



ADDENDUM 1

ITN GM 26-19

Affordable Housing Rental Management Services

Date of Issue: February , 2019

Quote Submittal Deadline: The Bid Date and submission time has NOT CHANGED

This addendum addresses the following questions:

1. Is there an office on site?
 - a. There is no office on site.

2. Is there a maintenance shop on site?
 - a. There is no maintenance shop on site. However, there is currently a 10x20 shed at Rolling Pines and a possibility of a 10x16 shed that can be placed at the Palm Village location.

3. Is there staff currently and if so do they plan to stay.
 - a. The only staff will be one (1) County employee that will do the income qualifications and one (1) County employee that will handle the monthly reporting aspects and the State and County required monitoring.

4. Are financials available, and if so would you please forward them?
 - a. Please see attached.

5. What are the Neighborhood Stabilization Requirements?
 - a. Please see attached.

6. What is the location of the 61 two-story townhomes located in Crestview? Are they grouped together or scattered sites?
 - a. The 61 units are all located at the Rolling Pines townhome complex at the end of East Redstone Avenue in Crestview. They are not all contiguous, but they are all grouped within about a quarter mile of each other.

7. Are the units in Fort Walton grouped or scattered?
 - a. The Ft Walton Beach Units (“Palm Village”) are all on a single 3.79 acre site located on Palm Villa Circle off Patrick Drive.

STATE OF FLORIDA
DEPARTMENT OF COMMUNITY AFFAIRS

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Contract Number: 10DB-4X-01-56-01-F 18

**FEDERALLY-FUNDED SUBGRANT AGREEMENT
NEIGHBORHOOD STABILIZATION PROGRAM**

THIS AGREEMENT is entered into by the State of Florida, Department of Community Affairs, with headquarters in Tallahassee, Florida (hereinafter referred to as the "Department"), and Okaloosa County, 1804 Lewis Turner Blvd, Suite 206, Fort Walton Beach, Florida 32547 (hereinafter referred to as the "Recipient").

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING REPRESENTATIONS:

A. The Recipient represents that it is fully qualified and eligible to receive these grant funds to provide the services identified herein; and

B. The Department has received these grant funds from the State of Florida, and has the authority to subgrant these funds to the Recipient upon the terms and conditions below; and

C. The Department has statutory authority to disburse the funds under this Agreement.

THEREFORE, the Department and the Recipient agree to the following:

(1) SCOPE OF WORK

The Recipient shall perform the work in accordance with the Budget and Scope of Work, Attachment A and Activity Work Plans, Attachment I of this Agreement, and the Sub-grant Application submitted by the Recipient including subsequent revisions that are mutually agreed to by both parties, which are incorporated herein by reference ("the Sub-grant Application").

(2) INCORPORATION OF LAWS, RULES, REGULATIONS AND POLICIES

The Recipient and the Department shall be governed by the 2008 State of Florida Action Plan Substantial Amendment and applicable State and Federal laws, rules and regulations, including those identified in Attachment B.

(3) PERIOD OF AGREEMENT

This Agreement shall begin upon execution by both parties, and shall end twenty-four (24) months after the date last signed, unless terminated earlier in accordance with the provisions of Paragraph (12) of this Agreement. Contract extensions will not be granted unless Recipient is able to provide substantial justification and the Division Director approves such extension. Extensions will be in accordance with the guidelines established in the 2008 State of Florida Action Plan Substantial Amendment.

(4) MODIFICATION OF CONTRACT

Either party may request modification of the provisions of this Agreement. Changes which are agreed upon shall be valid only when in writing, signed by each of the parties, and attached to the original of this Agreement.

(5) RECORDKEEPING

(a) As applicable, Recipient's performance under this Agreement shall be subject to the federal "Common Rule: Uniform Administrative Requirements for State and Local Governments" (53 Federal Register 8034) or OMB Circular No. A-110, "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit Organizations," and either OMB Circular No. A-87, "Cost Principles for State and Local Governments," OMB Circular No. A-21, "Cost Principles for Educational Institutions," or OMB Circular No. A-122, "Cost Principles for Nonprofit Organizations." If this Agreement is made with a commercial (for-profit) organization on a cost-reimbursement basis, the Recipient shall be subject to Federal Acquisition Regulations 31.2 and 931.2.

(b) The Recipient shall retain sufficient records to show its compliance with the terms of this Agreement, and the compliance of all subcontractors or consultants paid from funds under this Agreement, for a period of six years from the date the audit report is issued, and shall allow the Department or its designee, the State Chief Financial Officer or the State Auditor General access to the records upon request. The Recipient shall ensure that audit working papers are available to them upon request for a period of six years from the date the audit report is issued, unless extended in writing by the Department. The six year period may be extended for the following exceptions:

1. If any litigation, claim or audit is started before the six year period expires, and extends beyond the six year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.
2. Records for the disposition of non-expendable personal property valued at \$5,000 or more at the time it is acquired shall be retained for six years after final disposition.
3. Records relating to real property acquired shall be retained for six years after the closing on the transfer of title.

(c) The Recipient shall maintain all records for the Recipient and for all subcontractors or consultants to be paid from funds provided under this Agreement, including documentation of all program costs, in a form sufficient to determine compliance with the requirements and objectives of the Budget and Scope of Work - Attachment A - and all other applicable laws and regulations.

(d) The Recipient, its employees or agents, including all subcontractors or consultants to be paid from funds provided under this Agreement, shall allow access to its records at reasonable times to the Department, its employees, and agents. "Reasonable" shall ordinarily mean during normal business hours of 8:00 a.m. to 5:00 p.m., local time, on Monday through Friday. "Agents" shall include, but not be limited to, auditors retained by the Department.

(6) AUDIT REQUIREMENTS

(a) The Recipient agrees to maintain financial procedures and support documents, in accordance with generally accepted accounting principles, to account for the receipt and expenditure of funds under this Agreement.

(b) These records shall be available at reasonable times for inspection, review, or audit by state personnel and other personnel authorized by the Department. "Reasonable" shall ordinarily mean normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

(c) The Recipient shall provide the Department with the records, reports or financial statements upon request for the purposes of auditing and monitoring the funds awarded under this Agreement.

(d) If the Recipient is a State or local government or a non-profit organization as defined in OMB Circular A-133, as revised, and in the event that the Recipient expends \$500,000 or more in Federal awards in its fiscal year, the Recipient must have a single or program-specific audit conducted in accordance with the provisions of OMB Circular A-133, as revised. EXHIBIT 1 to this Agreement shows the Federal resources awarded through the Department by this Agreement. In determining the Federal awards expended in its fiscal year, the Recipient shall consider all sources of Federal awards, including Federal resources received from the Department. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by OMB Circular A-133, as revised. An audit of the Recipient conducted by the Auditor General in accordance with the provisions of OMB Circular A-133, as revised, will meet the requirements of this paragraph.

In connection with the audit requirements addressed in this Paragraph 6 (d) above, the Recipient shall fulfill the requirements for auditee responsibilities as provided in Subpart C of OMB Circular A-133, as revised.

If the Recipient expends less than \$500,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, is not required. In the event that the Recipient expends less than \$500,000 in Federal awards in its fiscal year and chooses to have an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, the cost of the audit must be paid from non-Federal funds.

(e) Send copies of reporting packages for audits conducted in accordance with OMB Circular A-133, as revised, and required by subparagraph (d) above, when required by Section .320 (d), OMB Circular A-133, as revised, by or on behalf of the Recipient to:

The Department of Community Affairs at each of the following addresses:

Department of Community Affairs
Office of Audit Services
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

[also send an electronic copy to aurilla.parrish@dca.state.fl.us]

and

Department of Community Affairs
Florida Small Cities Community Development Block Grant Program/NSP Program
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

Send the Single Audit reporting package and Form SF-SAC to the Federal Audit Clearinghouse by submission online at

<http://harvester.census.gov/fac/collect/ddeindex.html>

And to any other Federal agencies and pass-through entities in accordance with Sections .320 (e) and (f), OMB Circular A-133, as revised.

