

AGREEMENT  
BETWEEN

**CITY OF HOLLYWOOD, FLORIDA**

AND

**HOPE SOUTH FLORIDA, INC.**

STATE HOUSING INITIATIVES PARTNERSHIP (SHIP) FUNDING  
TENANT-BASED RENTAL ASSISTANCE  
FY 2017-2018 FUNDS

This is a SHIP Funding Agreement ("Agreement"), made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2018 by and between the City of Hollywood, a municipal corporation of the State of Florida (hereinafter referred to as "CITY"), and HOPE SOUTH FLORIDA, INC., a Florida not-for-profit corporation, (hereinafter referred to as "Hope South Florida") and collectively referred to as the "Parties."

WITNESSETH:

WHEREAS, the CITY is a participant in the State Housing Initiatives Partnership ("SHIP") program as provided in Sections 420.907 et. seq., Florida Statutes and Rule 67-37, Florida Administrative Code (hereinafter the "SHIP Regulations") and has adopted a Local Housing Assistance Plan ("LHAP") in furtherance of its goal of encouraging the production of safe, decent, and affordable housing for all of the citizens of Hollywood; and

WHEREAS, in accordance with the SHIP program requirements, the City may enter into agreements with non-profit agencies, private corporations, and/or other governmental agencies for purposes of implementing the SHIP program; and

WHEREAS, on June 20, 2018 the City Commission passed Resolution R-2018-208 approving an amendment to the LHAP for State of Florida Fiscal Years 2016-2017, 2017-2018, and 2018-2019 to include a Tenant-Based Rental Assistance ("TBRA") Strategy; and

WHEREAS, the TBRA Strategy allows for rental assistance, security and/or utility deposits and rapid re-housing; and

WHEREAS, HOPE South Florida, Inc. has the prerequisite staffing infrastructure and experience to use SHIP allocation to provide services consistent with the TBRA Strategy to eligible clientele.

NOW, THEREFORE, in consideration of the mutual terms, conditions, promises, covenants and payments hereinafter set forth, the Parties agree as follows:

## **ARTICLE 1 - DEFINITIONS AND IDENTIFICATIONS**

The following definitions apply unless the context in which the word or phrase is used requires a different definition:

- 1.1 Agreement: This Agreement includes Articles 1 through 12, the exhibits and documents that are expressly incorporated herein by reference.
- 1.2 Contract Administrator: The Community Development Division Manager, or his/her designee. The primary responsibilities of the Contract Administrator are to coordinate and communicate with HOPE South Florida's Designated Representative and to manage and supervise execution and completion of the Project and the terms and conditions of this Agreement as set forth herein. In the administration of this Agreement, as contrasted with matters of policy, the Parties may rely on the instructions or determinations made by the Contract Administrator; provided, however, that such instructions and determinations do not change the Project.
- 1.3 Division: Community Development Division
- 1.4 Income Eligible Households: The term refers to one (1) or more natural persons or a family as determined by CITY to be very low-income, low-income, or moderate-income according to the income limits adjusted to family size published annually by the United States Department of Housing and Urban Development based upon the annual gross income of the household.
- 1.5 Project: The Project consists of the scope of services set forth in Article 2 and Exhibit "A".
- 1.6 SHIP: The State Housing Initiatives Partnership ("SHIP") Program pursuant to the State Housing Initiatives Partnership Act under Sections 420.907 - 420.9079, Florida Statutes.
- 1.7 SHIP Funds: The SHIP Program funds provided to HOPE South Florida, Inc. under this Agreement.

- 1.8 SHIP Rules and Regulations: The applicable rules and regulation set forth in Sections 420.907 - 420.9079, Florida Statutes, Chapter 67-37, Florida Administrative Code, and the Joint Housing Assistance Plan, which are incorporated herein by reference.

## **ARTICLE 2 - PROJECT**

- 2.1 HOPE South Florida, Inc. shall provide and implement Rental Assistance, Security and/or Utility Deposits and Rapid Re-Housing services under the general coordination with the Division as outlined in Exhibit "A", Project Description, attached hereto and incorporated herein by reference.

- 2.2 The Contract Administrators who shall be responsible for the coordination and administration of this Agreement, are hereby designated as follows:

Contract Administrator for the City:

Clay Milan, Manager  
Community Development Division  
2600 Hollywood, Blvd. Rm. 203  
Hollywood, Fl. 33020

Contract Administrator for HOPE South Florida, Inc.:

Steve Werthman  
1100 N. Andrews Ave.  
Fort Lauderdale, Florida 33311

- 2.3 HOPE South Florida, Inc. shall comply with the Project Schedule/Timeline set forth in Exhibit "C" attached hereto. The Project Schedule/Timeline set forth in Exhibit "C" attached may be amended by mutual written agreement of the parties. Failure to maintain the implementation schedule within sixty (60) days of the deadlines identified in Exhibit "C" may warrant a full review by the Division to meet the States' required expenditure rates for the Program year. In the event HOPE South Florida fails to maintain the implementation schedule within ninety (90) days of the deadlines identified in Exhibit "C", the City may terminate this Agreement, and all uncommitted and unexpended funds will remain with the City.
- 2.4 The Division may issue a Stop Order to HOPE South Florida, Inc. which shall halt all work on the Project in the event that the work is not being done according to the terms of this Agreement or when, in the Division Manager's judgment, HOPE South Florida, Inc., or any Subcontractor, has violated state guidelines and regulations, or the terms of this Agreement.
- 2.5 The Division may carry out periodic monitoring and evaluation activities as determined necessary by the Division. The continuation of this Agreement is

dependent upon satisfactory evaluations by the Division. Such evaluation will be based on the terms of this Agreement, comparisons of planned versus actual progress relating to the Project's scheduling, budget and output measures. Upon request, HOPE South Florida, Inc. shall furnish to the Division such records and information related to the Project as is determined necessary by the Division Manager or the City. HOPE South Florida, Inc. shall submit quarterly status reports (Exhibit "D") on Invoice dates in Exhibit "C" and at other times upon the request of the Division Manager, City, or State on forms approved by the Division Manager. The quarterly report shall survive the termination of this Agreement and continue until all information concerning the services has been received by the City.

2.5.1 HOPE South Florida, Inc. shall meet with the Division Manager or designee at reasonable times with reasonable notice to discuss the Project.

2.5.2 As part of the payment process, HOPE South Florida, Inc. shall provide the City with Quarterly Progress Reports utilizing the form provided in Exhibit "D", attached hereto and incorporated by reference, which shall indicate the status of all outstanding work that has been authorized by the City for this Project.

### **ARTICLE 3 - TERM OF AGREEMENT**

The term of this Agreement shall be effective for the period beginning September 15, 2018 and shall expire on June 15, 2019 unless extended or terminated earlier as provided for herein. The provisions in Section 12.21, shall survive expiration or earlier termination of this Agreement.

### **ARTICLE 4 - FUNDING AND METHOD OF PAYMENT**

4.1 The total compensation to be paid under this Agreement shall not exceed \$20,000.00. SHIP Funds must be expended by the end of the term as provided for in Article 3 herein.

4.2 HOPE South Florida, Inc. shall invoice CITY on the following basis:

4.2.1 HOPE South Florida, Inc. shall provide CITY with a request for payment accompanied by proper supporting documentation as further detailed in Exhibit "B" attached hereto and incorporated herein by reference.

4.3 CITY shall pay HOPE South Florida, Inc. within thirty (30) calendar days from receipt of HOPE South Florida, Inc.'s Request for Payment for those eligible services provided for in this Agreement. To be deemed proper, all invoices must comply with the requirements set forth in this Agreement, must be submitted on the Request for Payment form, and pursuant to instructions prescribed by the Contract Administrator. Payment may be withheld for failure of HOPE South Florida, Inc. to comply with a term, condition, or requirement of this Agreement.

4.4 Payments to HOPE South Florida, Inc. shall be sent to:

Donna English  
1100 N. Andrews Ave.  
Fort Lauderdale, Florida 33311

4.5 Invoices shall not be honored if received by CITY later than sixty (60) calendar days after expiration or termination of this Agreement, except invoices for audit costs and or impact fees which will be honored up to twelve (12) months after expiration or termination of this Agreement.

4.6 HOPE South Florida, Inc. shall pay its subcontractors and suppliers within ten (10) days following receipt of payment from CITY for such contracted work or supplies. City shall not be liable to any subcontractors and/or suppliers retained by HOPE South Florida, Inc.

4.9 All SHIP Funds not expended prior to the expiration of the term of this Agreement by HOPE South Florida, Inc. shall remain in the custody and control of CITY. The CITY may reallocate unexpended SHIP Funds to other projects.

#### **ARTICLE 5 - ASSURANCES**

5.1 HOPE South Florida, Inc. shall comply with all applicable Federal, State, and CITY ordinances, codes and regulations, including, but not limited to, the affordable housing criteria provided under Sections 420.907 - 420.9079, Florida Statutes. Any conflict or inconsistency between any Federal, State, or CITY ordinance, code or regulation and this Agreement shall be resolved in favor of the more restrictive provision.

5.2 HOPE South Florida, Inc. shall act in accordance with Title VI of the Civil Rights Act of 1964 (P.L. 88-352), which states that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which HOPE South Florida, Inc. receives State financial assistance and will immediately take any measures necessary to effectuate this Agreement.

5.3 HOPE South Florida, Inc. shall act in accordance with Sections 503 and 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1990 in addressing the problem of discrimination against individuals with disabilities in such areas as employment, housing, public accommodations, education and transportation.

#### **ARTICLE 6 - FINANCIAL RESPONSIBILITY**

6.1 HOPE South Florida, Inc. shall provide to CITY annual financial statements prepared in accordance with generally accepted accounting principles and

audited by an Independent Certified Public Accountant licensed by the State of Florida. HOPE South Florida, Inc. shall comply with the requirements of OMB Circular A-133 entitled "Audits of States, Local Government and Non-Profit Organizations," Chapter 10.550 Rules of the Auditor General, State of Florida, and SFAS 116, 117, and any revisions, to the extent they are applicable. The financial statements shall include a statement of financial position, a statement of activities, and a statement of cash flows. All SHIP Funds from CITY should be shown via explicit disclosure in the annual financial statements and/or the accompanying notes to the financial statements. Such financial disclosure information and management letters, if any, shall be filed with CITY within ninety (90) days after the close of HOPE South Florida, Inc.'s fiscal year or expiration or earlier termination of this Agreement. HOPE South Florida, Inc. shall be responsible for costs associated with the above-mentioned audit.

