

**CITY OF HOLLYWOOD
INTEROFFICE MEMORANDUM**

TO: Mayor and Commissioners

DATE: September 8, 2014

FROM: Jeffrey P. Sheffel
City Attorney

SUBJECT: Proposed Agreement with Liberia, Economic and Social Development, Inc. (LES) for the construction of a single family home on a vacant lot located between 2307 and 2315 Hood 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 Community & Economic Development
- 2) Type of Agreement - Agreement
- 3) Method of Procurement (RFP, bid, etc.) - n/a
- 4) Term of Contract
 - a) initial – commences on October 1, 2014 and expires on September 30, 2016.
 - 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 \$59,552.00. 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) 25% of the total construction contract amount can be drawn at completion of site preparation through rough framing, rough electrical, plumbing and AC.; and (c) 25% of the total construction contract amount can be drawn when the drywall, insulaton, painting, flooring and concrete finish work has been completed.
- 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 a vacant lot and will then sell to any HOME qualified, income eligible, applicant.
- 9) City’s prior experience with Vendor (if any) – Yes.

Term Sheet continued LES

10) Other significant provisions – (a) 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; (b) **Subject to the approval of the proposed resolution by the City Commission, an amendment to the adopted and approved FY 2015 Operating Budget to reauthorize and re-appropriate the existing funding from the identified line item at the end of FY 2013 to the same account in FY 2015 will be brought forward for City Commission approval.**

cc: Cathy Swanson-Rivenbark, City Manager