(f) Pursuant to Section .320 (f), OMB Circular A-133, as revised, the Recipient shall send a copy of the reporting package described in Section .320 (c), OMB Circular A-133, as revised, and any management letter issued by the auditor, to the Department at the following addresses:

Department of Community Affairs
Office of Audit Services
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100
[also send an electronic copy to aurilla.parrish@dca.state.fl.us]

and
Department of Community Affairs
Florida Small Cities Community Development Block Grant Program/NSP Program
2555 Shumard Oak Boulevard
Tallahassee, Florida 32399-2100

(g) By the date due, send any reports, management letter, or other information required to be submitted to the Department pursuant to this Agreement in accordance with OMB Circular A-133, Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

(h) Recipients should state the date that the reporting package was delivered to the Recipient when submitting financial reporting packages to the Department for audits done in accordance with OMB Circular A-133 or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General,

(i) If the audit shows that all or any portion of the funds disbursed were not spent in accordance with the conditions of this Agreement, the Recipient shall be held liable for reimbursement to the Department of all funds not spent in accordance with these applicable regulations and Agreement provisions within thirty days after the Department has notified the Recipient of such non-compliance.

(j) The Recipient shall have all audits completed by an independent certified public accountant (IPA), either a certified public accountant or a public accountant licensed under Chapter 473, Fla. Stat. The IPA shall state that the audit complied with the applicable provisions noted above. The audit must be received by the Department no later than nine months from the end of the Recipient's fiscal year.

(7) REPORTS

(a) The Recipient shall provide the Department with monthly reports and a close-out report. These reports shall include the current status and progress by the Recipient and all subrecipients and subcontractors in completing the work described in the Scope of Work and the expenditure of funds under this Agreement, in addition to any other information requested by the Department.

(b) Monthly reports are due to the Department no later than 15 days following the last day of the preceding month and shall be sent each month until submission of the administrative close-out report. The ending dates for each month shall be the last calendar day of the month.

(c) The close-out report is due 45 days after termination of this Agreement or 45 days after completion of the activities contained in this Agreement, whichever first occurs.

(d) If all required reports and copies are not sent to the Department or are not completed in a manner acceptable to the Department, the Department may withhold further payments until they are completed or may take other action as stated in Paragraph (11) REMEDIES. "Acceptable to the Department" means that the work product was completed in accordance with the Budget and Scope of Work.

(e) The Recipient shall provide additional program updates or information that may be required by the Department.

(f) The Recipient shall provide additional reports and information identified in Attachment D.

(8) MONITORING

The Recipient shall monitor its performance under this Agreement, as well as that of its subcontractors and/or consultants who are paid from funds provided under this Agreement, to ensure that time schedules are being met, the Schedule of Deliverables and Scope of Work are being accomplished within the specified time periods, and other performance goals are being achieved. A review shall be done for each function or activity in Attachments A and I to this Agreement, and reported in the monthly report.

In addition to reviews of audits conducted in accordance with paragraph (6) above, monitoring procedures may include, but not be limited to, on-site visits by Department staff, limited scope audits, and/or other procedures. The Recipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department. In the event that the Department determines that a limited scope audit of the Recipient is appropriate, the Recipient agrees to comply with any additional instructions provided by the Department to the Recipient regarding such audit. The Recipient further agrees to comply and cooperate with any inspections, reviews, investigations or audits deemed necessary by the Florida Chief Financial Officer or Auditor General. In addition, the Department will monitor the performance and financial management by the Recipient throughout the contract term to ensure timely completion of all tasks.

(9) LIABILITY

(a) Unless Recipient is a State agency or subdivision, as defined in Section 768.28, Fla. Stat., the Recipient is solely responsible to parties it deals with in carrying out the terms of this Agreement, and shall hold the Department harmless against all claims of whatever nature by third parties arising from the work performance under this Agreement. For purposes of this Agreement, Recipient agrees that it is not an employee or agent of the Department, but is an independent contractor.

(b) Any Recipient which is a state agency or subdivision, as defined in Section 768.28, Fla. Stat., agrees to be fully responsible for its negligent or tortious acts or omissions which result in claims or suits against the Department, and agrees to be liable for any damages proximately caused by the acts or omissions to the extent set forth in Section 768.28, Fla. Stat. Nothing herein is intended to serve as a waiver of sovereign immunity by any Recipient to which sovereign immunity applies. Nothing herein shall be construed as consent by a state agency or subdivision of the State of Florida to be sued by third parties in any matter arising out of any contract.

(10) DEFAULT

If any of the following events occur ("Events of Default"), all obligations on the part of the Department to make further payment of funds shall, if the Department elects, terminate and the Department has the option to exercise any of its remedies set forth in Paragraph (11). However, the Department may make payments or partial payments after any Events of Default without waiving the right to exercise such remedies, and without becoming liable to make any further payment:

(a) If any warranty or representation made by the Recipient in this Agreement or any previous agreement with the Department is or becomes false or misleading in any respect, or if the Recipient fails to keep or

perform any of the obligations, terms or covenants in this Agreement or any previous agreement with the Department and has not cured them in timely fashion, or is unable or unwilling to meet its obligations under this Agreement;

(b) If material adverse changes occur in the financial condition of the Recipient at any time during the term of this Agreement, and the Recipient fails to cure this adverse change within thirty days from the date written notice is sent by the Department.

(c) If any reports required by this Agreement have not been submitted to the Department or have been submitted with incorrect, incomplete or insufficient information;

(d) If the Recipient has failed to perform and complete in timely fashion any of its obligations under this Agreement.

(11) REMEDIES

If an Event of Default occurs, then the Department may, upon thirty calendar days written notice to the Recipient and upon the Recipient's failure to cure within those thirty days, exercise any one or more of the following remedies, either concurrently or consecutively:

(a) Terminate this Agreement, provided that the Recipient is given at least thirty days prior written notice of such termination. The notice shall be effective when placed in the United States, first class mail, postage prepaid, by registered or certified mail-return receipt requested, to the address set forth in paragraph (13) herein;

(b) Begin an appropriate legal or equitable action to enforce performance of this Agreement;

(c) Withhold or suspend payment of all or any part of a request for payment;

(d) Require that the Recipient refund to the Department any monies used for ineligible purposes under the laws, rules and regulations governing the use of these funds.

(e) Exercise any corrective or remedial actions, to include but not be limited to:

1. request additional information from the Recipient to determine the reasons for or the extent of non-compliance or lack of performance,

2. issue a written warning to advise that more serious measures may be taken if the situation is not corrected,

3. advise the Recipient to suspend, discontinue, or refrain from incurring costs for any activities in question, or

4. require the Recipient to reimburse the Department for the amount of costs incurred for any items determined to be ineligible;

(f) Exercise any other rights or remedies which may be otherwise available under law.

(g) Pursuing any of the above remedies will not keep the Department from pursuing any other remedies in this Agreement or provided at law or in equity. If the Department waives any right or remedy in this Agreement or fails to insist on strict performance by the Recipient, it will not affect, extend or waive any other right or remedy of the Department, or affect the later exercise of the same right or remedy by the Department for any other default by the Recipient.

(12) TERMINATION

(a) The Department may terminate this Agreement for cause with thirty days written notice. Cause can include misuse of funds, fraud, lack of compliance with applicable rules, laws and regulations, failure to perform in a timely manner, and refusal by the Recipient to permit public access to any document, paper, letter, or other material subject to disclosure under Chapter 119, Fla. Stat., as amended.

(b) The Department may terminate this Agreement for convenience or when it determines, in its sole discretion, that continuing the Agreement would not produce beneficial results in line with the further expenditure of funds, by providing the Recipient with thirty calendar days prior written notice.

(c) The parties may agree to terminate this Agreement for their mutual convenience through a written amendment of this Agreement. The amendment shall state the effective date of the termination and the procedures for proper closeout of the Agreement.