- 6.2 Any late submission of financial statements and management letters required in Section 7.1 above shall result in suspension of any payments due HOPE South Florida, Inc. under the terms of this Agreement, until such time as the financial statements and management letters are received by CITY and are in compliance with this Article 6. However, during suspension of any payment as provided for in this Section 6.2, HOPE South Florida, Inc. shall not be excused from continuing to perform the Scope of Services under this Agreement.
- 6.3 Notwithstanding CITY's rights of termination set forth in Article 10, in the event HOPE South Florida, Inc., or any of its subcontractors, have caused any SHIP Funds to be expended in violation of this Agreement as determined by the Division Manager, HOPE South Florida, Inc. shall be required to refund such SHIP Funds in full to CITY unless the violation has been cured within thirty (30) days, and any subsequent request for payment by HOPE South Florida, Inc. in accordance with Section 4.3 above shall be withheld by CITY until such violation is cured to the satisfaction of CITY.
- 6.4 HOPE South Florida, Inc. shall have an adequate financial system and internal fiscal controls in accordance with CITY requirements.

## **ARTICLE 7 - INDEMNIFICATION**

- 7.1 HOPE South Florida, Inc. shall at all times hereafter indemnify, hold harmless and, at the CITY Attorney's option, defend or pay for an attorney selected by the CITY Attorney to defend CITY, its officers, agents, servants, and employees from and against any and all causes of action, demands, claims, losses, liabilities and expenditures of any kind, including attorney fees, court costs, and expenses, arising out of or resulting from, or related to the subject matter of this Agreement and HOPE South Florida, Inc.'s performance under this Agreement, including, without limitation, any and all claims, losses, liabilities, expenditures, demands or causes of action of any nature whatsoever resulting from injuries or damages sustained by any person or property. In the event any lawsuit or other proceeding is brought against CITY by reason of any such claim, cause of action

or demand, HOPE South Florida, Inc. shall, upon written notice from CITY, resist and defend such lawsuit or proceeding by counsel satisfactory to CITY or, at CITY's option, pay for an attorney selected by the CITY Attorney to defend CITY. The provisions and obligations of this section shall survive the expiration or earlier termination of this Agreement. To the extent considered necessary by the Contract Administrator and the CITY Attorney, any sums due HOPE South Florida, Inc. under this Agreement may be retained by CITY until all of CITY's claims for indemnification pursuant to this Agreement have been settled or otherwise resolved. Any amount withheld shall not be subject to payment of interest by CITY. Nothing in this Agreement shall be construed to affect in any way the City's rights, privileges, and immunities under the doctrine of "sovereign immunity" and as set forth in Section 768.28, Florida Statutes. The provisions and obligations of this section shall survive the expiration or earlier termination of this Developer Agreement.

7.2 In the event HOPE South Florida, Inc. contracts with a third party contractor ("Contractor(s)") to provide any of the services set forth herein, any contract with such Contractor shall include the following provisions:

7.2.1 Indemnification: To the fullest extent permitted by law, Contractor shall indemnify and hold harmless CITY, its officers and employees, from liabilities, damages, losses, and costs, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligence, recklessness, or intentionally wrongful conduct of Contractor and persons employed or utilized by Contractor in the performance of this Contract. Nothing in this Agreement shall be construed to affect in any way the City's rights, privileges, and immunities under the doctrine of "sovereign immunity" and as set forth in Section 768.28, Florida Statutes. The provisions and obligations of this section shall survive the expiration or earlier termination of this Developer Agreement.

## **ARTICLE 8 - INSURANCE**

8.1 HOPE South Florida, Inc. shall, at a minimum, provide, pay for, and maintain in force at all times during the term of this Agreement the insurance coverage set forth in this Article, in accordance with the terms and conditions required by this article.

8.2 Without limiting any of the other obligations or liability of HOPE South Florida, Inc., HOPE South Florida, Inc. shall provide, pay for, and maintain in force throughout the contract term and any extension term(s), the insurance coverage's set forth in this section. HOPE South Florida, Inc. shall furnish Original certificates to the Community Development Division and receive approval by the City's Risk Manager, prior to the commencement of any work. Any sub-contractor used by the contractor shall supply such similar insurance

required of the contractor. Such certificates shall name the City as an Additional Insured.

Notice of cancellation and/or restriction:

The policy(s) must be endorsed to provide the City with thirty (30) days notice of cancellation and/or restriction.

Coverage shall be provided by a company of companies authorized to transact business in the State of Florida and the company must maintain a minimum rating of A1, V11, as assigned by the A.M. Best Company.

8.2.1. Comprehensive General Liability:

General Aggregate (City must be listed as additional insured)	\$ 300,000
--	------------

8.2.3 Worker's Compensation Insurance:

Worker's Compensation Insurance covering the contractor and the contractor's employees not less than the following limits:

Each Accident	\$ 100,000
Disease Policy Limit	\$ 500,000
Disease Each Employee	\$ 100,000

8.2.4 Professional Liability

Recognizing that the work governed by this contract involves the furnishing of advice or services of a professional nature, the Contractor shall purchase and maintain, throughout the life of the contract, Professional Liability Insurance which will respond to damages resulting from any claim arising out of the performance of professional services or any error or omission of the Contractor arising out of the work governed by this contract.

The minimum limits of liability shall be:

\$250,000 Each Claim / \$500,000 Aggregate



## ARTICLE 9 - TERMINATION

- 9.1 This Agreement may be terminated for cause by the aggrieved party if the party in breach has not corrected the breach within ten (10) days after receipt of written notice from the aggrieved party identifying the breach. This Agreement may also be terminated for convenience by the City Commission. Termination for convenience by the City Commission shall be effective on the termination date stated in written notice provided by CITY, which termination date shall be not less than thirty (30) days after the date of such written notice. This Agreement may also be terminated by the CITY Administrator upon such notice as the CITY Administrator deems appropriate under the circumstances in the event the CITY Administrator determines that termination is necessary to protect the public health, safety, or welfare. If CITY erroneously, improperly, or unjustifiably terminates for cause, such termination shall be deemed a termination for convenience, which shall be effective thirty (30) days after such notice of termination for cause is provided. CITY shall not be required to pay HOPE South Florida, Inc. for any of its Eligible Costs under this Agreement, as described in Section 9.4 and provided in Exhibit "B," Costs/Budget for Project, up to the date of termination, if CITY is not able to obtain such funding from the State of Florida for the payment of these costs.
- 9.2 This Agreement may be terminated for cause for reasons including, but not limited to, HOPE South Florida, Inc., HOPE South Florida, Inc.'s repeated (whether negligent or intentional) submission for payment of false or incorrect bills or invoices, failure to suitably perform the work, or failure to continuously perform the work in a manner calculated to meet or accomplish the objectives as set forth in this Agreement. The Agreement may also be terminated for cause if the HOPE South Florida, Inc. is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List created pursuant to Section 215.473, Florida Statutes, or if HOPE South Florida, Inc. provides a false certification submitted pursuant to Section 287.135, Florida Statutes.
- 9.3 Notice of termination shall be provided in accordance with Article 11, Notices, except that notice of termination by the CITY Administrator, which the CITY Administrator deems necessary to protect the public health, safety, or welfare may be verbal notice that shall be promptly confirmed in writing in accordance with Article 11, Notices.
- 9.4 In the event that HOPE South Florida, Inc. is under investigation or charged with violation of any state or federal law with respect to and directly related to HOPE South Florida, Inc.'s contractual relationship with CITY, this Agreement shall terminate immediately upon written notice from CITY to HOPE South Florida, Inc. in accordance with Article 11, Notices. In the event HOPE South Florida, Inc. is ultimately cleared of any wrongdoing, CITY shall pay HOPE South Florida, Inc. for Eligible Costs provided in Exhibit "B," Costs/Budget for Project, properly documented and committed to a third party up to the date of termination. For purposes of this Agreement, property documented and committed Eligible Costs

means payment for services as invoiced as per Article 4 of this Agreement. However, after CITY provides notice of termination to CITY, CITY shall not encumber any SHIP Funds under this Agreement, and CITY shall not be required to pay HOPE South Florida, Inc. for any Eligible Costs for the Project under this Agreement up to the effective date of termination, that were not documented and committed prior to CITY providing notice of termination, if CITY is not able to obtain such funding from the State of Florida for the payment of these costs. However, if HOPE South Florida, Inc. is found to have violated any state or federal law relative to this Agreement, HOPE South Florida, Inc. shall be required to repay CITY all SHIP Funds that have been paid to HOPE South Florida, Inc.

- 9.5 In the event of termination of this Agreement for any reason, any amounts due HOPE South Florida, Inc. shall be withheld by CITY until all documents required to be furnished to CITY under this Agreement are provided to CITY in accordance with the terms of this Agreement.

#### **ARTICLE 10 - SUSPENSION OF PAYMENTS**

In any of the following events, CITY may provide notice to HOPE South Florida, Inc. in accordance Article 11, Notices, identifying the breach and suspend payments, in whole or in part, until such time as HOPE South Florida, Inc. comes into compliance as reasonably determined by CITY:

- 10.1 Ineligible use of SHIP Funds;
- 10.2 Failure to comply with the terms of this Agreement;
- 10.3 Failure to submit reports and documentation as required under this Agreement, including a favorable audit report;
- 10.4 Submittal of incorrect, incomplete, or fraudulent reports in any material respect; and
- 10.5 Until all of CITY's claims for indemnification pursuant to this Agreement have been settled or otherwise resolved.

In the event CITY determines HOPE South Florida, Inc. does not, or is not able to come into compliance with the terms of this Agreement as referenced in this Article 10, CITY may elect to terminate this Agreement as provided for in Article 9 and seek whatever remedies are available to CITY.

