



**FIRST AMENDMENT TO AGREEMENT BETWEEN BROWARD COUNTY AND CITY OF LAUDERHILL PROVIDING FOR DISBURSEMENT OF HOME PROGRAM FUNDS FOR HOUSING REHABILITATION PROGRAM FOR FISCAL YEAR 2018 - 2019**

This First Amendment ("First Amendment") to the Agreement (as defined below) is made and entered into by and between Broward County, a political subdivision of the State of Florida ("County") and City of Lauderhill, a municipal corporation of the State of Florida ("City") (collectively, County and City are the "Parties").

RECITALS

- A. County is a recipient of HOME Investment Partnerships Act ("HOME") funds from the United States Department of Housing and Urban Development ("HUD").
- B. On August 14, 2018 (Agenda Item No. 43), the Broward County Board of County Commissioners ("Board") authorized funding to City under County's HOME Program for a Housing Rehabilitation Program in City.
- C. On July 16, 2019, the Parties entered into the Agreement Between Broward County and City of Lauderhill Providing for Disbursement of HOME Program Funds for Housing Rehabilitation Program for Fiscal Year 2018 - 2019.
- D. City has a balance of Four Thousand Seven Hundred Sixty-One Dollars (\$4,761) of HOME Program fiscal year 2015-2016 funding, and City desires to add such balance to the HOME funding under the Agreement.
- E. The Parties now desire to enter into this First Amendment to the Agreement to increase the amount of funding under the Agreement from One Hundred Eight Thousand Forty-Two Dollars (\$108,042) to One Hundred Twelve Thousand Eight Hundred Three Dollars (\$112,803).

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree to the following:

- 1. The above recitals are true and correct and are incorporated herein by reference. All capitalized terms not expressly defined within the First Amendment shall retain the meaning ascribed to such terms in the Agreement.
- 2. Amendments made to the Agreement by this First Amendment are indicated by use of strikethroughs to indicate deletions and underlining to indicate additions, unless otherwise indicated.
- 3. This First Amendment shall be effective as of the date it is fully executed by the Parties.

4. The first sentence of Section 4.1 is hereby amended as follows:

The maximum amount payable of HOME Funds to City under this Agreement shall be ~~One Hundred Eight Thousand Forty Two Dollars (\$108,042)~~ One Hundred Twelve Thousand Eight Hundred Three Dollars (\$112,803).

5. Exhibit A to the Agreement, Project Description, is hereby deleted and replaced in its entirety with Exhibit A attached hereto and incorporated herein.
6. Exhibit B to the Agreement, Budget, is hereby deleted and replaced in its entirety with Exhibit B attached hereto and incorporated herein.
7. This First Amendment may be executed in multiple originals, and may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same amendment.
8. Preparation of this First Amendment has been a joint effort of the Parties 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.
9. Except as modified in this First Amendment, all terms and conditions of the Agreement shall remain in full force and effect. If any conflict or ambiguity exists between this First Amendment and the Agreement, the Parties agree that this First Amendment shall control.
10. This First Amendment incorporates and includes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein, and the Parties agree that there are no commitments, agreements, or understandings concerning the subject matter of this First Amendment that are not contained in the Agreement and this First Amendment.
11. City represents and warrants that this First Amendment constitutes the legal, valid, binding, and enforceable obligation of City, and that neither the execution nor performance of this First Amendment constitutes a breach of any agreement that City has with any third party or violates any law, rule, regulation, or duty arising in law or equity applicable to City. City further represents and warrants that execution of this First Amendment is within City's legal powers, and each individual executing this First Amendment on behalf of City is duly authorized by all necessary and appropriate action to do so on behalf of City and does so with full legal authority.

[Signatures on Following Pages]

IN WITNESS WHEREOF, the Parties hereto have made and executed this First Amendment: BROWARD COUNTY, signing by and through its County Administrator, authorized to execute same by Board action on the 14th day of August, 2018 (Agenda Item No. 43), and CITY OF LAUDERHILL, signing by and through its Mayor, duly authorized to execute same.