(d) In the event that this Agreement is terminated, the Recipient will not incur new obligations for the terminated portion of the Agreement after the Recipient has received the notification of termination. The Recipient will cancel as many outstanding obligations as possible. Costs incurred after receipt of the termination notice will be disallowed. The Recipient shall not be relieved of liability to the Department because of any breach of Agreement by the Recipient. The Department may, to the extent authorized by law, withhold payments to the Recipient for the purpose of set-off until the exact amount of damages due the Department from the Recipient is determined.

(13) NOTICE AND CONTACT

(a) All notices provided under or pursuant to this Agreement shall be in writing, either by hand delivery, or first class, certified mail, return receipt requested, to the representative identified below at the address set forth below and said notification attached to the original of this Agreement.

(b) The name and address of the Division contract manager for this Agreement is:

Deborah de la O, Grant Manager

Department of Community Affairs, Division of Housing and Community Development, Small Cities

Community Development/ Neighborhood Stabilization Program, 2555 Shumard Oak Boulevard, Tallahassee, Florida 32399-2100

Telephone: (850) 922-1791

Fax: (850) 922-5609

Email: Deborah.delao@dca.state.fl.us

(c) The name and address of the Representative of the Recipient responsible for the administration of this Agreement is:

Mr. William J. Roberts, III, Chairman

Okaloosa County

1804 Lewis Turner Boulevard, Suite 206

Fort Walton Beach, FL 32547

Telephone: (850) 651-7200

Fax: (850) 609-5029

Email: none available

(d) In the event that different representatives or addresses are designated by either party after execution of this Agreement, notice of the name, title and address of the new representative will be provided as stated in (13)(a) above.

(14) SUBCONTRACTS

If the Recipient subcontracts any of the work required under this Agreement, a copy of the unsigned subcontract must be forwarded to the Department for review and approval before it is executed by the Recipient. The Recipient agrees to include in the subcontract that (i) the subcontractor is bound by the terms of this Agreement, (ii) the subcontractor is bound by all applicable state and federal laws and regulations, and (iii) the subcontractor shall hold the Department and Recipient harmless against all claims of whatever nature arising out of the subcontractor's performance of work under this Agreement, to the extent allowed and required by law. The Recipient shall document in the monthly report the subcontractor's progress in performing its work under this Agreement.

For each subcontract, the Recipient shall provide a written statement to the Department as to whether that subcontractor is a minority vendor, as defined in Section 288.703, Fla. Stat.

(15) TERMS AND CONDITIONS

This Agreement contains all the terms and conditions agreed upon by the parties.

(16) ATTACHMENTS

(a) All attachments to this Agreement are incorporated as if set out fully.
(b) In the event of any inconsistencies or conflict between the language of this Agreement and the attachments, the language of the attachments shall control, but only to the extent of the conflict or inconsistency.

(c) This Agreement has the following attachments (check all that are applicable):

- Exhibit 1 - Funding Sources
- Attachment A – Budget and Scope of Work
- Attachment B – Program Statutes and Regulations
- Attachment C – Recordkeeping (N/A)
- Attachment D – Reports
- Attachment E – Justification of Advance (N/A)
- Attachment F – Warranties and Representations
- Attachment G – Certification Regarding Debarment
- Attachment H – Statement of Assurances (N/A)
- Attachment I – Activity Work Plans
- Attachment J – Program and Special Conditions
- Attachment K – Signature Authorization Form

(17) FUNDING/CONSIDERATION

(a) This is a cost-reimbursement Agreement. The Recipient shall be reimbursed for costs incurred in the satisfactory performance of work hereunder in an amount not to exceed \$3,258,435.00, subject to the availability of funds.

(b) Any advance payment under this Agreement is subject to Section 216.181(16), Fla.Stat., and is contingent upon the Recipient's acceptance of the rights of the Department under Paragraph (12)(b) of this Agreement. The amount which may be advanced may not exceed the expected cash needs of the Recipient within the first three (3) months of the contract term. Any advance payment is also subject to federal OMB Circulars A-87, A-110, A-122 and the Cash Management Improvement Act of 1990. If an advance payment is requested below, the budget data on which the request is based and a justification statement shall be included in this Agreement as Attachment E. Attachment E will specify the amount of advance payment needed and provide an explanation of the necessity for and proposed use of these funds.

An advance payment is requested in the amount of \$0.00. (check and complete if applicable)

(c) After the initial advance, if any, payment shall be made on a reimbursement basis as needed. The Recipient agrees to expend funds in accordance with the Budget and Scope of Work, Attachment A of this Agreement.

If the necessary funds are not available to fund this Agreement as a result of action by the United States Congress, the federal Office of Management and Budgeting, the State Chief Financial Officer, or under subparagraph (19)(h) of this Agreement, all obligations on the part of the Department to make any further payment of funds shall terminate, and the Recipient shall submit its closeout report within thirty days of receiving notice from the Department.

(18) REPAYMENTS

All refunds or repayments to be made to the Department under this Agreement are to be made payable to the order of "Department of Community Affairs" and mailed directly to the Department at the following address:

Department of Community Affairs
Cashier
Finance and Accounting
2555 Shumard Oak Boulevard
Tallahassee FL 32399-2100

In accordance with Section 215.34(2), Fla. Stat., if a check or other draft is returned to the Department for collection, Recipient shall pay to the Department a service fee of Fifteen Dollars (\$15.00) or Five Percent (5%) of the face amount of the returned check or draft, whichever is greater.

(19) MANDATED CONDITIONS

(a) The validity of this Agreement is subject to the truth and accuracy of all the information, representations, and materials submitted or provided by the Recipient in this Agreement, in any later submission or response to a Department request, or in any submission or response to fulfill the requirements of this Agreement. All of said information, representations, and materials are incorporated by reference. The inaccuracy of the submissions or any material changes shall, at the option of the Department and with thirty days written notice to the Recipient, cause the termination of this Agreement and the release of the Department from all its obligations to the Recipient.

(b) This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall be in the Circuit Court of Leon County. If any provision of this Agreement is in conflict with any applicable statute or rule, or is unenforceable, then the provision shall be null and

void to the extent of the conflict, and shall be severable, but shall not invalidate any other provision of this Agreement.

(c) Any power of approval or disapproval granted to the Department under the terms of this Agreement shall survive the term of this Agreement.

(d) This Agreement may be executed in any number of counterparts, any one of which may be taken as an original.

(e) The Recipient agrees to comply with the Americans With Disabilities Act (Public Law 101-336, 42 U.S.C. Section 12101 et seq.) and the Florida Civil Rights and Fair Housing Acts (sections 760.01 – 760.37, Florida Statutes), which prohibit discrimination by public and private entities on the basis of disability in employment, public accommodations, transportation, state and local government services, and telecommunications.

(f) A person or organization who has been placed on the convicted vendor list following a conviction for a public entity crime or on the discriminatory vendor list may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with a public entity, and may not transact business with any public entity in excess of \$25,000.00 for a period of 36 months from the date of being placed on the convicted vendor list or on the discriminatory vendor list.

(g) Any Recipient which is not a local government or state agency, and which receives funds under this Agreement from the federal government, certifies, to the best of its knowledge and belief, that it and its principals:

1. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by a federal department or agency;
2. have not, within a 5-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. are not presently indicted or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any offenses enumerated in paragraph 19(g)2. of this certification; and
4. have not within a 5-year period preceding this Agreement had one or more public transactions (federal, state or local) terminated for cause or default.

If the Recipient is unable to certify to any of the statements in this certification, then the Recipient shall attach an explanation to this Agreement.

In addition, the Recipient shall send to the Department (by email or by facsimile transmission) the completed “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion” (Attachment G) for each intended subcontractor which Recipient plans to fund under this Agreement. Such form must be received by the Department before the Recipient enters into a contract with any subcontractor.

(h) The State of Florida's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature, and subject to any modification in accordance with Chapter 216, Fla. Stat. or the Florida Constitution.

(i) All bills for fees or other compensation for services or expenses shall be submitted in detail sufficient for a proper preaudit and postaudit thereof.

(j) Any bills for travel expenses shall be submitted in accordance with Section 112.061, Fla. Stat.

