NEIGHBORHOOD STABILIZATION PROGRAM-3
RENTAL REDEVELOPMENT CONTRACT
(Project: First Street East, Jacksonville, Florida 32206)

THIS NEIGHBORHOOD STABILIZATION PROGRAM-3 RENTAL REDEVELOPMENT CONTRACT ("Contract") is made effective as of February 13, 2013 (the "Effective Date"), by and between the **CITY OF JACKSONVILLE**, a Florida municipal corporation, in Duval County, Florida (the "City"), and **WEALTH WATCHERS, INC.,** a Florida nonprofit corporation (the "Recipient").

RECITALS:

WHEREAS, the United States Department of Housing and Urban Development ("HUD") awarded the City a Neighborhood Stabilization Program ("NSP-3") grant under Federal Grant Award No. B11-UN-12-007, and CFDA No. 14.218, which grant program assists in the redevelopment of abandoned and/or foreclosed properties and increases the availability of affordable housing for low, moderate and middle income households;

WHEREAS, said grant provides that the City will contract with non-profit and for profit community groups to implement the project set forth therein;

WHEREAS, it is in the best interest of the City to enter into a special contract with the Recipient to administer a portion of said NSP-3 grant funds;

WHEREAS, pursuant to the authority and appropriation set forth in Ordinance 2011-299-E and pursuant to the City's Procurement Award No. P-08-11 dated December 18, 2012, the City hereby engages the services of the Recipient to implement a portion of the NSP-3 grant for the acquisition, new construction and redevelopment of the property more particularly described on **Attachment A** attached hereto (the "Property") in accordance with the terms and conditions set forth herein ("Project");

NOW, THEREFORE, in consideration of the mutual premises and covenants, and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the parties agree as follows:

ARTICLE 0
Incorporation by Reference

0.1 The above stated recitals are true and correct and, by this reference, are made a part hereof and are incorporated herein.

0.2. Any exhibit or attachment to this Contract that is referenced in this Contract is, by this reference, made a part of this Contract and is incorporated herein.

ARTICLE I
Supervision

1. The Recipient agrees to perform the required services for the Project under the general coordination of the Neighborhoods Department, Housing and Community Development Division, City of Jacksonville. The City contact and address (for notices) is:

Housing and Community Development Division
Attention: NSP Program Manager
214 North Hogan Street, 8th Floor
Jacksonville, Florida 32202
Phone: (904) 255-8200 Fax: (904) 255-8265

ARTICLE II
Scope of Services

2.1 The Recipient agrees to perform the initial acquisition and predevelopment services necessary to complete the Project described in **Attachment A**, attached hereto and made a part hereof, and in accordance with the Project Redevelopment Plan and Specifications attached hereto as **Attachment A-1**, the Project Pro Forma Budget attached hereto as **Attachment A-6**, the Project Redevelopment Schedule attached hereto as **Attachment A-9** and the Project Sources and Uses of Funds attached hereto as **Attachment A-7** (collectively, the "Scope of Services" or "services").