COUNTY

WITNESSES:

BROWARD COUNTY, by and through its County Administrator

\_\_\_\_\_  
Signature

By: \_\_\_\_\_  
Bertha Henry

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

\_\_\_\_ day of \_\_\_\_\_, 2019

\_\_\_\_\_  
Signature

Approved as to form by  
Andrew J. Meyers  
Broward County Attorney  
Governmental Center, Suite 423  
115 South Andrews Avenue  
Fort Lauderdale, Florida 33301  
Telephone: (954) 357-7600  
Telecopier: (954) 357-7641

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

By: \_\_\_\_\_  
Alicia C. Lobeiras (Date)  
Assistant County Attorney

By: \_\_\_\_\_  
Annika E. Ashton (Date)  
Deputy County Attorney

FIRST AMENDMENT TO AGREEMENT BETWEEN BROWARD COUNTY AND CITY OF LAUDERHILL PROVIDING FOR DISBURSEMENT OF HOME PROGRAM FUNDS FOR HOUSING REHABILITATION PROGRAM FOR FISCAL YEAR 2018 - 2019

CITY

ATTEST:

CITY OF LAUDERHILL

By: \_\_\_\_\_  
City Clerk (SEAL)

By: \_\_\_\_\_  
City Manager

\_\_\_\_ day of \_\_\_\_\_, 2019

I HEREBY CERTIFY that I have approved this Agreement as to form and legal sufficiency subject to execution by the parties:

By: \_\_\_\_\_  
City Attorney

## EXHIBIT A

### PROJECT DESCRIPTION

Fiscal Year:	FY 2018-2019	
Project Name:	City of Lauderhill Housing Rehabilitation Program	
HOME Funds Allocation:	FY 2018-2019	Allocation \$108,042
	FY 2015-2016	Balance \$4,761
Program Income:	\$0	
<b>Total Allocation:</b>	<b>\$112,803</b>	

#### Project Description

HOME Funds in the amount of \$112,803 provided under this Agreement shall be used for housing rehabilitation assistance activities. A minimum of four (4) Income Eligible Households, as defined in this Agreement, shall be assisted in an amount up to Twenty Thousand Dollars (\$20,000) per household, including all rehabilitation costs defined in the Agreement and Exhibit B as HOME eligible activities. The maximum amount of funding assistance for each Income Eligible Household includes all administrative fees and lead-based paint fees. Applicants will be processed by City on a first come, first qualified, first served basis. An existing home value shall not exceed homeownership value limits established by HUD. The Project will be administered by City in accordance with City's Local Housing Assistance Plan (LHAP), to the extent that the LHAP does not conflict with this Agreement.

The following types of properties are eligible for funding under the Agreement:

- Single family homes
- Condominium units
- Townhouses
- Villas

City shall certify each Income Eligible Household assisted with HOME Funds under the Agreement and ensure that each Income Eligible Household executes a Promissory Note and Mortgage in favor of County, in the form set forth in Exhibit F of this Agreement, which includes, but is not limited to, the following requirement(s):

- Ten (10) year term or five (5) year term, depending upon loan amount and HOME affordability period, 0% Interest, deferred payment forgivable Loan ("Loan").

- Loan amount is required to be re-paid on a prorated basis to Broward County if the property is sold, transferred, or leased, or if property is no longer primary residence of the homeowner, during the applicable ten (10) year or five (5) year affordability period.
- Ten (10%), for a ten (10) year term Loan, or twenty (20%), for a five (5) year term Loan, of the original principal amount of the Loan shall be forgiven each year on the anniversary date of the Loan provided the property remains the primary residence of the homeowner and homeowner complies with the terms of the Promissory Note and Mortgage.
- County will follow County's Subordination policy.