(k) The Department of Community Affairs reserves the right to unilaterally cancel this Agreement if the Recipient refuses to allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Fla. Stat., which the Recipient created or received under this Agreement.

(l) If the Recipient is allowed to temporarily invest any advances of funds under this Agreement, any interest income shall either be returned to the Department or be applied against the Department's obligation to pay the contract amount.

(m) The State of Florida will not intentionally award publicly-funded contracts to any contractor who knowingly employs unauthorized alien workers, constituting a violation of the employment provisions contained in 8 U.S.C. Section 1324a(e) [Section 274A(e) of the Immigration and Nationality Act ("INA")]. The Department shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the INA. Such violation by the Recipient of the employment provisions contained in Section 274A(e) of the INA shall be grounds for unilateral cancellation of this Agreement by the Department.

(n) The Recipient is subject to Florida's Government in the Sunshine Law (Section 286.011, Fla. Stat.) with respect to the meetings of the Recipient's governing board or the meetings of any subcommittee making recommendations to the governing board. All of these meetings shall be publicly noticed, open to the public, and the minutes of all the meetings shall be public records, available to the public in accordance with Chapter 119, Fla. Stat.

(o) All unmanufactured and manufactured articles, materials, and supplies which are acquired for public use under this Agreement must have been produced in the United States as required under 41 U.S.C. 10a, unless it would not be in the public interest or unreasonable in cost.

(20) LOBBYING PROHIBITION

(a) No funds or other resources received from the Department under this Agreement may be used directly or indirectly to influence legislation or any other official action by the Florida Legislature or any state agency.

(b) The Recipient certifies, by its signature to this Agreement, that to the best of his or her knowledge and belief:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the Recipient shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying."

3. The Recipient shall require that this certification be included in the award documents for all subawards (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(21) COPYRIGHT, PATENT AND TRADEMARK

ANY AND ALL PATENT RIGHTS ACCRUING UNDER OR IN CONNECTION WITH THE PERFORMANCE OF THIS AGREEMENT ARE HEREBY RESERVED TO THE STATE OF FLORIDA. ANY AND ALL COPYRIGHTS ACCRUING UNDER OR IN CONNECTION WITH THE PERFORMANCE OF THIS AGREEMENT ARE HEREBY TRANSFERRED BY THE RECIPIENT TO THE STATE OF FLORIDA.

(a) If the Recipient has a pre-existing patent or copyright, the Recipient shall retain all rights and entitlements to that pre-existing patent or copyright unless the Agreement provides otherwise.

(b) If any discovery or invention is developed in the course of or as a result of work or services performed under this Agreement, or in any way connected with it, the Recipient shall refer the discovery or invention to the Department for a determination whether the State of Florida will seek patent protection in its name. Any patent rights accruing under or in connection with the performance of this Agreement are reserved to the State of Florida. If any books, manuals, films, or other copyrightable material are produced, the Recipient shall notify the Department. Any copyrights accruing under or in connection with the performance under this Agreement are transferred by the Recipient to the State of Florida.

(c) Within thirty days of execution of this Agreement, the Recipient shall disclose all intellectual properties relating to the performance of this Agreement which he or she knows or should know could give rise to a patent or copyright. The Recipient shall retain all rights and entitlements to any pre-existing intellectual property which is so disclosed. Failure to disclose will indicate that no such property exists. The Department shall then, under Paragraph (b), have the right to all patents and copyrights which accrue during performance of the Agreement.

(22) LEGAL AUTHORIZATION.

The Recipient certifies that it has the legal authority to receive the funds under this Agreement and that its governing body has authorized the execution and acceptance of this Agreement. The Recipient also certifies that the undersigned person has the authority to legally execute and bind Recipient to the terms of this Agreement.

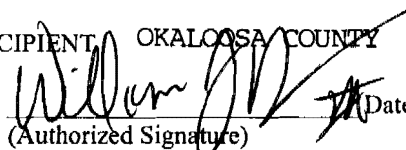
(23) ASSURANCES.

The Recipient shall comply with any Statement of Assurances incorporated as Attachment H.

**STATE OF FLORIDA
DEPARTMENT OF COMMUNITY AFFAIRS
FEDERALLY FUNDED SUBGRANT AGREEMENT
SIGNATURE PAGE**

Contract Number: 10DB-4X-01-56-01-F 18

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized officers on the day, month and year set forth below.

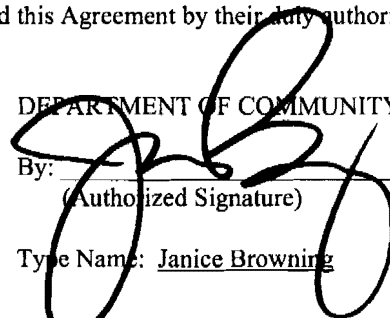
RECIPIENT, OKALOOSA COUNTY
By:  Date: _____
(Authorized Signature)

William J. Roberts III
(Print Name)

Title: Chairman

Federal Tax ID# 59-6000765

DUNS# 613277649

DEPARTMENT OF COMMUNITY AFFAIRS
By:  Date: 11/24/09
(Authorized Signature)

Type Name: Janice Browning

Title: Director, Division of Housing and Community
Development

EXHIBIT – 1

THE FOLLOWING FEDERAL RESOURCES ARE AWARDED TO THE RECIPIENT UNDER THIS AGREEMENT:

	Florida Small Cities Community Development Block Grant Program
Federal agency	U.S. Department of Housing and Urban Development
Catalog of Federal Domestic Assistance title:	Community Development Block Grants/State's Program and Nonentitlement Grants
Catalog of Federal Domestic Assistance #:	14.228
Award amount:	\$3,258,435.00

THE FOLLOWING COMPLIANCE REQUIREMENTS APPLY TO THE FEDERAL RESOURCES AWARDED UNDER THIS AGREEMENT:

Compliance Requirement	Program
<i>1. The Recipient will fully perform the obligations in accordance with the Budget and Scope of Work, Attachment A of this Agreement, the subgrant application incorporated herein by reference, 24 C.F.R, Subpart I, Sections 570.480 – 570.497, the Housing and Economic Recovery Act of 2008 (HERA), the State of Florida 2008 Substantial Amendment, and Federal Register Notice Numbers 5255-N-01 and 5255-N02.</i>	
<i>2. The Recipient shall be governed by Rule Chapter 9B-76, F.A.C. and federal laws, rules and regulations, including but not limited to those identified in Attachments B and J.</i>	

Attachment A
Scope of Work and Budget

ATTACHMENT A: PROJECT BUDGET AND ACCOMPLISHMENTS

NSP STRATEGY 1: Housing Acquisition/Rehabilitation of homes for sale to individuals and families with incomes less than 120 percent of AMI									
ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET		
ACTIVITY #	ACTIVITY	UNIT	ESTIMATE D NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	NSP \$	OTHER \$	SOURCE(S)
21B	ENGINEERING								
01	Acquisition	HU	14	1	13	0	\$1,327,807,94		
02	Disposition		0	0	0	0	\$0		
05	Public Services for housing counseling	HU	13	0	13	0	\$0		
08	Relocation		0	0	0	0	\$0		
13	Homeownership Assistance	HU	14	1	13	0	\$0		
14A	Rehabilitation – Single Family	HU	1	1	0	0	\$22,897		
14B	Rehabilitation – Multi Family	HU	13	0	13	0	\$0		
TOTALS			14	1	13	0	\$1,350,704.94		

ATTACHMENT A: PROJECT BUDGET AND ACCOMPLISHMENTS

NSP STRATEGY 2: Housing Finance									
ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET		
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	NSP \$	OTHER \$	SOURCE(S)
13	Homeownership Assistance (including Administrative Expenses -Necessary to Facilitate Homeownership)	HU	15	0	15	0	\$182,211.68		
Totals			15	0	15	0	\$182,211.68		

ATTACHMENT A: PROJECT BUDGET AND ACCOMPLISHMENTS

NSP STRATEGY 3: Establishing Land Banks N/A									
ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET		
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	NSP \$	OTHER \$	SOURCE(S)
21B	ENGINEERING								
01	Acquisition								
02	Disposition								
04	Clearance and remediation								
Totals									

ATTACHMENT A: PROJECT BUDGET AND ACCOMPLISHMENTS

NSP STRATEGY 4: Demolition and Clearance/Housing Redevelopment									
ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET		
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	NSP \$	OTHER \$	SOURCE(S)
21B	ENGINEERING (If applicable)								
01	Acquisition	HU			2		\$100,000		
02	Disposition				0		\$0		
05	Public Services for housing counseling	HU			2		\$0		
08	Relocation				0		\$0		
13	Homeownership Assistance	HU			2		\$0		
04	Clearance and remediation				0		\$0		
12	Housing Replacement	HU			2		\$0		
Totals					2		\$100,000		

ATTACHMENT A: PROJECT BUDGET AND ACCOMPLISHMENTS

NSP STRATEGY 5: Housing Acquisition/Rehabilitation of homes for lease to individuals and families with incomes less than 120 percent of AMI. This page must include funds set-aside for individuals and families with incomes less than 50 percent of AMI.

ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET			
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	Total NSP \$ for activities that will benefit persons at or below 50% AMI	REGULAR NSP \$	OTHER \$	SOURCE(S)
21B	ENGINEERING									
01	Acquisition	HU	13	13	0	0	\$802,546	\$354,304.86		
14A	Rehabilitation – Single Family	HU	3	3	0	0	\$46,300.85	\$10,720.85		
14B	Rehabilitation – Multi Family	HU	10	10	0	0	\$154,336.15	\$35,736.15		
02	Disposition		0	0	0	0	\$0	\$0		
08	Relocation		0	0	0	0	\$0	\$0		
Totals			13	13	0	0	\$1,003,183	\$400,761.86		

ATTACHMENT A: ACTIVITY AND BUDGET SUMMARY

SUMMARY OF ALL ACTIVITIES

This form must reflect the summary of all activities to be undertaken as well as administrative costs (not to exceed 6.8% of the allocation).
Project delivery administrative costs should be included in the activity budget (not the Administration line item). For example, all costs related to the specific acquisition of a residential property should be included in the acquisition budget.

ACTIVITY		ACCOMPLISHMENTS		BENEFICIARIES			BUDGET			
ACTIVITY #	ACTIVITY	UNIT	ESTIMATED NUMBER	50% AMI and below	51% to 80% AMI	81% to 120% AMI	Total NSP \$ for activities that will benefit persons at or below 50% AMI	REGULAR NSP \$	OTHER \$	SOURCE(S)
21A	ADMINISTRATION							\$221,573.52		
21B	ENGINEERING						0	0		
01	Acquisition	HU	29	14	15	0	\$802,546	\$1,782,112.80		
14A	Rehabilitation – Single Family	HU	6	4	2	0	\$46,300.85	\$33,617.85		
14B	Rehabilitation – Multi Family	HU	23	10	13	0	\$154,336.15	\$35,736.15		
02	Disposition		0	0	0	0	\$0	\$0		
05	Public Services for Housing Counseling	HU	15	0	15	0	\$0	\$0		
08	Relocation		0	0	0	0	\$0	\$0		
13	Homeownership Assistance (including Administrative Expenses to Facilitate Homeownership)	HU	16	1	15	0	\$0	\$182,211.68		
04	Clearance and Remediation		0	0	0	0	\$0	\$0		
Totals			29	14	15	0	\$1,003,183	\$2,255,252		

Attachment B
Program Statutes and Regulations

By signature of this Agreement, the local government hereby certifies that it will comply with the following applicable federal and state requirements:

Section I: State and Federal Statutes and Regulations

- | | |
|--|---|
| <ol style="list-style-type: none"> 1. Community Development Block Grant, Final Rule, 24 C.F.R., Part 570.602; 2. Florida Small and Minority Business Act, s. 288.702-288.714, F.S.; 3. Florida Coastal Zone Protection Act, s. 161.52-161.58, F.S.; 4. Local Government Comprehensive Planning and Land Development Regulation Act, Ch. 163, F.S.; 5. Title I of the Housing and Community Development Act of 1974, as amended 6. Treasury Circular 1075 regarding drawdown of NSP funds 7. Sections 290.0401-290.049, F.S.; 8. Rule Chapter 9B-76, Fla. Admin. Code.; 9. Department of Community Affairs Technical Memorandums; 10. HUD Circular Memorandums applicable to the Small Cities CDBG Program; 11. Single Audit Act of 1984; 12. National Environmental Policy Act of 1969 and other provisions of law which further the purpose of this Act; 13. National Historic Preservation Act of 1966 (Public Law 89-665) as amended and Protection of Historic Properties (24 CFR Part 800); 14. Preservation of Archaeological and Historical Data Act of 1966; 15. Executive Order 11593 - Protection and Enhancement of Cultural Environment; 16. Reservoir Salvage Act; 17. Safe Drinking Water Act of 1974, as amended; 18. Endangered Species Act of 1958, as amended; 19. Executive Order 12898 - Environmental Justice 20. Executive Order 11988 and 24 CFR Part 55 - Floodplain Management; 21. The Federal Water Pollution Control Act of 1972, as amended (33 U.S.C., s. 1251 et seq.); 22. Executive Order 11990 - Protection of Wetlands; 23. Coastal Zone Management Act of 1968, as amended; 24. Wild and Scenic Rivers Act of 1968, as amended; 25. Clean Air Act of 1977; 26. HUD Environmental Standards (24 CFR Part 58); 27. Farmland Protection Policy Act of 1981; 28. Clean Water Act of 1977; 29. Davis – Bacon Wage Rate Act; 30. Contract Work Hours and Safety Standards Act of 1962, 40 U.S.C. s. 327 et seq.; 31. The Wildlife Coordination Act of 1958, as amended; 32. The Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1975 (42 U.S.C., s. 6901 et seq.); 33. Noise Abatement and Control: Departmental Policy Implementation, Responsibilities, and Standards, 24 CFR Part 51, Subpart B; | <ol style="list-style-type: none"> 34. Flood Disaster Protection Act of 1973, P.L. 92-234; 35. Protection of Historic and Cultural Properties under HUD Programs, 24 CFR Part 59; 36. Coastal Zone Management Act of 1972, P.L. 92-583; 37. Architectural and Construction Standards; 38. Architectural Barriers Act of 1968, 42 U.S.C. 4151; 39. Executive Order 11296, relating to evaluation of flood hazards; 40. Executive Order 11288, relating to prevention, control and abatement of water pollution; 41. Cost-Effective Energy Conservation Standards, 24 CFR Part 39; 42. Section 8 Existing Housing Quality Standards, 24 CFR Part 882; 43. Coastal Barrier Resource Act of 1982; 44. Federal Fair Labor Standards Act, 29 U.S.C., s. 201 et seq.; 45. Title VI of the Civil Rights Act of 1964 - Non-discrimination; 46. Title VII of the Civil Rights Act of 1968 - Non-discrimination in housing; 47. Age Discrimination Act of 1975; 48. Executive Order 12892- Fair Housing 49. Section 109 of the Housing and Community Development Act of 1974, Non-discrimination; 50. Section 504 of the Rehabilitation Act of 1973 and 24 CFR Part 8; 51. Executive Order 11063 - Equal Opportunity in Housing; 52. Executive Order 11246 - Non-discrimination; 53. Section 3 of the Housing and Urban Development Act of 1968, as amended - Employment/Training of Lower Income Residents and Local Business Contracting; 54. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, P.L., 100-17, and 49 CFR Part 24; 55. Copeland Anti-Kickback Act of 1934; 56. Hatch Act; 57. Title IV Lead-Based Paint Poisoning Prevention Act (42 U.S.C., s. 1251 et seq.); 58. OMB Circulars A-87, A-102, A-122, and A-133, as revised; 59. Administrative Requirements for Grants, 24 CFR Part 85; 60. Section 102 of the Department of Housing and Urban Development Reform Act of 1989 and 24 CFR Part 12. 61. Title III of Division B of the Housing Recovery and Economic Act of 2008 (HERA), P.L. 110-289. 62. Approved State of Florida 2008 Action Plan Substantial Amendment. 63. Federal Register Notice Numbers 5255-N-01 and 5255-N-02. |
|--|---|

Attachment C
Recordkeeping

Not Applicable

Attachment D
Reports

The following reports must be completed and submitted to the Department in the time frame indicated. Failure to timely file these reports constitutes an event of default, as defined in Paragraph (10) of this Agreement.