2.2 In addition to the requirements, limitations and restrictions set forth elsewhere in this Contract, the Recipient shall use the funds in a manner consistent with all applicable and governing federal, state and local laws, rules, regulations and policies, and any subsequent amendment thereto, during the term of this Contract, including without limitation, all laws rules, regulations and policies governing the NSP-3 Program, the terms of which are incorporated herein by this reference. The Recipient acknowledges and agrees that it has reviewed, understands and is familiar with all such applicable and governing federal, state and local laws, rules, regulations and policies concerning this Contract. If any of the obligations of this Contract are to be performed by a subcontractor of the Recipient, the Recipient shall incorporate the provisions of this section into and shall become a part of the subcontract. Additionally, the Recipient represents and warrants to the City that the Recipient has reviewed, understands, and is familiar with and will comply with the provisions of the Jacksonville Ethics Code, as codified in Chapter 602, Jacksonville Ordinance Code, all regulatory and document requirements of the NSP-3 program, including, but not limited to, the NSP-3 Substantial Amendment to the City of Jacksonville Consolidated Plan approved pursuant to City Ordinance 2011-299-E ("NSP Substantial Amendment"), the NSP General Conditions, the NSP Policies and Procedures Manual, the NSP Technical Construction Specifications, the NSP Addendum to Contract between Developer and Contractor, the NSP bidding instructions and all bidding documents, all as may be amended by the City from time to time, collectively referred to herein as the "NSP Requirements", and the provisions of the Jacksonville Procurement Code, as codified in Chapter 126, Jacksonville Ordinance Code. The NSP Policies and Procedures Manual, NSP General Conditions and NSP Technical Construction Specifications can be obtained by the Recipient online at the following website address: http://www.coj.net/Departments/Housing-and-Neighborhoods/Neighborhood-Initiatives-(1)/Neighborhood-Stabilization-Program-(NSP)-(Stimulus.aspx.

ARTICLE III
Funding

3.1 The City agrees to loan the Recipient an **amount not to exceed $650,353.00,** which amount is the maximum indebtedness of the City pursuant to this Contract utilizing NSP-3 grant funds and said maximum indebtedness represents twenty-five percent (25%) of the approved Project costs shown on the Pro Forma Budget attached hereto as **Attachment A-6**. Recipient acknowledges that the remaining approved Project costs will be funded from the additional

sources contained on the Project Sources and Uses of Funds attached hereto as **Attachment A-7**. Notwithstanding any provisions to the contrary contained herein, if the Recipient fails to obtain the necessary additional funding sources to fund the remaining Project costs as shown on the Pro Forma Budget and the City is unable to obtain additional NSP-3 grant funds or non-NSP-3 grant funds to assist the Recipient in the completion of the Project prior to April 30, 2014, then the City shall have the right to terminate this Contract in accordance with the exit strategy set forth in Section 11 of **Attachment A** (Project Description and General Scope of Services Requirements). Recipient acknowledges that the use by Recipient of any non-NSP-3 grant funds provided by the City to complete any portion of the Project shall require an amendment to this Contract and such amendment shall include any applicable federal rules, conditions, restrictions and regulations governing the use of such non-NSP-3 grant funds.

3.2 The City shall pay the maximum indebtedness of this Contract pursuant to Section 3.1 above **commencing on the Effective Date and ending April 30, 2014**, to the Recipient for services rendered herein on a reimbursement basis and in accordance with the provisions of this Contract and as set forth in **Attachment A** (notwithstanding the City's funding through April 30, 2014, the service period of this Contract shall be thirty-six (36) months from the Effective Date). In no event shall the City be required to advance any of such funds under this Contract. The Recipient shall expend the funds solely and exclusively for the acquisition and predevelopment costs described in this Contract. The Recipient shall not expend or otherwise use any of the funds for any other purpose.

3.3 The method of payment shall be according to the request procedures described in **Attachment B-1 and Attachment B-2**, attached hereto and made a part hereof. The City shall not be obligated or required to make any disbursements if the Recipient is in breach of this Contract.

3.4 Any unused or residual funds remaining at the termination or the expiration of this Contract (or left over after completion of the rehabilitation as set forth in section 6.1 hereafter) shall revert to and belong to the City (including any funds on hand at the time of expiration and any accounts receivable attributable to the use of funds); if any reimbursable funds were distributed to Recipient, then such funds are due and payable on such date of the termination or expiration and shall be returned by Recipient to the City no later than thirty (30) days thereafter. In the event the Recipient receives and/or expends any portion of the funds in a manner inconsistent with the terms of this Contract (which shall include any funds reimbursed to the Recipient by the City in error) or any applicable and governing federal, state or local law, rule regulation or policy, then Recipient shall upon written demand immediately refund and return all such funds to the City. The Recipient shall also reimburse the City for all costs, expenses and fees, including attorneys' fees and court costs, incurred or expended by the City in connection with any collection efforts to recover any funds due City pursuant to this Contract. The City may immediately terminate the Contract if funds are improperly spent, and such termination may be provided orally with a written notice to follow.