City will prepare and record all Mortgages and Promissory Notes in favor of County, in the form provided in Exhibit F.

City will forward all original Mortgages and Promissory Notes with a recorded copy to the County within 30 days.

City will ensure that the Income Eligible Homeowner(s) include Broward County as an additional mortgagee on their insurance policy(ies).

County will monitor all Mortgages and Promissory Notes recorded by City in favor of County.

COUNTY will prepare Subordination Agreements and Satisfactions of Mortgages, when requested by a homeowner, and as appropriate, if the requested subordination or satisfaction is in compliance with the County's subordination policy and Sections 27.209 and 27.210 of the Broward County Administrative Code, as applicable.

County Subordination Policy must be met for subordination to be considered:

- NO CASH OUT with HOME/CDBG/DRI/NSP junior mortgages. SHIP allows \$15,000 maximum cash out for home repair; medical or education expenses.
- Homeowner must retain at least 10% equity.
- Broward County must stay in second lien position.

City shall comply with HUD Rules and Regulations governing the Project, specifically the rules and regulations of 24 C.F.R. Part 92, including, but not limited to, the following:

- All rehabilitation shall be in compliance with applicable local codes and the Florida Building Code in accordance with 24 CFR Part 92.251, Property Standards.
- Lead-based paint testing and abatement, as needed, in accordance with 24 CFR Part 92.355.
- HOME Funds shall only be provided to Income Eligible Households.

- Federal procurement procedures set forth in 24 CFR Part 92.504(c)(4) are applicable to the selection of any contractor performing the residential rehabilitation activities.
- Ensure compliance with the recapture and affordability restrictions set forth in the Agreement.
- City will ensure that each household has a written homeowner agreement as per HUD 24 CFR 92.504(c)(5)(ii) prior to disbursing HOME funds.

City's Program Design is attached hereto as Attachment 1 to Exhibit A, solely for the purpose of providing a more comprehensive description of the overall program, in addition to the description provided in this Exhibit A.

## **ATTACHMENT 1 to EXHIBIT A**

### **PROGRAM DESIGN**

#### **CITY OF LAUDERHILL RESIDENTIAL REHABILITATION PROGRAM FY 2018-2019**

##### **Program Summary**

The Residential Rehabilitation Program is designed to assist homeowners with qualified wind resistant construction and installations to harden their homes against hurricanes and other natural disasters. Eligible activities include: replacement of roof covering/re-roofing; installation of windows and door opening protection; brace bottom chord gable end; soffits and roof ventilation; replacement of air conditioning units. These resources will assist homes that are owner-occupied by income eligible residents in the City of Lauderhill with funding for needed minor home repairs to provide a safer dwelling to withstand the unforeseen elements units are exposed to in South Florida. It is estimated that a minimum of four (4) eligible homeowners will be awarded up to \$20,000 to repair their homes to prevent or lessen damage due to natural disasters.

##### **Program implementation Overview**

The Minority Builders Coalition on behalf of the City of Lauderhill's Housing and Economic Development Division is responsible for the management, implementation, bidding, and construction process of the City's Residential Hardening Program. The Intergovernmental Coordinator, under the directions of the Finance Director, or his designee, operated the program in according to guidelines adopted by the City Commission and consistent with HUD regulations. Personnel will assist income eligible families who meet the HUD income guidelines and currently own a home and occupy it as their primary residence within the City of Lauderhill. Accomplishments will be measured through the completion of retrofits to harden a minimum of four (4) homes within the City. Program implementation includes the following:

1. Direct Service to HOME Eligible Recipients and Properties:
  - a. Advertise and distribute program information to assure the community is aware of the affordable funding through the Residential Hardening Program.
  - b. Coordinated client intake and property eligibility
  - c. Process and approve applications
  - d. Perform Property Assessments
  - e. Develop a comprehensive Bid Specification and Scope of Work for eligible units
  - f. Conduct established bidding procedures
  - g. Award to lowest, responsive, responsible qualified contractors
  - h. Prepare transmittal documents for recording in a timely fashion
  - i. Oversee and manage the construction process from permitting through the final inspections