## ARTICLE 11 - NOTICES

Whenever either party desires to give notice to the other, such notice must be in writing, sent by certified United States Mail, postage prepaid, return receipt requested, or sent by commercial express carrier with acknowledgement of delivery, or by hand delivery with a request for a written receipt of acknowledgment of delivery, addressed to the party for whom it is intended at the place last specified. The place for giving notice shall remain the same as set forth herein until changed in writing in the manner provided in this section. For the present, the Parties designate the following as the respective places for giving notice:

### FOR CITY:

Clay Milan, Manager  
Community Development Division  
2600 Hollywood Blvd., Rm. 203  
Hollywood, Florida 33020

WITH A COPY TO: City Attorney  
2600 Hollywood Blvd., Rm. 407  
Hollywood, Florida 33020

### FOR HOPE SOUTH FLORIDA, INC. OF FLORIDA, INC.:

Steve Werthman  
1100 N. Andrews Ave.  
Fort Lauderdale, Florida 33311

WITH A COPY TO: Kim Saiswick, Registered Agent  
[Kim.Saiswick@holy-cross.com](mailto:Kim.Saiswick@holy-cross.com)

## ARTICLE 12 - MISCELLANEOUS

### 12.1 EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

No party to this Agreement may discriminate on the basis of race, color, sex, religion, national origin, disability, age, marital status, political affiliation, sexual orientation, pregnancy, or gender identity and expression in the performance of this Agreement. Failure by HOPE South Florida, Inc. to carry out any of these requirements shall constitute a material breach of this Agreement, which shall permit the City Commission, to terminate this Agreement or to exercise any other remedy provided under this Agreement, or under the CITY Code of Ordinances, or under the CITY Administrative Code, or under applicable law, with all of such remedies being cumulative.

HOPE South Florida, Inc. shall include the foregoing or similar language in its contracts with any subcontractors or subconsultants, except that any project assisted by the U.S. Department of Transportation funds shall comply with the non-discrimination requirements in 49 C.F.R. Parts 23 and 26. Failure to comply with the foregoing requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as CITY deems appropriate.

HOPE South Florida, Inc. shall not unlawfully discriminate against any person in its operations and activities or in its use or expenditure of funds in fulfilling its obligations under this Agreement and shall not otherwise unlawfully discriminate in violation of CITY Code of Ordinances. HOPE South Florida, Inc. shall affirmatively comply with all applicable provisions of the Americans with Disabilities Act (ADA) in the course of providing any services funded by CITY, including Titles I and II of the ADA (regarding nondiscrimination on the basis of disability), and all applicable regulations, guidelines, and standards. In addition, HOPE South Florida, Inc. shall take affirmative steps to prevent discrimination in employment against disabled persons.

By execution of this Agreement, HOPE South Florida, Inc. represents that it has not been placed on the discriminatory vendor list as provided in Section 287.134, Florida Statutes. CITY hereby materially relies on such representation in entering into this Agreement. An untrue representation of the foregoing shall entitle CITY to terminate this Agreement and recover from HOPE South Florida, Inc. all monies paid by CITY pursuant to this Agreement, and may result in debarment from CITY's competitive procurement activities.

## 12.2 PUBLIC RECORDS

CITY is a public agency subject to Chapter 119, Florida Statutes. To the extent HOPE South Florida, Inc. is acting on behalf of CITY pursuant to Section 119.0701, Florida Statutes, HOPE South Florida, Inc. shall:

- 12.2.1 Keep and maintain public records that ordinarily and necessarily would be required to be kept and maintained by CITY were CITY performing the services under this Agreement;
- 12.2.2 Provide the public with access to such public records on the same terms and conditions that CITY would provide the records and at a cost that does not exceed that provided in Chapter 119, Florida Statutes, or as otherwise provided by law;
- 12.2.3 Ensure that public records that are exempt or that are confidential and exempt from public record requirements are not disclosed except as authorized by law; and

12.2.4 Meet all requirements for retaining public records and transfer to CITY, at no cost, all public records in its possession upon termination of this Agreement and destroy any duplicate public records that are exempt or confidential and exempt. All records stored electronically must be provided to CITY in a format that is compatible with the information technology systems of CITY.

The failure of HOPE South Florida, Inc. to comply with the provisions set forth in this Section 12.3 shall constitute a default and breach of this Agreement, and CITY shall enforce the default in accordance with the provisions set forth in Article 9.

IF A PARTY TO THIS AGREEMENT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO ITS DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THE AGREEMENT, CONTACT THE CITY'S CITY CLERK, CUSTODIAN OF PUBLIC RECORDS AT 954-921-3211, AND THE CONTRACT ADMINISTRATOR AT 954-921-3271, 2600 HOLLYWOOD BOULEVARD, HOLLYWOOD, FL 33020.

### 12.3 AUDIT RIGHT AND RETENTION OF RECORDS

CITY shall have the right to audit the books, records, and accounts of HOPE South Florida, Inc. and its subcontractors that are related to this Project for the period of time required by the Florida Public Records Act, Chapter 119, Florida Statutes. HOPE South Florida, Inc. and its subcontractors shall keep such books, records, and accounts as may be necessary in order to record complete and correct entries related to the Project. All books, records, and accounts of HOPE South Florida, Inc. and its subcontractors shall be kept in written form, or in a form capable of conversion into written form within a reasonable time, and upon request to do so, HOPE South Florida, Inc. or its subcontractor, as applicable, shall make same available at no cost to CITY in written form.

HOPE South Florida, Inc. and its subcontractors shall preserve and make available, at reasonable times for examination and audit by CITY, all financial records, supporting documents, statistical records, and any other documents pertinent to this Agreement for the required retention period. If any audit has been initiated and audit findings have not been resolved at the end of the retention period or five (5) years, whichever is longer, the books, records, and accounts shall be retained until resolution of the audit findings. Any incomplete or incorrect entry in such books, records, and accounts shall be a basis for CITY's disallowance and recovery of any payment upon such entry.

HOPE South Florida, Inc. shall ensure that the requirements of this Section 12.4 are included in all agreements with its subcontractor(s).

### 12.4 INDEPENDENT CONTRACTOR

HOPE South Florida, Inc. is an independent contractor under this Agreement. Services provided by HOPE South Florida, Inc. pursuant to this Agreement shall be subject to the supervision of HOPE South Florida, Inc. In providing such services, neither HOPE South Florida, Inc. nor its agents shall act as officers, employees, or agents of CITY. No partnership, joint venture, or other joint relationship is created hereby. CITY does not extend to HOPE South Florida, Inc. or HOPE South Florida, Inc.'s agents any authority of any kind to bind CITY in any respect whatsoever.

#### 12.5 PRIOR AGREEMENTS

This document represents the final and complete understanding of the Parties and incorporates or supersedes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein. There is no commitment, agreement, or understanding concerning the subject matter of this Agreement that is not contained in this written document. Accordingly, no deviation from the terms hereof shall be predicated upon any prior representation or agreement, whether oral or written.

#### 12.6 AMENDMENTS

The Parties may amend this Agreement to conform to changes in federal, state, or local laws, regulations, directives, and objectives. Except for the provisions set forth in this Section 12.7, no modification, amendment or alteration in the terms or conditions contained herein shall be effective unless contained in a written document executed by the City Commission and HOPE South Florida, Inc. or others delegated authority to or otherwise authorized to execute same on their behalf. Such amendments shall in be in writing and the CITY Manager is authorized to execute amendments that change the term of the Agreement, reduce funding, or that change the Project, so long as the Project consists of eligible activities under Sections 420.907 - 420.9079, Florida Statutes, and Chapter 67-37, Florida Administrative Code. The Division Manager shall be authorized to approve amendments for Project Schedule/Timeline set forth in Exhibit "C", line item changes to the budget information set out in Exhibit "B," Costs/Budget for Project, provided such changes do not result in an increase in the funding amount set forth in this Agreement and such changes shall be in the form of an amendment to this Agreement.

#### 12.7 ASSIGNMENT AND PERFORMANCE

Neither this Agreement nor any right or interest herein shall be assigned, transferred, or encumbered without the written consent of the other party. HOPE South Florida, Inc. is permitted to subcontract the performance of services required by this Agreement in accordance with the terms and conditions set forth herein. CITY may terminate this Agreement, effective immediately, if there is any assignment, or attempted assignment, transfer, or encumbrance, by HOPE

South Florida, Inc. of this Agreement or any right or interest herein without CITY's written consent.

HOPE South Florida, Inc. represents that each person who will render services pursuant to this Agreement is duly qualified to perform such services by all appropriate governmental authorities, where required, and that each such person is reasonably experienced and skilled in the area(s) for which he or she will render his or her services.

HOPE South Florida, Inc. shall perform its duties, obligations, and services under this Agreement in a skillful and respectable manner. The quality of HOPE South Florida, Inc.'s performance and all interim and final product(s) provided to or on behalf of CITY shall be comparable to the best local and national standards.

#### 12.8 RIGHTS IN DOCUMENTS AND WORK

Any and all reports, photographs, surveys, and other data and documents provided or created in connection with this Agreement are and shall remain the property of CITY, and, if a copyright is claimed, HOPE South Florida, Inc. grants to CITY a non-exclusive license to use the copyrighted item(s) indefinitely, to prepare derivative works, and to make and distribute copies to the public. In the event of termination of this Agreement, any reports, photographs, surveys, and other data and documents prepared by HOPE South Florida, Inc., whether finished or unfinished, shall become the property of CITY and shall be delivered by HOPE South Florida, Inc. to the Contract Administrator within seven (7) days of termination of this Agreement by either party. Any compensation due to HOPE South Florida, Inc. shall be withheld until all documents are received as provided herein.

#### 12.9 CONFLICTS

Neither HOPE South Florida, Inc. nor its employees shall have or hold any continuing or frequently recurring employment or contractual relationship that is substantially antagonistic or incompatible with HOPE South Florida, Inc. loyal and conscientious exercise of judgment and care related to its performance under this Agreement.

None of HOPE South Florida, Inc.'s officers or employees shall, during the term of this Agreement, serve as an expert witness against CITY in any legal or administrative proceeding in which he, she, or HOPE South Florida, Inc. is not a party, unless compelled by court process. Further, such persons shall not give sworn testimony or issue a report or writing, as an expression of his or her expert opinion, which is adverse or prejudicial to the interests of CITY in connection with any such pending or threatened legal or administrative proceeding unless compelled by court process. The limitations of this section shall not preclude HOPE South Florida, Inc. or any persons in any way from representing

themselves, including giving expert testimony in support thereof, in any action or in any administrative or legal proceeding.