1. The Contractual Obligation and MBE Report must be submitted to the Department by April 15 and October 15 annually. The form must reflect all contractual activity for the period. If no activity has taken place during the reporting period, the form must indicate “no activity”.
2. A Monthly Progress Report must be submitted to the Department fifteen (15) days after the end of the month on the report form provided by the Department. The report is due on the 15th of the following month.
3. The Administrative Closeout Package must be submitted to the Department forty-five (45) days after the Agreement termination date.
4. In accordance with OMB Circular A-133, revised, should the Recipient meet the threshold for submission of a single or program specific audit, the audit must be conducted in accordance with OMB Circular A-133 and submitted to the Department no later than nine (9) months from the end of the Recipient’s fiscal year.
5. The Section 3 Summary Report must be completed and submitted to the Department by July 31 annually. The form must be used to report annual accomplishments regarding employment and other economic opportunities provided to persons and businesses that meet Section 3 requirements.

Attachment E
Justification of Advance Payment

Not Applicable

Document1 Attachment F
Warranties and Representations

Financial Management

Recipient's financial management system must include the following:

- (1) Accurate, current and complete disclosure of the financial results of this project or program.
- (2) Records that identify the source and use of funds for all activities. These records shall contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.
- (3) Effective control over and accountability for all funds, property and other assets. Recipient shall safeguard all assets and assure that they are used solely for authorized purposes.
- (4) Comparison of expenditures with budget amounts for each Request For Payment. Whenever appropriate, financial information should be related to performance and unit cost data.
- (5) Written procedures to determine whether costs are allowed and reasonable under the provisions of the applicable OMB cost principles and the terms and conditions of this Agreement.
- (6) Cost accounting records that are supported by backup documentation.

Competition

All procurement transactions shall be done in a manner to provide open and free competition. The Recipient shall be alert to conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure excellent contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids and/or requests for proposals shall be excluded from competing for such procurements. Awards shall be made to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to the Recipient, considering the price, quality and other factors. Solicitations shall clearly set forth all requirements that the bidder or offeror must fulfill in order for the bid or offer to be evaluated by the Recipient. Any and all bids or offers may be rejected when it is in the Recipient's interest to do so.

Codes of Conduct

The Recipient shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. No employee, officer, or agent shall participate in the selection, award, or administration of a contract supported by public grant funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the Recipient shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. The standards of conduct shall provide for disciplinary actions to be applied for violations of the standards by officers, employees, or agents of the Recipient.

Business Hours

The Recipient shall have its offices open for business, with the entrance door open to the public, and at least one employee on site at all reasonable times for business. "Reasonable" shall be construed according to circumstances, but ordinarily shall mean normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

Licensing and Permitting

All subcontractors or employees hired by the Recipient shall have all current licenses and permits required for all of the particular work for which they are hired by the Recipient.

Attachment G

**Certification Regarding
Debarment, Suspension, Ineligibility
And Voluntary Exclusion**

Subcontractor Covered Transactions

- (1) The prospective subcontractor of the Recipient, _____, certifies, by submission of this document, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- (2) Where the Contractor's subcontractor is unable to certify to the above statement, the prospective contractor shall attach an explanation to this form.

(Sub-Contractor's Name)

(Recipient's Name)

(Authorized Signature)

Date: _____

(Print Name and Title)

10DB-4X-01-56-01-F 18
(DCA Contract Number)

(Street Address)

(City, State, Zip)

Attachment H
Statement of Assurances

Not Applicable

Attachment I
Activity Work Plans

**NEIGHBORHOOD STABILIZATION PROGRAM/CDBG
DEPARTMENT OF COMMUNITY AFFAIRS
ACTIVITY WORK PLAN**

**RECIPIENT
CONTRACT NO.**

Okaloosa County
10DB-4X-01-56-01-F 18

**DATE PREPARED
ACTIVITY BUDGET \$**

August 2009
3,258,435.00

Date Start (month & year)	Date End (month & year)	Describe Proposed Action to be Undertaken or Contract Special Condition Clearance Documentation to be submitted by "Date End"	# Units to be completed by "Date End"	Proposed \$\$ to be Requested by "Date End"	Proposed Administration \$\$ to be Requested by "Date End"
Jan-09	Mar-2013	Okaloosa County Administrative cost			\$221,573.58
Jul-09	Sep-09	Unspecified Site Strategy/ Environmental Reviews			
Sep-09	Sep-09	Public notice for RROF			
Aug-09	Sep-09	Agreement with DCA			
Aug-09	Nov-09	Sub recipient Agreements with Habitat and CDC			
Sep-09	Nov-09	Procurement of professional services(realtors, appraiser)			
Oct-09	Dec-09	Site specific environmental review Checklist			

Oct-09	Dec-09	Acquisition of Foreclosed homes			\$2,584,658.80
Oct-09	Jan-10	Procurement of Contractor			
Oct-09	Dec -12	Rehabilitation of Homes			\$269,991
Oct-09	Dec-12	Identify eligible housing beneficiaries and provide HUD approved training			
Oct-09	Dec-09	Fair Housing Workshop			
Dec-09	Feb-13	All homes rented or sold	29		

Note: More than one activity may be included per form.

(Rev. Aug 2004)

Attachment J

Program and Special Conditions

1. The Recipient shall maintain records of expenditure of funds from all sources that will allow accurate and ready comparison between the expenditures and the contracted budget/activity line items as defined on Attachment A (Budget) and Attachment I (Work Plans).

2. If necessary, the Recipient shall retain sufficient administration funds to ensure Internet access, including email, for the duration of the Agreement, including any time extensions. If the Recipient does not already have a computer designated to the person responsible for grant oversight, which is located in the program office and capable of Internet access, administrative funds may be used as needed to obtain, at reasonable cost, a computer to allow Internet access.

3. No costs may be incurred prior to the effective date of this Agreement, except for those eligible application preparation costs outlined in the original Subgrant Application submitted to the Department, unless pre-agreement costs were approved in writing.

4. For each professional services contract for which NSP funding will be requested, the Recipient shall submit a copy of the following procurement documents:
 - a. Public notice of the request for proposals, including an affidavit of publication;
 - b. List of entities to whom a notification of the request for proposals was provided by mail or fax (if applicable);
 - c. For engineering contracts, a list of firms that submitted a proposal (only if short-listing procedure was used);
 - d. Completed short-listing evaluation/ranking forms, including any ranking summary document, and document transmitting the short-listed firms to the Recipient (only if short-listing procedure used);
 - e. Completed and signed final evaluation/ranking forms;
 - f. Recipient minutes approving contract award;
 - g. Cost breakout from selected firm used for completion of the cost analysis (if pricing information was not submitted with proposals);
 - h. Contract (signed or proposed);