3.5 The Project Sources and Uses of Funds is attached as **Attachment A-7.** The Recipient acknowledges and agrees the Project Sources and Uses is a line item budget of the costs of the Project, including the rehabilitation, and (a) itemizes the total costs for each line item and (b) details the tasks to be performed in completing the rehabilitation. In addition to the requirements, limitations and restrictions set forth elsewhere in this Contract, the Recipient shall use the funds received under this Contract in compliance with the Sources and Uses Statement and may not amend or otherwise deviate from the Project Sources and Uses without the prior written consent of the City (which may be withheld in its sole discretion and provided that no expenditure shall exceed the maximum indebtedness set forth in section 3.1 of this contract).

3.6 Except as set forth in Section 3.7, all funds disbursed by the City pursuant to the NSP-3 grant and received by the Recipient shall be deposited and held in one (1) deposit account, which shall be separate and segregated from all other accounts and funds of Recipient. Recipient shall not deposit, maintain or otherwise commingle any other monies in or with the said single account. The Recipient acknowledges and agrees that it shall utilize the funds as specified in **Attachments A, A-6 and A-7**.

3.7 To the extent applicable, the Recipient's financial management system and accounting procedures shall meet the requirements of 24 CFR 85.20, OMB Circular A-87, and 24 CFR 576.67.

3.9 The parties hereto acknowledge and agree that, as part of the Scope of Services, Recipient shall, within a reasonable amount of time after the Effective Date, expend the funds in accordance with the terms set forth in **Attachments A, A-1, A-6 and A-7** hereof. The parties hereto further acknowledge and agree that the City requires each Recipient to enter into a zero percent (0.00%) forgivable deferred payment loan in an amount equal to the total amount of funds expended by the Recipient, for and on behalf of the City. To accomplish the foregoing and as a condition precedent to the City making the loan and disbursing any of the funds to Recipient, Recipient shall, prior to commencing any expenditure of funds, execute a Mortgage and Security Agreement ("Mortgage"), Declaration of Covenants and Restrictions, Promissory Note ("City Note"), and Collateral Assignment of Rents and Leases ("Collateral Assignment") in the form and substance of **Attachment A-2**, **Attachment A-3**, **Attachment A-4**, and **Attachment A-5** attached hereto and incorporated herein by this reference (collectively, the "City Loan Documents"), in favor of the City. Within eight (8) weeks, the Recipient shall deliver to the City the Mortgage and Collateral Assignment as recorded in the public records of Duval County, Florida, together with a mortgagee title policy in favor of the City insuring the lien position (consistent with, or better than, the Project Sources and Uses of Funds set forth in **Attachment A-7**) of the Mortgage. In no event shall Recipient expend funds on a Project without fully and completely satisfying the requirements of this section. In the event that the Recipient fails to fully and completely satisfy the requirements of this section, then said failure by the Recipient shall be in an event of default.

ARTICLE IV
Reporting

4.1 The Recipient shall provide the City with a monthly report (in form and content acceptable to City) showing all activities, including a narrative summary of progress, and a financial statement showing all expenditures appropriate to the Project. Each monthly report shall be signed and certified as true, correct and complete, as of the date thereof, by the President or the Executive Director of the Recipient and shall constitute a representation and warranty by the Recipient to the City as to the contents thereof. All expenditure of funds shall be made on a unit of service basis or as set forth in the attachments. All records, including supporting documentation of all program costs, shall be sufficient to determine compliance with the requirements and the applicable federal laws and regulations. The Recipient shall conduct an ongoing assessment of the housing assistance and/or supportive services provided.

4.2 The Recipient shall use the report form that has been approved by the City, as described in **Attachment C** hereto and made a part hereof. The City shall be permitted to modify the form at any time during the term.