HOPE South Florida, Inc. shall require its subcontractors, by written contract, to comply with the provisions of this section to the same extent as HOPE South Florida, Inc.

#### 12.10 JURISDICTION, VENUE, WAIVER OF JURY TRIAL

This Agreement shall be interpreted and construed in accordance with and governed by the laws of the state of Florida. The Parties acknowledge that jurisdiction of any controversies or legal disputes arising out of this Agreement, and any action involving the enforcement or interpretation of any rights hereunder, shall be exclusively in the state courts of the Seventeenth Judicial Circuit in Broward County, Florida, and venue for litigation arising out of this Agreement shall be exclusively in such state courts, forsaking any other jurisdiction which either party may claim by virtue of its residency or other jurisdictional device. **BY ENTERING INTO THIS AGREEMENT, HOPE SOUTH FLORIDA, INC. AND CITY HEREBY EXPRESSLY WAIVE ANY RIGHTS EITHER PARTY MAY HAVE TO A TRIAL BY JURY OF ANY CIVIL LITIGATION RELATED TO, ARISING FROM, OR IN CONNECTION WITH THIS AGREEMENT.**

#### 12.11 SEVERANCE

In the event a portion of this Agreement is found by a court of competent jurisdiction to be invalid, the remaining provisions shall continue to be effective unless CITY or HOPE South Florida, Inc. elects to terminate this Agreement. An election to terminate this Agreement based upon this provision shall be made within seven (7) days of final court action, including all available appeals.

#### 12.12 COMPLIANCE WITH APPLICABLE LAWS

HOPE South Florida, Inc. shall comply with all applicable federal, state, and CITY laws, ordinances, codes, and regulations. Any conflict or inconsistency between the federal, state, or CITY guidelines or regulations and this Agreement shall be resolved in favor of the more restrictive guidelines or regulations. HOPE South Florida, Inc. shall comply with applicable provisions of the uniform requirements described in Florida Administrative Code 67-37 with regard to management and implementation of the program. The text of Florida Administrative Code, as amended, has been provided to HOPE South Florida, Inc. in its entirety as Exhibit "E" of this Agreement. HOPE South Florida, Inc. agrees to comply with any amendments or revisions to said rules, regulatory provisions or directives as may be promulgated by the State of Florida.

#### 12.13 PUBLIC ENTITY CRIME ACT



HOPE South Florida, Inc. represents that the execution of this Agreement will not violate the Public Entity Crime Act, Section 287.133, Florida Statutes, which essentially provides that a person or affiliate who is a contractor, consultant, or other provider and who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to CITY, may not submit a bid on a contract with CITY for the construction or repair of a public building or public work, may not submit bids on leases of real property to CITY, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with CITY, and may not transact any business with CITY in excess of the threshold amount provided in Section 287.017, Florida Statutes, for category two purchases for a period of thirty-six (36) months from the date of being placed on the convicted vendor list. Violation of this section shall result in termination of this Agreement and recovery of all monies paid by CITY pursuant to this Agreement, and may result in debarment from CITY's competitive procurement activities.

In addition to the foregoing, HOPE South Florida, Inc. further represents that there has been no determination, based on an audit, that it committed an act defined by Section 287.133, Florida Statutes, as a "public entity crime" and that it has not been formally charged with committing an act defined as a "public entity crime" regardless of the amount of money involved or whether HOPE South Florida, Inc. has been placed on the convicted vendor list.

#### 12.14 THIRD PARTY BENEFICIARIES

Neither HOPE South Florida, Inc. nor CITY intends to directly or substantially benefit a third party by this Agreement. Therefore, the Parties acknowledge that there are no third party beneficiaries to this Agreement and that no third party shall be entitled to assert a right or claim against either of them based upon this Agreement.

#### 12.15 MATERIALITY AND WAIVER OF BREACH

Each requirement, duty, and obligation set forth herein was bargained for at arm's-length and is agreed to by the Parties. Each requirement, duty, and obligation set forth herein is substantial and important to the formation of this Agreement, and each is, therefore, a material term hereof.

CITY's failure to enforce any provision of this Agreement shall not be deemed a waiver of such provision or modification of this Agreement. A waiver of any breach of a provision of this Agreement shall not be deemed a waiver of any subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

#### 12.16 JOINT PREPARATION

The Parties and their counsel have participated fully in the drafting of this Agreement and acknowledge that the preparation of this Agreement has been their joint effort. The language agreed to expresses their mutual intent and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the Parties than the other. The language in this Agreement shall be interpreted as to its fair meaning and not strictly for or against any party.

#### 12.17 PRIORITY OF PROVISIONS

If there is a conflict or inconsistency between any term, statement, requirement, or provision of any exhibit attached hereto, any document or events referred to herein, or any document incorporated into this Agreement by reference and a term, statement, requirement, or provision of Articles 1 through 12 of this Agreement, the term, statement, requirement, or provision contained in Articles 1 through 12 shall prevail and be given effect.

#### 12.18 INTERPRETATION

The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All personal pronouns used in this Agreement shall include the other gender, and the singular shall include the plural, and vice versa, unless the context otherwise requires. Terms such as "herein," "hereof," "hereunder," and "hereinafter," refer to this Agreement as a whole and not to any particular sentence, paragraph, or section where they appear, unless the context otherwise requires. Whenever reference is made to a section or article of this Agreement, such reference is to the section or article as a whole, including all of the subsections of such section, unless the reference is made to a particular subsection or subparagraph of such section or article.

#### 12.19 INCORPORATION BY REFERENCE

The truth and accuracy of each "Whereas" clause set forth above is acknowledged by the Parties. The attached Exhibits "A" - "D" are incorporated into and made a part of this Agreement. The rules and regulations related to use of SHIP Funds shall be incorporated herein by reference.

#### 12.20 SURVIVAL

Either party's right to monitor, evaluate, enforce, audit and review, and any assurances, obligations to indemnify or insure, and items of financial responsibility shall survive the expiration or earlier termination of this Agreement.

#### 12.21 COOPERATION

The Parties shall execute, acknowledge, deliver, and cause to be done,

executed, acknowledged, and delivered, all such further documents and perform such acts as shall reasonably be requested of it to carry out this Agreement and give effect hereto. Accordingly, without in any manner limiting the specific rights and obligations set forth in this Agreement, the Parties declare their intention to cooperate with each other in effectuating the terms of this Agreement.

#### 12.22 WAIVER OF CLAIMS

HOPE South Florida, Inc. shall waive any claim it may have against CITY, and its agents, servants, and employees for loss of anticipated profits caused by any suit or proceedings directly or indirectly attacking the validity of this Agreement or any part thereof, or by any judgment of award in any suit or proceeding declaring this Agreement null, void, or voidable, delaying the same or any part thereof, from being carried out.

#### 12.23 CUMULATIVE RIGHTS

All rights and remedies of CITY hereunder or at law or in equity are cumulative and shall be in addition to any other rights and remedies available. The exercise of any right or remedy shall not be taken to exclude or waive the right to the exercise of any other. Failure by CITY to promptly exercise any of its rights shall not operate to forfeit or be treated as a waiver of any such rights.

#### 12.24 SPECIFIC PERFORMANCE

In addition to all other remedies, HOPE South Florida, Inc.'s obligations contained herein shall be subject to the remedy of specific performance by appropriate action commenced in a court of proper jurisdiction.

#### 12.25 FORCE MAJEURE

If the performance of this Agreement, or any obligation hereunder is prevented by reason of hurricane, earthquake, or other casualty caused by nature, or by labor strike, war, or by a law, order, proclamation, regulation, ordinance of any governmental agency, the party so affected, upon giving prompt notice to the other party, shall be excused from such performance to the extent of such prevention, provided that the party so affected shall first have taken reasonable steps to avoid and remove such cause of non-performance and shall continue to take reasonable steps to avoid and remove such cause, and shall promptly notify the other party in writing and resume performance hereunder whenever such causes are removed; provided, however, that if such non-performance exceeds sixty (60) days, the party that is not prevented from performance by the force majeure event shall have the right to terminate this Agreement upon written notice to the party so affected. This section shall not supersede or prevent the exercise of any right the Parties may otherwise have to terminate this Agreement.

12.26 DESIGNATED REPRESENTATIVE

HOPE South Florida, Inc. Designated Representative for this Project is Ted Greer Jr., Chief Executive Officer.

12.27 EXECUTION AUTHORITY

The individual executing this Agreement on behalf of HOPE South Florida, Inc. personally warrants that he or she has full authority to execute this Agreement on behalf of HOPE South Florida, Inc.

12.28 MULTIPLE ORIGINALS

Multiple copies of this Agreement may be executed by all Parties, each of which, bearing original signatures, shall have the force and effect of an original document.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the respective dates under each signature: CITY OF HOLLYWOOD, Florida through its CITY COMMISSION, signing by and through its Mayor, authorized to execute same by Commission action on the \_\_\_\_\_ day of \_\_\_\_\_, 2018 and HOPE South Florida, Inc. signing by and through its Chief Executive Officer duly authorized to execute same.

ATTEST:

CITY OF HOLLYWOOD, a municipal  
corporation of the State of Florida

By: \_\_\_\_\_  
JOSH LEVY, MAYOR

\_\_\_\_\_  
PATRICIA A. CERNY, MMC  
CITY CLERK

Date: \_\_\_\_\_

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY FOR  
THE USE AND RELIANCE OF  
THE CITY OF HOLLYWOOD,  
FLORIDA, ONLY.

APPROVED BY:

\_\_\_\_\_  
DOUGLAS R. GONZALES,  
CITY ATTORNEY

APPROVED BY:

\_\_\_\_\_  
CINTYA RAMOS, DIRECTOR  
FINANCIAL SERVICES  
DEPARTMENT

WITNESSES:

HOPE SOUTH FLORIDA, INC. OF  
FLORIDA, INC.