- i. Truth-in-Negotiation certification (if not in the contract) for engineering contracts over \$150,000;
 - j. If a protest was filed, a copy of the protest and documentation of resolution;
 - k. A request for the Department's approval of a single source procurement if only one firm was considered and the contract exceeds \$25,000. Additionally, the Recipient shall not enter into a contract to be paid with NSP funds based on a sole source or single proposal procurement without prior written approval from the Department. Failure to secure prior written approval shall relieve the Department of any obligation to fund said contract. Any previous payments to the Recipient to fund said contract shall be ineligible and shall be repaid to the Department by the Recipient.
 - l. If a regional planning council or local government is performing services, the Recipient shall submit only a copy of the contract and cost analysis information; and
 - m. If professional services procurement will not be undertaken, advise the Department in writing no later than ninety days from the effective date.
4. Prior to the obligation or disbursement of any funds, except for administrative expenses not to exceed fifty thousand dollars (\$50,000), no later than ninety days from the effective date of this Agreement, the Recipient shall complete the following:
 - a. The documentation required in paragraph 3 above for any professional services contract.
 - b. Comply with procedures set forth in 24 CFR Part 58, Environmental Review Procedures for Title I Community Development Block Grant Programs and 40 CFR Sections 1500-1508, National Environmental Policy Act Regulations. When this condition has been fulfilled to the satisfaction of the Department, the Department will issue a Notice of Removal of Environmental Conditions.
5. The Recipient shall obtain approval from the Department prior to requesting NSP funds for engineering activities and costs which are additional engineering as defined in Rule Chapter 9B-76, Florida Administrative Code.
6. Should the Recipient undertake any activity subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA), the Recipient shall document completion of the acquisition by submitting all documentation required for a desk monitoring of the acquisition, including notice

to the property owner of his or her rights under URA, invitation to accompany the appraiser, all appraisals, offer to the owner, acceptance, contract for sale, statement of settlement costs, copy of deed, waiver of rights (for donations), as applicable. The documentation shall be submitted prior to completing the acquisition (closing) so that the Department can determine whether remedial action may be needed. This program condition shall remain in effect until the Recipient is released by the Department through written notification.

7. The Recipient will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. 4601), and implementing regulations at 49 CFR Part 24, except as those provisions are modified by the Notice for the NSP program published by HUD. NSP requires an exception to the Uniform Relocation Act and purchase price requirements under CDBG regulations. URA requires that sellers of property acquired with CDBG funds be paid an amount equal to the appraised value of the property. Properties receiving NSP funds must be purchased at a price which is at least 1% less than the current appraised value of the property. An appraisal by the purchasing entity is required and must have been done within 60 days of any offer. All other URA requirements, including relocation, continue to apply.
8. If applicable, the Recipient shall, prior to the disbursement of any NSP administrative funds exceeding \$50,000., provide to the Department a copy of all engineering specifications and construction plans, if required, for the activities described in the Agreement. The Recipient shall also furnish to the Department, prior to soliciting bids or proposals, a copy of bid documents for services and/or materials to provide those services and/or materials for construction activities when the bids are expected to exceed \$25,000. Additionally, the Recipient shall not publish any request for bids for construction purposes or distribute bid packages until the Department has provided its written acceptance of the engineering specifications, construction plans, and bid documents.
9. The Recipient shall affirmatively further fair housing, which means that it shall conduct an analysis to identify impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting the analysis and actions in this regard. The Recipient shall annually undertake an activity to affirmatively further fair housing pursuant to 24 CFR Section 570.487(b)(4). "Annually" shall be defined as an activity for each year or one-third thereof from the effective date of the Agreement to the date of submission of the administrative closeout package.-
10. The resulting product of any activity funded under this Agreement as amended shall be ineligible for rehabilitation or replacement with NSP funds for a period of five (5) years.

11. Any interest in real property (excluding easements) which is assisted, acquired or improved with NSP funds shall be subject, at a minimum, to the affordability requirements of 24 CFR Sections 252 and 254. The restrictive covenants shall be recorded in the public records of the county where the real property is located, and shall be enforceable with respect to the real property for the entire period of affordability. This restriction shall limit the use of that real property to the use stated in the Sub-grant Application. Any future disposition of that real property shall be in accordance with 24 CFR Section 85.31. Any future change of use shall be in accordance with 24 CFR Section 570.489(j).
12. The activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, subparts A, B, J, K, and R. For structures constructed prior to 1978, the Recipient shall require that appropriate abatement procedures will be undertaken if lead-based paint is found on a structure scheduled for rehabilitation in whole or in part with NSP funds and that the owners and/or occupants of the building will be advised:
 - a. The property may contain lead-based paint;
 - b. The hazards of lead-based paint;
 - c. The symptoms and treatment of lead poisoning;
 - d. The precautions to be taken to avoid lead-based paint poisoning (including maintenance and removal techniques for eliminating such hazards);
 - e. The need for and availability of blood lead-level screening for children under seven years of age; and
13. The Recipient shall comply with the historic preservation requirements of 24 CFR 58.17 and the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings.
14. Pursuant to Section 102(b), Public Law 101-235, 42 U.S.C. Section 3545, the Recipient shall update and submit Form HUD 2880 to the Department within 30 days of the Recipient's knowledge of changes in situations which would require that updates be prepared. The Recipient must disclose:
 - a. All developers, contractors, consultants, and engineers involved in the application or in the planning, development, or implementation of the project or NSP funded activity; and
 - b. Any person or entity that has a financial interest in the project or activity that exceeds \$50,000 or ten percent (10%) of the grant, whichever is less.

15. A final Form HUD 2880, if required, shall be provided to the Department with the request for administrative closeout, and its absence or incompleteness shall be cause for rejection of the administrative closeout.
16. Conflicts of interest relating to procurement shall be addressed pursuant to 24 CFR 570.489(g). Conflicts of interest relating to acquisition or disposition of real property; NSP financial assistance to beneficiaries, businesses, or other third parties; or any other financial interest, whether real or perceived, shall be addressed pursuant to 24 CFR. 570.489(h).
17. The Recipient shall take photographs or video of all activity locations prior to initiating any NSP-assisted activity. As the construction progresses, additional photography or videography shall document the ongoing improvements. Upon completion of construction, final documentation of the activity locations will be provided to the Department with the administrative closeout package.
18. If an activity is designed by an engineer, architect, or other licensed professional, it shall be certified upon completion by a licensed professional as meeting the specifications of the design, as may have been amended by change orders. The date of completion of construction shall be noted as part of the certification. This certification shall be accomplished prior to submission of an administrative closeout package, and a copy of the certification shall be submitted with the administrative closeout package.
19. The Recipient warrants that it possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations and other program requirements.
20. The Recipient shall comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), and implementing regulations at 24 CFR Part 135.
21. The Recipient will comply with the requirement that all of the NSP funds made available to it will be used with respect to individuals and families whose incomes do not exceed 120 percent of area median income. All funds allocated to assist the NSP Low-Income (NSPLI) target population must be used to provide rental housing for those individuals and families whose incomes do not exceed 50 percent of area median income.
22. The Recipient will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing such costs against properties owned and occupied by persons of low- or moderate-income. No fee may be charged or assessed as a condition of obtaining access to such public improvements. However, if NSP funds are used to pay the portion of a fee or assessment attributable to the capital costs of public improvements assisted in part with NSP funds or financed from other revenue

sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. In addition, with respect to properties owned and occupied by moderate-income (but not low-income) families, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than NSP funds if the jurisdiction certifies that it lacks NSP or CDBG funds to cover the assessment.

23. The Recipient certifies that it has adopted and is enforcing: (1) a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and (2) a policy of enforcing applicable State and local laws against physically barring entrance to or exit from, a facility or location that is the subject of such non-violent civil rights demonstrations within its jurisdiction.
24. The NSP grant will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601-3619), and implementing regulations.
25. The Recipient acknowledges and agrees to comply with the requirement that all purchases of foreclosed or abandoned property must be purchased at a price which is at least 1% below appraised value for individual purchase transactions, with the appraisal being conducted within 60 days of the final offer to the purchase being made.

Mitigation of fraud, waste and abuse

26. Recipient shall warrant and assure that no entity receiving NSP funds has been convicted of a State or Federal felony crime involving fraud, bribery, theft, misrepresentation of material fact, misappropriation of funds, or similar criminal offenses within ten years preceding execution of this Agreement.
27. Recipient shall warrant and assure that no entity receiving NSP funding has defaulted on any obligation covered by a surety or performance bond, or been the subject of a claim under an employee fidelity bond.
28. Recipient shall warrant and assure that no developer (non-profit or for-profit) receiving NSP funds has defaulted on a mortgage or had a mortgage foreclosed during the five years preceding the date of execution of this Agreement.