2. Quarterly reporting of Program Status:
  - a. Provide Quarterly Reports on Program Activities and Progress
  - b. Review current status of program for compliance with HUD guidelines and program objectives
  - c. Complete all reports required by Broward County
  - d. Monitor program expenditures
  - e. Prepare and submit reimbursement requests

Recipient Section Criteria

Eligible applicants will be served on a first come, first qualified, first serve basis from the existing waiting list.

Program Marketing

The City designed an application that is distributed at City Hall, City events and meetings, and is available on the City’s web page. Information is widely distributed through Broward 2-1-1 and updated as necessary. The City also maintain a “Waiting List” of interested applicants for Hardening Assistance. Residents' names and contact information will be collected in order to notify them once the interest free loan is available.

Applicant Processing and Verification

Applicants are eligible for rehabilitation assistance if the home is owner-occupied and they have not received a prior HOME funded grant within the past ten (10) years and five (5) years for elderly, the first mortgage payments are current, there is no second mortgage with payments or equity line of credit outstanding on the property, taxes must be paid, homeowners association fees are up to date, current insurance is in force and the household is income eligible for family size established by the U.S. Department of Housing and Urban Development (HUD).

The property is assessed for eligibility, determine by the amount and costs of work to include code requirements. The City will not award subsidy financing if any code violations, liens, and/or open permits exist. Verification of income based on family size is conducted to determine eligibility and the loan amount. The owner is income-certified once eligibility is confirmed and all required documentation has been received.

Eligibility

Due to limited funding availability, the City focuses on serving low and very-low categories and follows HUD household income guidelines for the HOME Investment Partnership Program. Currently these limits are as listed below and subject to changes based on the date of income verification:

Family Size	1	2	3	4	5	6	7	8
Maximum Income	\$45,300	\$51,750	\$58,200	\$60,950	\$64,650	\$69,850	\$75,000	\$85,350

(Effective April, 2018)

***Established by Federal Guidelines – Subject to change on an annual basis***

Terms, Recapture and Default

The County will follow its Subordination Policy. The County does not allow cash-out and requires the payoff of the remaining loan balance should the homeowner wish to refinance and increase the loan amount for the purpose of receiving cash equity.

Eligible persons receiving amounts of less than \$15,000 shall sign a five (5) year loan mortgage and note at a zero percent (0%) interest rate. Loan will be forgiven at twenty percent (20%) per annum if homeowner complies with all terms of the Promissory Note and Mortgage. Repayment is due during the affordability period if the home is sold, leased, transferred, if property is not primary residence of the homeowner.

Eligible persons receiving amounts greater than \$15,000 and less than \$20,000 shall sign a ten (10) year loan mortgage and note at zero percent (0%) interest rate. Loan shall be forgiven at ten percent (10%) per annum if homeowner complies with all terms of the Promissory Note and Mortgage. Repayment is due during the affordability period if the home is sold, leased, transferred, or leased of if property is not primary residence of the homeowner. This policy does not apply to the transfer of title to income eligible heirs.

If applicant sells the property, the County must be contacted for a payoff statement.

**EXHIBIT B**

**BUDGET**

**FY 2018-2019**

	<b>CATEGORY</b>	<b>HOME FUNDS</b>	<b>OTHER FUNDING SOURCES</b>	<b>TOTAL</b>
A	Direct client subsidy	\$102,457.00	\$0	\$102,457.00
B	Initial/Final Inspection	\$0	\$0	\$0.00
C	Lead Based Paint Inspections	\$0	\$0	\$0.00
D	Lien Recordings	\$346.00	\$0	\$346.00
E	Contractual Services	\$10,000.00	\$0	\$10,000.00
F	<b>TOTALS</b>	\$112,803.00	\$0	\$112,803.00

**BUDGET NARRATIVE**

The Budget Narrative statements below provide a detailed justification for each cost category shown in the budget table for HOME Funds utilized in financing the Project.