\_\_\_\_\_  
Signature

By \_\_\_\_\_

\_\_\_\_\_  
Print Name

Name \_\_\_\_\_

\_\_\_\_\_  
Signature

Title \_\_\_\_\_

\_\_\_\_\_  
Print Name

\_\_\_\_ day of \_\_\_\_\_, 2018.

## EXHIBIT "A"

### PROJECT DESCRIPTION

**SHIP Funds:** \$20,000.00

**Project Description** – Tenant-Based Rental Assistance

SHIP Funds in the amount of \$20,000.00 provided by CITY under this Agreement shall be used by HOPE South Florida, Inc. to provide Rental Assistance, Security and/or Utility Deposits and/or Rapid Re-Housing services to City of Hollywood residents as allowed by Sections 420.907 et. seq., Florida Statutes and Rule 67-37, Florida Administrative Code for two or more SHIP eligible households.

Funds will be awarded to eligible applicants in need of Tenant-Based Assistance to remedy a risk of homelessness situation. The maximum expenditure per beneficiary is \$10,000.00. The funds allocated will pay for security deposits and utility deposits, eviction prevention for a period not to exceed six (6) month's rent or rent subsidy for very-low-income families involving at least one person with special needs as defined in s. 420.0004 or one individual experiencing homelessness as defined in s. 420.621 for a period not to exceed twelve (12) months.

**EXHIBIT "B"**

**COSTS/BUDGET FOR PROJECT**  
**STATE OF FLORIDA ALLOCATION FOR FISCAL YEAR 2017-2018**

Total SHIP project funding shall not exceed \$20,000.00. Subgrantee will be paid on the basis of meeting the established performance objective of providing Rental Assistance, Security and/or Utility Deposits and/or Rapid Re-Housing services.

**Budget Narrative**

HOPE South Florida, Inc. will be paid based on performance and approval of eligible project expenses incurred. The process for requesting contract reimbursement is as follows:

HOPE South Florida, Inc. shall submit a summary invoice that clearly details project expenses per client in table form. Said summary invoice shall detail reimbursement request for each category as listed in the budget and/or is permitted by Exhibit "A".

The example below will satisfy the requirement but is not a mandatory format.

Client . Info.	Sec./Utility Deposits	Eviction Prevention	Rental Subsidy	Total Assistance
1	\$0.00	\$0.00	\$0.00	\$0.00
2	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$0.00	\$0.00	\$0.00	\$20,000.00

The summary invoice shall be accompanied by acceptable evidence of indebtedness. The invoice must be accompanied by a monthly performance report further described in Exhibit "C" attached.



## **EXHIBIT "C"**

### **PERFORMANCE REPORTS**

Beginning the first day of the second program month (October 1, 2018) and each month thereafter, HOPE South Florida, Inc. will submit program performance reports to the Community Development Division. The report shall explain any problems encountered with the project's implementation, the selection policy statement including any preferences for individual with special needs, clearly indicate the names of the continuum of care referral agency, and attendance of clients who are receiving rental subsidies. The performance report must include the following:

I. Beneficiary Information:

- a) Client last name
- b) Household size
- c) Hispanic or Latino
- d) Race
- e) Type Client (i.e.) single/not elderly/single parent/two parents, etc.
- f) Household Income (as a percentage of Area Median income)

II. Unit and Contract Information:

- a) Number of bedrooms
- b) Security deposit amount
- c) Utility Deposit amount
- d) Eviction Prevention amount
- e) Rental subsidy
- f) Total rent
- g) Lease term

The Division Manager shall be authorized to approve amendments for Project Schedule/Timeline set forth in Exhibit "C".

**EXHIBIT "D"**  
**TIMETABLE/SCHEDULE FOR PROJECT(S)**

<b>Work Task</b>	<b>Completion Date</b>
Identification of and relationship building with landlords in Hollywood area using, list of landlords who accept Section 8 vouchers, and other resources. Screening of clients for intake	Ongoing
Commence recruitment of homeless families in Hollywood for program, assignment to case management and review and update of any established care plans as appropriate	9/15/2018
Start placement of clients in apartments. Assist with move in needs (security and utility deposits, donation of furniture and household items from thrift stores if needed, etc.). Assist with Eviction Prevention Needs	10/15/2018
Provide tenant-based rental assistance, security deposits and utility deposits	10/15/2018
A minimum of two clients served	6/15/2019

**EXHIBIT “E”**  
**Chapter 67-37 STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM**

67-37.002	Definitions
67-37.005	Local Housing Assistance Plans (LHAP)
67-37.006	Review of Local Housing Assistance Plans and Amendments
67-37.007	Uses of and Restrictions Upon SHIP Local Housing Distribution Funds for Local Housing Assistance Plans
67-37.008	Local Housing Assistance Trust Fund
67-37.010	Local Affordable Housing Advisory Committees and Incentive Strategies (Repealed)
67-37.011	Interlocal Entities
67-37.019	Compliance Monitoring for Housing Developed With SHIP Local Housing Distribution Funds

**67-37.002 Definitions.**

As used in this rule chapter, the following definitions shall apply:

(1) “Administrative Expenditures” means those expenditures directly related to implementation of the Local Housing Assistance Plans.

(2) “Annual Gross Income” means Annual Gross Income as defined in Section 420.9071(4), F.S.

(3) “Annual Report” means a report required to be completed and submitted to the Corporation by September 15 of each year pursuant to Section 420.9075(10), F.S.

(4) “Assisted Housing” or “Assisted Housing Development” means Assisted Housing as defined in Section 420.9071(29), F.S.

(5) “Catalyst” means the Affordable Housing Catalyst Program as described in Section 420.531, F.S.

(6) “Debt Service” means the amount required in any fiscal year to pay the principal of, redemption premium, if any, and interest on bonds and any amounts required by the terms of the documents authorizing, securing, or providing liquidity for bonds necessary to maintain in effect any such liquidity or security arrangements.

(7) “Default” means the failure to make required payments on a financial loan secured by a mortgage that may lead to foreclosure and loss of property ownership.

(8) “Deferred Payment Loan” means funds provided to a borrower under terms that calls for repayment to be delayed for a certain length of time, until certain circumstances change, or a certain threshold is met.

(9) “Eligible Housing” means as defined in Section 420.9071(8), F.S.

(10) “Encumbered” means that deposits made to the local affordable housing trust fund have been committed by contract, or purchase order, letter of commitment or award in a manner that obligates the county, eligible municipality, or interlocal entity to expend the amount upon delivery of goods, the rendering of services, or the conveyance of real property by a vendor, supplier, contractor, or owner.

(11) “Essential Service Personnel” means persons in need of affordable housing who are employed in occupations or professions in which they are considered essential service personnel, as defined by each county and eligible municipality within its respective local housing assistance plan pursuant to Section 420.9075(3)(a), F.S.

(12) “Expended” means the affordable housing activity is complete and funds deposited to the local affordable housing trust fund have been transferred from the local housing assistance trust fund account to pay for the cost of the activity.

(13) “Extremely Low Income Household” or “ELI” means one or more natural persons or a family that has a total annual gross household income that does not exceed 30 percent of the area median income adjusted for family size for households within the metropolitan statistical area, the county, or the non-metropolitan median for the state, whichever is greatest.

(14) “Foreclosure” means the legal action by a mortgage holder to require repayment of a Loan through the sale of the subject property.

(15) "Forgivable Loan" means a loan with no repayment obligation if requirements of the loan are met for a specified period of time.

(16) "Grant" means Grant as defined in Section 420.9071(12), F.S.

(17) "Home Ownership Activities" means the use of the local affordable housing trust fund moneys for the purpose of providing owner-occupied housing. Such uses include construction, rehabilitation, purchase, and lease-purchase financing where the primary purpose is the eventual purchase of the housing by the occupant within twenty-four months from initial execution of a lease agreement or within twenty-four (24) months of the applicable fiscal year, whichever occurs first.

(18) "Interlocal Entity" means an entity created pursuant to the provisions of Chapter 163, Part I, F.S., for the purpose of establishing a joint local housing assistance plan between two or more SHIP eligible local governments pursuant to the provisions of Section 420.9072(5), F.S.

(19) "Loan" means Loan as defined in Section 420.9071(13), F.S.

(20) "Local Housing Incentive Strategies" means Local Housing Incentive Strategies as defined in Section 420.9071(16), F.S.

(21) "Persons With Special Needs" means Persons with Special Needs as defined in Section 420.0004(13), F.S.

(22) "Preservation" means Preservation as defined in Section 420.9071(30), F.S.

(23) "Program Income" means Program Income as defined in Section 420.9071(24), F.S.

(24) "Project Delivery Costs" means those costs related to the delivery of housing related services to an eligible applicant that are not included as part of Administrative Expenditures.

(25) "Recaptured Funds" means Recaptured Funds as defined in Section 420.9071(25), F.S.

(26) "Rehabilitation" means repairs or improvements which are needed for safe or sanitary habitation, correction of substantial code violations, or the creation of additional living space.

(27) "Review Committee" means the committee established pursuant to Section 420.9072(3)(a), F.S.

(28) "SHIP" or "SHIP Program" means the State Housing Initiatives Partnership Program created pursuant to the State Housing Initiative Partnership Act, Sections 420.907-.9079, F.S.

(29) "Sponsor" means eligible sponsor as defined in Section 420.9071(11), F.S.

(30) "State" means the State of Florida.

(31) "Sub-Recipient" means a person or organization contracted by a SHIP eligible local government that is compensated with SHIP funds to provide administration of any portion of the SHIP program.

(32) "Welfare Transition Program" means a program pursuant to the provisions of Section 445.006, F.S.

*Rulemaking Authority 420.9072(9) FS. Law Implemented 420.9072 FS. History—New 11-26-92, Amended 2-9-94, 12-28-94, 1-6-98, Formerly 91-37.002, Amended 12-26-99, 9-22-03, 1-30-05, 11-5-06, 2-24-08, 11-22-09, 5-23-17.*

### **67-37.005 Local Housing Assistance Plans (LHAP).**

#### **(1) General Requirements:**

(a) To be eligible for SHIP funding for a state fiscal year, a county or eligible municipality shall submit and receive approval of its local housing assistance plan and amendments thereto as provided in Rule 67-37.006, F.A.C. Plans must be submitted to the Corporation by May 2, preceding the end of the fiscal year in which the current plan expires. New Plans must be submitted using the LHAP Template 2016-001, effective (5/17), including all required exhibits, which is adopted and incorporated herein by reference <https://www.flrules.org/Gateway/reference.asp?No=Ref-08193>. A copy of the LHAP Template 2016-001, and required exhibits may be obtained at <http://www.floridahousing.org> or by contacting the Corporation. In the case of new eligible municipalities, plans must be submitted to the Corporation by May 2, of the state fiscal year, prior to the state fiscal year they seek to become eligible for funding. No SHIP local housing distribution funds shall be distributed in a fiscal year to a county or eligible municipality unless and until an approved LHAP is in place with respect to applicable fiscal year.