29. Recipient shall warrant and assure that no entity receiving NSP funds has unresolved findings that were raised as a result of any Department or HUD audit, management review, or other government investigation concerning the entity, its developments, or contracts.
30. Recipient shall warrant and assure that no entity receiving NSP funds has been in breach of any agreement relating to construction, rehabilitation, use, operation, management, or disposition of real property, or had payments suspended or terminated under any state or federal assistance contract.
31. The Department reserves the right to require the Recipient to contract with a third party management or accounting entity to audit any or all real estate and financial transactions involving NSP funds.

Use of Third Party Entities

1. Before disbursing any NSP funds to any entity, the Recipient must enter into a written agreement with that entity. Before disbursing any NSP funds to any entity, the Recipient must either directly or indirectly oversee the execution of written agreements with that entity, including sub-recipients, contractors, and property owners, that ensure the proper use of funds and compliance with applicable regulations. Sub-recipients must also enter into, or oversee the execution of, written agreements with or between any contractors, property owners, or other entities, prior to disbursing NSP funds.
2. The Recipient shall monitor the day-to-day operations of sub-recipient activities to assure compliance with applicable Federal requirements and performance goals. Recipient monitoring must cover each NSP strategy, function, or activity.

Housing Rehabilitation Standards

1. The Recipient shall provide assistance for the rehabilitation of housing in a floodplain only after documenting in the rehabilitation case file for that structure that the Recipient and the beneficiary are in compliance with the Flood Disaster Protection Act of 1973. This documentation must address, at a minimum, elevation requirements, erosion, and water, sewage, or septic tank requirements. Each structure located within a floodplain that is rehabilitated to any extent with NSP funds shall be insured under the National Flood Insurance Program until at least submission of the administrative closeout package.
2. The Recipient must comply with the NSP Housing Assistance Plan (HAP) that was provided to the Department as part of the application process. The Recipient agrees that this Housing Assistance Plan will be followed unless waived by the local governing body and approved by the Department. Department approval is required for HAP revisions made after application deadline.

3. Bids for rehabilitation or reconstruction of housing units shall only be accepted from contractors who are properly licensed by the State of Florida, Department of Business and Professional Regulation and any local government agency responsible for oversight.
5. Change orders for housing rehabilitation or reconstruction shall be approved by the housing unit owner or his or her representative, the contractor and a representative of the local government prior to initiation of work based on that change order.
6. To document completion of construction, each housing unit case file shall contain the following information:
 - a. A statement from the contractor that all items on the initial work write-up and those modified through change orders are complete;
 - b. An acknowledgment that the housing unit meets the applicable local code and Section 8 Housing Quality Standards, signed and dated by the local building inspector or the local government's housing rehabilitation specialist;
 - c. A signed statement by the housing unit owner or his or her representative that the work has been completed based on the work write-up and change orders. Should all requirements be fulfilled and the homeowner or their representative refuse to acknowledge completion of the work, the housing unit case file shall be documented with a statement detailing the stated reason for said refusal;
7. Recipients are responsible for verifying and maintaining documentation verifying that households receiving direct benefit, in the form of hook-ups to potable water and/or sewage collection lines, meet program requirements regarding the low-, moderate- and middle income national objective. The filing system must be maintained locally and at a minimum contain the following:
 - a. The name of the owner, the address of the property, and family size;
 - b. The method and source of how household income was verified;
 - c. Documentation that reflects the income of the household is below NSP income limits based on family size;
 - d. The method and source of home ownership was verified with official documentation; and,

- e. An acceptable written agreement with the owner(s) as to affordability and subsequent rate increase, if rental property is involved.

The information must be maintained for review and verification during on-site monitoring visits; and,

- 8. The following data will be provided by housing unit as part of the administrative closeout for each NSP activity providing direct benefit (i.e. down payment assistance, temporary relocation, rehabilitation, etc.) and summarized by activity and submitted with the administrative closeout package:
 - a. Address of each housing unit acquired and/or rehabilitated with NSP funds, the date the construction or sale was completed on the housing unit, and the amount of NSP funds spent on that housing unit;
 - b. Whether the household is headed by a female, the number of handicapped persons in the household, the number of elderly persons in the household, and the LMMI status of the household;
 - c. The number of occupants in the household, categorized by gender; and
 - d. The racial demographics of the household by number (white, black, Hispanic, Asian/Pacific Islander, Hasidic Jew or American Indian/Alaskan native).

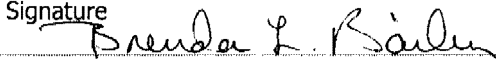
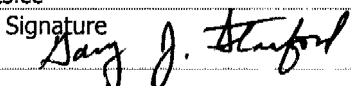
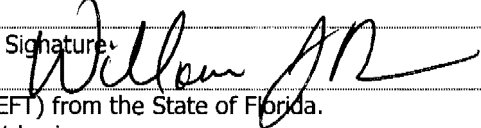
Attachment K
Signature Authorization Form

**Department of Community Affairs
Neighborhood Stabilization Program
Florida Small Cities Community Development Block Grant (CDBG) Program** **CDBG**

SIGNATURE AUTHORITY FORM

2009 OCT 29 PM 3: 57

Submit an original Signature Authority Form with each contract.

Recipient Okaloosa County Board of County Commissioners	Contract # 10DB-4X-01-56-01-F 18	Local Government DUNS Number 613277649
Mailing Address (Street or Post Office Box) 1804 Lewis Turner Blvd. Suite 206		
City, State and Zip Code Fort Walton Beach, Florida 32547		
Project Contact Person Abra McGill	Telephone # (850) 833-9173 E-mail Address amcgill@co.okaloosa.fl.us	
Financial Contact Person Brenda L. Bailey	Telephone # (850) 651-7200-4381 E-mail Address bbailey@clerkofcourts.cc	
Requests for Funds (RFFs) from the Florida Small Cities CDBG Program require (<i>check one</i>): <input checked="" type="checkbox"/> one signature <input type="checkbox"/> two signatures of individuals authorized below. No more than two individuals can be authorized to use FloridaPAPERS. CDBG contracts require that at least one (1) RFFs must be submitted each quarter and should reflect all expenditures incurred during that reporting period.		
Typed Name Brenda L. Bailey	Date 10-20-09	Signature 
<input checked="" type="checkbox"/> Check here if the above person will be the designated FloridaPAPERS user.	E-mail Address bbailey@clerkofcourts.cc	
Typed Name Gary Stanford	Date 10/20/09	Signature 
<input type="checkbox"/> Check here if the above person will be the designated FloridaPAPERS user.	E-mail Address gstanford@clerkofcourts.cc	
Typed Name	Date	Signature
<input type="checkbox"/> Check here if the above person will be the designated FloridaPAPERS user.	E-mail Address	
I certify, as the recipient's Chief Elected Official, that the above signatures are of the individuals authorized to sign Requests for Funds and to submit RFF's electronically to the Small Cities Community Development Block Grant Program using FloridaPAPERS.		
Typed Name William J. Roberts, III	Date	Signature 
<input checked="" type="checkbox"/> Check here if your local government utilizes Electronic Funds Transfer (EFT) from the State of Florida.		
<input checked="" type="checkbox"/> Check here if your local government will be working on a reimbursement basis.		
<input type="checkbox"/> If this signature authority form pertains to a <u>housing</u> grant, check here if your local government will use an escrow account for housing activities.		
CDBG payments <i>to local governments using EFT</i> are automatically deposited in the local government's general account. If the account is interest bearing, the CDBG funds must be transferred to a non-interest bearing account. Please call the CDBG Program at 850/922-1878 or 487-3644 if you have questions. You can check the status of your deposit at the Comptroller's website: http://flair.dbf.state.fl.us/ .		
<i>Local governments not receiving EFT, and not working on a reimbursement basis, must establish a non-interest bearing account. Provide account information for the financial institution (insured by FDIC) below. All signatures on the account must be bonded.</i>		
Name of Financial Institution	Account Number	
Street Address or Post Office Box	Telephone Number	
City, State and Zip Code		