

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners

DATE: November 2, 2016

FROM: Jeffrey P. Sheffel
City Attorney

SUBJECT: Proposed Agreement with Liberia, Economic and Social Development, Inc. (LES/CHDO) for the construction of a single family home on a property located at Lot 17 and 18 of Block 9 (Green Street)

I have reviewed the above captioned agreement for form and legality. The general business terms and other significant provisions are as follows:

- 1) Department/Division involved – Dept. of Development Services/Community Development Division
- 2) Type of Agreement - Agreement
- 3) Method of Procurement (RFP, bid, etc.) - n/a
- 4) Term of Contract
 - a) initial – commences on December 14, 2016 and expires on September 30, 2017.
 - b) renewals (if any) –Yes
 - c) who exercises option to renew – mutual acceptance by City and LES.
- 5) Contract Amount – City’s CHDO Home Funding for this project shall not exceed \$89,336.55. Funding will be on a reimbursement basis as follows: (a) Draw 1- 50% of the total construction contract amount is eligible to be drawn for start up costs; (b) Draw 2- 25% of the total construction contract amount can be drawn at completion of site preparation through rough framing, rough electrical, plumbing and HVAC.; (c) Draw 3- 15% of the total construction contract amount can be drawn when the drywall, insulation, painting, flooring and concrete finish work has been completed; and (d) Draw 4 -10% retainage held until issuance of Certification of Completion.
- 6) Termination rights – For convenience or for cause by City.
- 7) Indemnity/Insurance Requirements – LES indemnifies and provides insurance. In addition, any subcontractors retained by LES will indemnify City and provide insurance.
- 8) Scope of Services- LES will construct a single family home to be located on Lots 17 and 18, Block 9 (Green Street) and will then sell to any HOME qualified, income eligible, applicant and there will be a declaration of restrictions placed upon the subject property.

9) City's prior experience with Vendor (if any) – Yes.

Term Sheet continued LES

10) Other significant provisions – This Project Activity is subject to ongoing compliance requirements for a 15 year period from the date of initial occupancy. LES will be responsible for assuring compliance with the HOME requirements which includes the monitoring of the single family home for principal residency and recapture of funds at time of resale.

cc: Wazir A. Ishmael, Ph.D., City Manager