(b) The effective period of an LHAP may be up to three state fiscal years. Counties or eligible

municipalities that receive LHAP approval for more than one fiscal year shall not be required to resubmit a new plan until May 2 of the year, in which the approved plan expires.

(c) A copy of the local housing assistance plan shall be submitted to the Corporation, via electronic submission. The local housing assistance plan's certification and resolution, which are part of the LHAP Template 2016-001, shall be submitted and shall bear the original signature of the authorized official which includes: Mayor, Commissioner, County Manager or City Manager or the authorized official's designee and a certification that the document being submitted is the county's, eligible municipality's or interlocal entity's local housing assistance plan and that all provisions of the plan conform to the requirements of Section 420.9072, F.S., et seq., and Rule Chapter 67-37, F.A.C.

(d) Within two weeks after receipt of final approval of the LHAP from the Corporation, the local government shall provide, via electronic submission, a complete clean copy (no strike through or underline) including all required exhibits to the Corporation.

(e) The Corporation shall be notified by a county or eligible municipality of any recently hired staff or any new entity employed or contracted to administer any portion of the SHIP program having no previous experience with the SHIP program. Those staff or entity shall be required to receive technical assistance and training through the Affordable Housing Catalyst Program.

(f) The funds deposited to the local housing assistance trust fund must be spent within twenty-four months from the end of the applicable State fiscal year. Exceptions to this time frame must be approved by the Corporation SHIP Program Administrator on a case-by-case basis. Exceptions will only be granted for good cause. Examples of good cause are natural disasters, requirements of other State agencies, adverse market conditions, and unavoidable development delays. Adequate explanation of the reasons for the requested extension as well as a timeline for completing the expenditure of funds must be submitted to the Corporation before an extension will be approved, e.g., project status, work plan and completion schedule, commitment of funds, etc. The Corporation may require a local government requesting an expenditure extension to receive technical assistance through the Catalyst program to evaluate the need for an extension.

(g) Each LHAP must include a disaster strategy describing activities to be undertaken in the event of an emergency or disaster that has been declared by executive order. A copy of a sample Disaster Strategy is available on the Corporation's website at <http://www.floridahousing.org> or by contacting the Corporation. Local governments may use unencumbered SHIP funds to carry out activities of disaster relief. Recipients of SHIP funds under a local government's disaster strategy shall be required to verify income using certifications, pay check stubs or other forms of proof. Documentation required for SHIP income qualification may be waived if unavailable. The county or eligible municipality shall make every effort reasonable to insure that the recipients of SHIP funds are income qualified.

(2) A county or eligible municipality is permitted to:

(a) Develop a strategy within its local housing assistance plan that emphasizes the recruitment and retention of Essential Service Personnel pursuant to Section 420.9075(3)(b), F.S.

(b) Use SHIP funds for persons or families whose total annual household income does not exceed one hundred forty percent of the area median income, adjusted for family size; this use of funds does not relieve the local government from meeting the requirements of Section 420.9075(5)(g)2, F.S.

(c) Develop a strategy within its local housing assistance plan that addresses the needs of persons who are deprived of affordable housing due to the closure of a mobile home park or the conversion of affordable rental units to condominiums pursuant to Section 420.9075(3)(c), F.S.

(d) Develop a strategy within its local housing assistance plan for the Preservation of assisted rental housing.

(3) Notice of Funding Availability. Each county or eligible municipality shall advertise a notice of funding availability of SHIP funds at least 30 days before the beginning of the application period in a newspaper of general circulation and periodicals serving ethnically and racially diverse populations unless a waiting list of applicants exists that will exhaust all allocated funding.

(a) The advertisement shall:

1. Identify the amount of the distribution projected to be received from the state for the fiscal year,
2. List the beginning and end date of the application period,
3. Provide the name of the local plan contact person and other pertinent information including where applicants may apply for assistance.

(b) The advertisement may also include information that the local governments deem necessary such as:

1. An estimated amount of SHIP local housing distribution per strategy,
2. Income set aside for each strategy along with applicable income limits,
3. A description of the selection criteria for each strategy,
4. The maximum housing value limitation for each strategy.

(4) Each local housing assistance plan shall be submitted on the LHAP template and include:

(a) A description of the local housing strategies and incentive strategies;

(b) A statement that monthly rents or monthly mortgage payments, including taxes and insurance, do not exceed 30 percent of an amount representing the percentage of the area's median Annual Gross Income for the household as indicated in Section 420.9071(19), (20) or (28), F.S. However, it is not the intent to limit an individual household's ability to devote more than 30 percent of its income for housing. Housing for which a household devotes more than 30 percent of its income shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent benchmark and in the case of rental housing does not exceed those rental limits adjusted for bedroom size established by the Corporation;

(c) A description of the extent to which a strategy is implemented by combining resources through a partnership in order to leverage the cost of housing;

(d) A description of the support services that will be made available to the residents of the housing; and,

(e) A description of the initiatives that will be used to conduct outreach and to attract applicants for assistance;

(f) A statement that strategies further the housing element, goals, policies, and objectives of the local government's comprehensive plan;

(g) A policy stating that once a waiting list has been exhausted and funds remain unencumbered, the local government will advertise as instructed in Section 420.9075(4)(b), F.S.;

(h) A statement that the staff or entity that has administrative authority for implementing a local housing assistance plan assisting rental developments shall annually monitor and determine tenant eligibility throughout the 15 year compliance period as described at subsection 67-37.007(15), F.A.C.;

(i) A definition of essential service personnel for the county or eligible municipality. Such definition may include teachers and educators; other school district, community college, and university employees; police and fire personnel; health care personnel; skilled building trades personnel; and other specifically defined job categories as required by Section 420.9075(3)(a), F.S.;

(j) A description of initiatives identifying current and emerging green building and design techniques and explain how these techniques are to be integrated into its housing strategies both for sustainability and to promote greater affordability pursuant to Section 420.9075(3)(d), F.S.;

(k) A complete description of all strategies and activities to be undertaken as described in this section;

(l) A description of the qualification system and selection criteria for applications for awards to eligible sponsors, which includes a description that demonstrates how eligible sponsors that employed personnel from the Welfare Transition Program will be given preference in the selection process;

(m) A description of the criteria for selection of eligible persons;

(n) Maximum Award amounts for each strategy listed in the local housing assistance plan;

(o) A timeline for the expenditure of SHIP local housing distribution funds in sufficient detail to allow for a comparison of such plan with actual expenditures. The information submitted must be presented separately for each State fiscal year;

(p) A detailed line-item budget of proposed Administrative Expenditures. These must be presented on an annual basis for each State fiscal year submitted;

(q) A copy of the ordinance and its amendments, if the original ordinance has been amended from its original submission, as required by Section 420.9072(2)(b), F.S.; and,

(r) A housing delivery goals chart hereby incorporated by reference as an exhibit to the LHAP template for each fiscal year, which includes the following information for each strategy:

1. The proposed dollar amount of the local housing distribution to be used for each strategy, stated for each State fiscal year in a multi-year plan,

2. The estimated number of households proposed to be served for each strategy and income category,

3. The maximum amount of funding per unit for each strategy, and the estimated amount of funding for new construction, rehabilitation or non-construction activities. On a multi-year plan, this information must be stated separately for each State fiscal year,

4. The maximum sales price of new and existing units. For community land trust purposes the value of the land is not included in the purchase price.

(5) Each LHAP shall contain a certification form, which is included as an exhibit to LHAP Template 2016-001, which requires the county or eligible municipality to certify to all statements on said form, including that:

(a) There is an established procedure for the tracking and expenditure of program income and Recaptured Funds from loan repayments, reimbursements, foreclosures or other repayments, and interest earnings on the local housing distribution funds;

(b) There is a plan to Encumber the local housing distribution funds deposited into the local housing assistance trust fund for each State fiscal year by June 30 one year following the end of the applicable State fiscal year;

(c) There is a plan for the local housing distribution deposited into the local housing assistance trust fund to be Expended for eligible persons or eligible sponsor within 24 months of the end of the applicable State fiscal year. Expended is defined as:

1. The project is completed as evidenced by documentation of final payment to the contractor and release of all lien waivers,

2. Issuance of the certificate of occupancy by the local building department in the case of a new home or proof of the final building inspection for housing rehabilitation, and occupancy by an eligible person or eligible household,

3. For assistance to tenants of rental housing or foreclosure assistance payments, funds are Expended upon transfer of funds to a tenant, resident, lending institution, utility provider or landlord; and,

4. In the case of a loan guarantee strategy, the deposits to the local housing assistance trust fund will be considered expended when they are deposited from the local housing assistance trust fund into the guarantee fund.

*Rulemaking Authority 420.9072(9) FS. Law Implemented 420.9071, 420.9072(2), 420.9075 FS. History—New 11-26-92, Amended 5-2-93, 2-9-94, 12-28-94, 1-6-98, Formerly 9I-37.005, Amended 12-26-99, 9-22-03, 1-30-05, 11-5-06, 2-24-08, 11-22-09, 5-23-17.*

#### **67-37.006 Review of Local Housing Assistance Plans and Amendments.**

(1) Local housing assistance plans and amendments shall be reviewed and approved by a Review Committee of Corporation employees appointed by the Executive Director.

(2) Any county or eligible municipality desiring review of a new plan or plan amendment prior to adoption by the local government body may submit it for review to the Corporation. The plan or amendment will be reviewed by the Corporation, which will recommend it for conditional approval pending local approval and submission of all required documents or identify inconsistencies with the requirements of the SHIP program Rule Chapter 67-37, F.A.C., and Sections 420.907-.9079, F.S., within 45 days after receipt.

