNAPOLIS

(Corporate Name of Municipality)

BY Joseph H. Truscinda
(Title) MAYOR

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS
(Corporate Name of Authority)

BY Victor S. Leveche
Chairman

AMENDMENT
TO
COOPERATION AGREEMENT

1-1
1-2
1-3

THIS AMENDATORY AGREEMENT made this 8th day of January, 1968, by and between the HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS (herein called the "Local Authority") and the MAYOR, ALDERMEN OF THE CITY OF ANNAPOLIS, MARYLAND, (herein called "Local Government").

WITNESSETH:

WHEREAS, the Local Authority and the Local Government entered into a certain Cooperation Agreement dated 5th day of March, 1965, with respect to the development and administration by the Local Authority of low-rent housing projects within the corporate limits of the Local Government, such projects to contain an aggregate number of dwellings not in excess of 250 units; and

WHEREAS, the parties desire to amend the said Cooperation Agreement in certain respects; and

WHEREAS, the Local Government approved by resolution on the 8th day of January, 1968, to amend the Cooperation Agreement,

NOW, THEREFORE, in consideration of the mutual covenants contained in the said Cooperation Agreement the parties do hereby agree as follows:

1. Section 2 of the said Cooperation Agreement shall be and the same is hereby amended by deleting the figure "250" therein and substituting in lieu thereof the figure "500".

IN WITNESS WHEREOF, the Local Authority and the Local Government have caused this Amendatory Agreement to be executed in their respective names and have caused their respective seals to be hereunto affixed and attested as of the date first above written.

(SEAL)
ATTEST:

Katherine S. Russell
Title

(SEAL)
ATTEST:

Thomas R. Altman
Secretary

Mayor and Aldermen City of Annapolis
Corporate Name of Local Government

By Ray W. Moyer
Title

HOUSING AUTHORITY OF THE CITY OF ANNAPOLIS
Corporate Name of Local Authority

By LeRoy Burman
Chairman

Approved:
Ms Smith, City Atty