A. Direct client subsidy/Construction Costs: of hardening for a minimum of four (4) Income Eligible Households at up to \$20,000 each = \$102,457. A balance of \$22,457 included in Category A will be leveraged with additional funding sources to assist one (1) additional income eligible household, if necessary

B. Initial/Final Inspections = \$0

C. Lead Based Paint Inspections = \$0

D. Lien Recording: For homes assisted = \$346

E. Contractual Services: Implementation and program management of City's HOME Program and Projects = \$10,000

F. Total HOME Funds available under Agreement = **\$112,803**

**Allowable Cost for U.S. HUD Share of Budget**

Federal cost principles for grants and contracts with state and local governments are set forth in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit

Requirements for Federal Awards, which contains a series of principles governing the allowability of various types of costs under federal grants and contracts. General information concerning the cost principles is summarized below. The following types of costs are specifically unallowable:

- (A) Advertising costs other than those associated with recruitment of personnel and the solicitation of bids for goods and services.
- (B) Bad debts.
- (C) Contingencies.
- (D) Contribution and donations.
- (E) Entertainment.
- (F) Fines and penalties.
- (G) Interest.
- (H) Losses on other grants or contracts.
- (I) Other costs include all types of direct costs not specified above. Normally, such costs include space, telephone, utilities, printing, and other basic operating expenses.

Most other categories of cost are generally allowable under the cost principles provided the costs are allowable and reasonable. General comments on individual cost elements are listed below:

**Salary** costs are generally allowable provided they are based on actual current salaries adjusted for any anticipated cost-of-living or merit increases during the grant period. Salary costs for unidentified new employees must be consistent with City's overall employee compensation structure. City's compensation policy should not change as a result of obtaining a federal grant.

**Fringe Benefit** costs such as pay for vacations, holidays, sick leave, employee insurance, and unemployment benefits are allowable to the extent required by law or established organizational policy.

**Travel** costs consistent with established organizational policy are generally allowable. The difference between first class and coach air fare is specifically unallowable. In the absence of established organizational travel policy, it is a good practice to adopt policies consistent with the federal travel regulations.

**Equipment** costs should be based on the least cost method of acquisition (rent, purchase, lease with option to buy) over the grant period as demonstrated by competitive

bidding. Equipment costs are only allowable to the extent the equipment is directly necessary to accomplish the grant. The cost of equipment not fully utilized under the grant must be allocated to other organization costs to assure a fair share distribution. Whenever practical, used equipment should be considered in meeting equipment needs.

**Material** cost directly associated with the Project is allowable. Prices must generally be justified through competitive bids except for nominal purchases.

**Subcontracts** must be awarded on a competitive basis except in extraordinary circumstances. The same principles applicable to individual cost principles for grantees are generally applicable cost-reimbursement type subcontracts under grants.

**Consultant** agreements should include a certification by the consultant that the consultant rate is equal to or less than the lowest rate the consultant accepts for comparable work. Additionally, Congress prohibits the salary component of consultant fees under HUD grants from exceeding the applicable approved rate schedule.

**Construction** costs include construction of new buildings, structures, or other real property as well as alteration or repair of existing structures. Construction costs should be supported by detailed cost estimates and competitive bidding. Consult with the Housing Finance and Community Redevelopment Division Compliance Officer on applicability of the Davis-Bacon Wage determination to the Project.

**Other** costs include all types of direct costs not specified above. Normally, such costs include space, telephone, utilities, printing, and other basic operating expenses.

**Leverage** is that which the municipality or non-profit organization brings to the Project. It may be in the form of services or contributed operating expenses (in-kind contributions) or cash support from the organization itself or from other sources.