(3) Amendments to an approved local housing assistance plan must be adopted by resolution and the county or eligible municipality must provide a copy to the Corporation within 21 days after adoption. A county or eligible municipality must amend its plan if at any time a strategy will be deleted or a new strategy will be added. Amendments that do not add, delete or significantly alter a strategy are considered technical and are

not subject to the amendment review process.

(4) A county or eligible municipality that has adopted a Plan or an amendment that has been determined by the Corporation to be inconsistent with the requirements of the SHIP program, shall make necessary revisions identified within 45 days of receipt of the Committee's comments.

*Rulemaking Authority 420.9072(9) FS. Law Implemented 420.9072(2) FS. History—New 11-26-92, Amended 2-9-94, 12-28-94, 1-6-98, Formerly 9I-37.006, Amended 12-26-99, 9-22-03, 2-24-08, 11-22-09, 5-23-17.*

**67-37.007 Uses of and Restrictions Upon SHIP Local Housing Distribution Funds for Local Housing Assistance Plans.**

(1) SHIP local housing distribution funds shall be used to implement the local housing assistance plan. The benefit of assistance provided through the SHIP program must accrue to eligible persons occupying Eligible Housing. This provision shall not be construed to prohibit use of the local housing distribution deposited into the local housing assistance trust fund for a mixed-income rental development.

(a) All local housing distribution funds shall be Encumbered by June 30 of the State fiscal year following the end of the applicable State fiscal year.

(b) The funds deposited to the local housing assistance trust fund must be Expended within 24 months from the end of the applicable State fiscal year. Requests for extensions for good cause must be submitted by the local government to the Corporation and will be reviewed and approved or denied by the Corporation on a case-by-case basis. Examples of good cause include disasters, requirements of other State agencies or housing programs, adverse market conditions, and unavoidable development delays. The Corporation may require a local government requesting an expenditure extension to receive technical assistance through the Catalyst program.

(c) If funds remain unexpended after the original or extended deadline, the County or eligible municipality will be deemed to be in non-compliance and funds will be subject to recapture by the Corporation.

(d) SHIP local housing distribution funds may be used:

1. To implement the local housing assistance plan and incentive strategies that create or preserve affordable housing,
2. To supplement Corporation programs,
3. To provide local match to obtain federal housing grants or programs, such as HOME, established by 24 CFR, Part 92; and,
4. To further the housing element of the local government comprehensive plan adopted pursuant to Section 163.3184, F.S., specific to affordable housing.

(2) At least sixty-five percent of each local government's local housing distributions must be used for Home Ownership Activities. The expenditure of program income is exempt from this requirement.

(3) At least seventy-five percent of each local government's local housing distributions must be used for construction, rehabilitation or emergency repairs of affordable, Eligible Housing. The expenditure of program income is exempt from this requirement. Construction, rehabilitation, or emergency repairs must be completed either within one year immediately preceding the date of conveyance of title (i.e., closing) or within 24 months of the close of the applicable State fiscal year to satisfy the Expenditure requirement, unless otherwise extended by the Corporation. For purposes of this rule, SHIP recipients may rely on the following expenditures to be considered construction, rehabilitation or emergency repair costs:

(a) Those hard costs which are typically or customarily treated as construction costs by institutional lenders;

(b) Payment of impact fees;

(c) Infrastructure expenses typically paid by the developer;

(d) Construction soft costs such as engineering studies and appraisals, if directly related to housing construction, rehabilitation or emergency repairs;

(e) Relocation costs associated with rehabilitation of the residence usually occupied by a tenant or home owner; and,



(f) Financing, or “buy-down” costs, if directly attributable to assisting eligible persons to own a home or obtain rental occupancy (e.g., security and utility deposit assistance) in a home or unit that has obtained a certificate of occupancy in the 12-month period immediately preceding the contract for sale and purchase or has never been occupied or lease of the premises. When used to purchase an existing housing unit, closing costs and down payment assistance will be considered toward fulfilling the 75 percent construction requirement only if the housing unit receives rehabilitation. Any other costs may be submitted to the Corporation for review and approval.

(4) At least 20 percent of each local government’s local housing distribution must be used to serve persons with special needs as defined in Section 420.0004, F.S. A local government must meet this requirement through existing approved strategies in the local housing assistance plan or submit a new local housing assistance plan strategy for this purpose. The first priority of these special needs funds must be to serve persons with developmental disabilities as defined in Section 393.063, F.S., with an emphasis on home modifications, including technological enhancements and devices, which will allow homeowners to remain independent in their own homes and maintain their homeownership.

(5) A county or eligible municipality may spend up to 20 percent of the funds made available in each county and eligible municipality from the local housing distribution for manufactured housing as referenced in Section 420.9075(5)(c), F.S.

(6) A county or eligible municipality may spend funds to provide ongoing rent subsidies for:

(a) Security and utility deposit assistance;

(b) Eviction prevention not to exceed 6 months’ rent; and,

(c) A rent subsidy program for very-low-income households with at least one adult who is a person with special needs as defined in Section 420.0004, F.S., or is homeless as defined in Section 420.621, F.S. The period of rental assistance may not exceed 12 months for any eligible household.

(7) The Corporation shall review and approve expenditures for the following categories as Administrative Expenditures:

(a) Salaries of persons directly responsible for preparation of the plans or reporting required as part of the administration of the local SHIP program. The salary allocated to SHIP Administrative Expenditures of any employee shall reflect activities involving administration of the SHIP program, but no SHIP program funds are permitted to be expended for the administration of activities not involving SHIP funds;

(b) Office expenditures affiliated with the administration of the local SHIP program;

(c) Studies conducted by the county or eligible municipality or by consultants selected by the county or eligible municipality to provide data on affordable housing need and demand in the area; and,

(d) Expenditures related to travel, training, education, and public information initiatives necessary for the administration of the SHIP program.

(8) Additional Expenditures detailed in the local housing assistance plan that do not fit in these categories shall be analyzed by the Corporation, which shall make a determination as to whether the proposed expenditures shall be approved as Administrative Expenditures or Project Delivery Costs.

(9) Small counties and eligible municipalities receiving a local housing distribution of up to \$350,000 may use up to 10 percent of program income for administrative Expenditures.

(10) The balance of the local housing distribution funds and other funds deposited into the local housing assistance trust fund must be used for housing production and finance activities, including: financing preconstruction activities, financing the purchase of existing units, providing rental housing, and providing home ownership training or counseling to prospective home buyers and owners of homes assisted through the local housing assistance plan.

(11) The sales price or value of new or existing homes which are sold or rehabilitated under the SHIP Program shall not exceed 90 percent of the average area purchase price in the statistical area in which the housing is located. The local government at its discretion may set the sales price or value below the 90 percent benchmark. The maximum area purchase price shall not exceed the limit established by the United States Department of Treasury or that calculated in accordance with Section 420.9075(5)(f), F.S.

(12) Loans issued using local housing distribution funds deposited to the local housing assistance trust fund may not have terms exceeding 30 years, except for Deferred Payment Loans or Forgivable Loans that extend beyond 30 years which continue to serve eligible persons.

(13) All units constructed, rehabilitated, or otherwise assisted with local housing distributions provided from the local housing assistance trust fund must be occupied by eligible persons as defined in Section 420.9071(10), F.S. The remainder may be reserved for eligible sponsors that will serve eligible persons.

(14) Monthly mortgage payments, including taxes and insurance, and monthly rental payments must be affordable for very low, low- and moderate-income persons and households.

(15) Rental units constructed, rehabilitated or otherwise assisted from the local housing assistance trust fund must be monitored annually by the local government, or to the extent another government entity or Corporation program provides periodic monitoring, the local government may rely on that entity's monitoring for 15 years or the term of assistance, whichever is longer, for compliance with tenant income and affordability requirements, except as referenced in Section 420.9075(4)(e), F.S. In determining the maximum allowable rents, 30 percent of the applicable income category divided by 12 months shall be used based on the number of bedrooms. A one-person household shall be used for an efficiency unit, and for units with separate bedrooms, one and one-half persons per bedroom shall be used. A rental limit chart based on the above calculation adjusted for bedroom size will be provided to the local governments by the Corporation annually.

(16) All Loans and Grants for units constructed, rehabilitated or otherwise assisted from the local housing assistance trust fund shall be subject to recapture requirements as described by the county or eligible municipality in its local housing assistance plan. Any strategy proposed that will award funds as a Grant without any recapture requirements shall be submitted to the Corporation denoted as a Grant as part of the local housing assistance plan for approval by the Corporation.

(17) Developers receiving assistance from both SHIP and the Low-Income Rental Housing Tax Credit (LIHTC) Program shall be required to comply with the income, affordability and other LIHTC requirements. Similarly, any units receiving assistance from SHIP and other federal, State or local programs shall be required to comply with any requirements specified by the other program in addition to SHIP program requirements. In the event both programs have restrictions on the same issue, the more restrictive regulation shall take precedence. If one program is silent on an issue, the program with a regulation on the issue shall apply.

(18) The local government may require that housing units receiving assistance from local housing distribution funds deposited to the local housing assistance trust fund be located within the boundaries of the local government's jurisdiction which has been approved for receipt of local housing distribution funds.

(19) Local housing distribution funds deposited to the local housing assistance trust fund shall not be used as a pledge of the Debt Service on bonds.

(20) Pursuant to Section 420.9073(5), F.S., in the event of a housing related disaster declared by an Executive Order of the President or Governor, counties and eligible municipalities impacted by the disaster and included in the Executive Order may request funding for activities described in their local housing assistance plans or under the disaster strategy. Requests for additional funds shall be submitted in writing and shall include the name of the local government and amount of funds requested and a schedule of when the funds being requested are to be expended. The request shall also include the number of households to be assisted, addresses, damage assessment performed by FEMA, the Department of Emergency Management, or other local agency performing disaster assessments and dollar estimate of repairs. Disaster funds shall be disbursed to local governments based on demonstrated need pending availability of funds. Counties and eligible municipalities receiving additional funds for disaster that have unencumbered funds shall expend the unencumbered funds before requesting disaster funds. Disaster activities shall be included in the Annual Report submitted by local jurisdictions by September 15 following the close of the fiscal year.

(21) Pursuant to Section 420.9073(6), F.S., counties and eligible municipalities may request funds to be used for the purchase of properties subject to a SHIP lien on which foreclosure proceedings have been initiated. Counties and eligible municipalities receiving these funds shall repay these funds to the Corporation no later than the expenditure deadline for the fiscal year in which the funds were expended. Any funds not

repaid shall be withheld from the subsequent year's distribution. Requests for these funds shall be submitted in writing and shall include the name of the local government, amount of funds requested, address of property(ies) being acquired, cost of purchase, amount of existing SHIP subsidy and a schedule of when the funds being requested are to be expended. These funds will be disbursed to local governments on a first come, first served basis pending availability of funds.

*Rulemaking Authority 420.9072(9) FS. Law Implemented 420.9072 FS. History—New 11-26-92, Amended 2-9-94, 12-28-94, 1-6-98, Formerly 9I-37.007, Amended 12-26-99, 9-22-03, 11-5-06, 2-24-08, 11-22-09, 5-23-17.*

#### **67-37.008 Local Housing Assistance Trust Fund.**

(1) Amounts on deposit in each local housing assistance trust fund shall be invested as permitted by law for the local housing distribution funds of the applicable local government(s). All investment earnings shall be retained in such fund and used for the purposes thereof.

(2) The local housing assistance trust fund for all local governments including interlocal entities shall be separately stated as a special revenue fund in a county's or eligible municipality's audited financial statements. Electronic of such audited financial statements or a hyperlink to the website where the report is posted shall be transmitted annually to the Corporation no later than June 30th of the following state fiscal year. In addition to providing audited financial statements, all participating jurisdictions must provide evidence of compliance with the Florida Single Audit Act, as referenced in Sections 215.97(7) and (8), F.S.

(3) All Expended funds reported on the SHIP Annual Report shall be reconciled to the general ledger for each State fiscal year prior to submission of the SHIP Annual Report.

(4) In addition to the Annual Report requirements outlined in Section 420.9075(10), F.S., local governments shall submit information required by the Corporation on the Annual Report for:

(a) Foreclosure rates on SHIP loans;

(b) Administrative Expenditures separately stated for the costs of the local government and any Sub-Recipients administering the program;

(c) Total Recaptured Funds and program income separately stated for event type (foreclosure, sale of property, refinance);

(d) Total amount of unexpended funds that will be carried forward to the next SHIP fiscal year;

(e) A list of Sub-Recipients that administer any portion of the SHIP program. The list shall include name of person or organization, business type, a description of the strategies and responsibilities for each sub-recipient or consultant;

(f) Tracking of Persons with Special Needs; and,

(g) Responses to requests for information from the Legislature or Governor's office.

(5) Annual Reports shall be submitted to the Corporation electronically using the SHIP Annual Report system. The SHIP Annual Report system can be accessed at [www.floridahousing.org](http://www.floridahousing.org).

(6) Local governments that have had an audit, review or investigation involving SHIP funds shall send the Corporation a copy of any related report within 10 days of the issuance of such report.

*Rulemaking Authority 420.9072(9) FS. Law Implemented 420.9075(5) FS. History—New 11-26-92, Amended 2-9-94, 1-6-98, Formerly 9I-37.008, Repromulgated 12-26-99, Amended 9-22-03, 1-30-05, 11-5-06, 2-24-08, 11-22-09, 5-23-17.*

#### **67-37.010 Local Affordable Housing Advisory Committees and Incentive Strategies.**

*Rulemaking Authority 420.9072(9) FS. Law Implemented 420.907, 420.9076 FS. History—New 2-9-94, 1-6-98, Formerly 9I-37.010, Amended 12-26-99, Repromulgated 9-22-03, Amended 2-24-08, 11-22-09, Repealed 5-23-17.*

#### **67-37.011 Interlocal Entities.**

(1) The interlocal agreement shall specify whether a single report for all jurisdictions or individual Annual

Reports for each participating local government shall be submitted pursuant to Section 420.9075(10), F.S.

(2) Eligible municipalities that intend to become a member of an established interlocal entity must:

(a) Adopt an ordinance that creates the affordable housing advisory committee, establishes responsibility for plan administration and, if applicable, establishes the local affordable housing trust fund; and,

(b) Adopt by resolution one local housing assistance plan and adopt by resolution the appointments to the advisory committee.

(3) All members of the existing interlocal entity must adopt by resolution an amendment to the local housing assistance plan to include the new eligible municipality.

*Rulemaking Authority 420.9072(9) FS. Law Implemented 420.9072(5) FS. History—New 11-26-92, Amended 2-9-94, 1-6-98, Formerly 9I-37.011, Amended 12-26-99, 9-22-03, 2-24-08, 5-23-17.*

### **67-37.019 Compliance Monitoring for Housing Developed With SHIP Local Housing Distribution Funds.**

(1) The local government staff or entity with administrative authority for a local housing assistance plan shall maintain a financial tracking system that ensures that the local housing distribution funds disbursed from the local housing trust fund are expended in accordance with the set-aside requirements in Rule 67-37.007, F.A.C., within deadlines established in paragraphs 67-37.005(5)(b) and (c), F.A.C., and in compliance with Section 420.9075, F.S. Failure by the local government staff or entity with administrative authority to properly track SHIP funds or reconcile the funds to the general ledger shall result in the local government being deemed in non-compliance with the SHIP program. In this circumstance, the local government or administrative entity shall be required to receive technical assistance through the Catalyst program.

(2) The combined household Annual Gross Income of an applicant who is applying as an owner/occupant of a residence shall be verified and certified by the SHIP program administrator or designee using one of the following methods:

(a) Section 8 housing assistance payments programs in 24 C.F.R. part 5, or

(b) Adjusted gross income as defined for purposes of reporting under Internal Revenue Service Form 1040 for individual federal annual income tax purposes.

(3) Income shall be calculated by annualizing verified sources of income for the household as the amount of income to be received in a household during the 12 months following the effective date of the determination. Whichever income verification and certification method is used, the Annual Gross Income, as defined in Section 420.9071(4), F.S., must be used and the SHIP Program income limits cannot be exceeded. SHIP funds Expended on households that are determined to not be income qualified through a compliance monitoring or audit shall be repaid in full to the local housing trust fund from non-SHIP funds to be reallocated to an eligible SHIP activity. In this circumstance, the local government or administrative entity may be required to receive technical assistance through the Affordable Housing Catalyst Program.

(4) The local government staff or entity with authority for administering a local housing assistance plan assisting rental developments shall monitor annually, or to the extent another government entity or Corporation program provides periodic monitoring, the local government may rely on that entity's monitoring to determine tenant eligibility and the amount of subsidy using the same guidelines as specified at subsection (2), above, annually for 15 years or the term of assistance, whichever is longer. The Corporation shall monitor the activities of the local governments to determine compliance with program requirements as defined in Section 420.9075(4)(e), F.S.

(5) The local government staff or entity with administrative authority for a local housing assistance plan shall provide documentation to the Corporation upon request that details:

(a) Permits, as defined in Sections 163.3164(15) and (16), F.S., for affordable housing projects are expedited to a greater degree than other projects; and,

(b) There is an ongoing process for review of local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to their adoption.

(6) The Corporation, or any duly authorized representative shall be permitted to inspect the local housing

assistance plan, advertisements, applications, income verifications and certifications, plan participation contracts, financial records, tracking system records, construction cost verification including receipts and contracts, rental development annual reviews, Eligible Sponsor and Sub Recipient reviews, Eligible Sponsor and Sub Recipient award lists, SHIP fund recipient lists, and any other applicable documents at any reasonable time with or without notice. Such records shall be maintained within the participating county or eligible municipality at a place accessible to the Corporation staff or its designated monitoring agent.

(7) Subsequent to a local government SHIP program being monitored by the Corporation or its designated agent and receiving a copy of the compliance monitoring report, the local government shall submit a written response to any findings or observations documented in the monitoring report to the Corporation and the designated monitoring agent. The required response shall be submitted within 30 days and shall include an explanation and/or remedy for each item in the compliance monitoring review, including:

(a) An explanation of the plan for correcting the issue including changes in policies, procedures, staff responsibilities, technical assistance and training.

(b) For physical inspection findings or observations, an explanation of any corrective work that will be completed to address the findings or observations.

(c) A timeline for correcting any observed deficiencies; and,

(d) A plan for repayment of ineligible expenses, if any is required.

(8) If the Corporation issues a written report pursuant to Section 420.9075(13)(a), F.S., finding that an eligible jurisdiction has violated program criteria, the Corporation shall:

(a) Submit such report to the Executive Office of the Governor at which time the distribution of program funds to the county or eligible municipality shall be suspended, or

(b) Require the local government to work with technical assistance provider through the Catalyst program, to develop a corrective action plan (CAP).

1. The CAP shall be submitted to the Corporation within 60 days of the date of the letter from the Corporation notifying the eligible jurisdiction of the pattern of violation.

2. The CAP must describe the proposed corrective action for each violation and how the correction actions will be implemented within 3 months of an approval of the CAP by the Corporation.

3. The Corporation shall have 30 days to review and approve or recommend changes to the CAP. Upon approval of the CAP, any undisbursed funds due to the local government shall be distributed.

(9) Projects receiving assistance from the local housing assistance plan and from other State or federal programs that may have conflicting verification and certification requirements, shall comply with requirements of the most restrictive program.

(10) Any local government receiving SHIP funds that administers any portion of the SHIP program through a contracted Sub-Recipient shall bear responsibility for actions of the Sub-Recipient and shall monitor all Sub-Recipients to insure compliance is maintained on all SHIP funded activities. The required contract between the local government and Sub-Recipient shall detail the policies and procedures that shall be adhered to in the management of the SHIP activities.

(11) Any contract or document establishing the relationship between a SHIP eligible local government and an organization that is a Sub-Recipient receiving SHIP funds shall contain the standard audit language on Form DFS-A2-CL (Effective 7/05) in the document as required by the Florida Single Audit Act, Section 215.97, F.S.

*Rulemaking Authority 420.9072(9) FS. Law Implemented 420.9075 FS. History—New 2-24-08, Amended 11-22-09, 5-23-17.*