4.3 The report shall be due on the fifth (5th) day of each month and shall continue until all information concerning the Project has been received by the City.

4.4 The Recipient's failure to submit monthly reports shall give cause to the City to either withhold further payments to the Recipient or termination of this Contract.

4.5 The Recipient shall provide the City with additional Project information as requested by the City from time to time.

4.6 Upon execution hereof and as a condition precedent to any funding, the Recipient shall provide to the City at least one (1) copy of the Recipient's most recent audited financial statements or financial statements in any other form approved by the City.

4.7 The Recipient shall provide full cooperation and allow unlimited access to the City's NSP construction manager, so that the NSP construction manager can perform construction oversight and can timely provide any and all reports as required by the City. Any failure of Recipient to perform these obligations shall be an event of default.

ARTICLE V
Indemnification; Insurance

5.1 The Recipient shall act as an independent contractor, and not as an employee, agent, partner, joint venturer, representative or associate of the City, in operating the aforementioned services set forth in this Contract. Recipient shall be solely responsible for the means, methods, techniques, sequences and procedures utilized in the full performance of this Contract.

5.2 The Recipient, its subsidiaries, and subcontractors of any tier (collectively the "**Indemnifying Parties**") shall hold harmless, indemnify, and defend the City and its current and past officers, directors, members, representatives, affiliates, agents, employees, successors and assigns (collectively the "**Indemnified Parties**") against any and all claims, suits, demands, judgments, losses, costs, fines, penalties, damages, liabilities and cost and expense of whatsoever kind or nature (including all costs for investigation and defense thereof including, but not limited to, court costs, reasonable expert witness fees and attorney fees) which may be incurred by, charged to or recovered from any of the foregoing Indemnified Parties, arising directly or indirectly out:

(i) any of the Recipient's operations, work or services performed in connection with this Contract including, but not limited to, any and all claims for damages as a result of the injury to or death of any person or persons, or damage to or destruction of any property which arises as a result of any negligent act, error or omission, recklessness or intentionally wrongful conduct on the part of the Recipient, its employees, representatives, agents, affiliates or assigns, regardless of where the damage, injury or death occurred;

(ii) any allegation that the Services, any product generated by the Services, or any part of the Services, constitutes an infringement of any copyright, patent, trade secret or any other intellectual property right, regardless of whether such injury or damage is caused by negligence, errors and omissions, recklessness, or intentionally wrongful conduct. If in any suit or proceeding, the Services, or any product generated by the Services, is held to constitute an infringement and its use is permanently enjoined, the Recipient shall, immediately, make every reasonable effort to secure for the City a license, authorizing the continued use of the Service or product. If the Recipient fails to secure such a license for the City, then the Recipient shall replace the Service or product with a non-infringing Service or product or modify such Service or product in a way satisfactory to the City at no additional cost to the City, so that the Service or product is non-infringing;

(iii) any violation of any federal, state, or municipal laws, statutes, resolutions, or regulations, by the Recipient or those under its control;

(iv) any breach of any covenant, obligation, representation or warranty made by the Recipient in this Contract or in any certificate, document, writing or other instrument delivered by the Recipient pursuant to this Contract;

(v) any actions or activities that result in a violation of any environmental law, ordinance, rule, or regulation or that leads to an environmental claim or citation or to damages due to the Indemnifying Parties activities, (b) any environmental, health and safety liabilities arising out of or relating to the operation or other activities performed in connection with this Contract by the Indemnifying Parties at any time on or prior to the day and year first above written, or (c) any bodily injury (including illness, disability and death, regardless of when any such bodily injury occurred, was incurred or manifested itself), personal injury, property damage (including trespass, nuisance, wrongful eviction and deprivation of the use of real property) or other damage of or to any person in any way arising from or allegedly arising from any hazardous activity conducted by Recipient relating to an environmental claim.

This indemnification agreement is separate and apart from, and is in no way limited by, any insurance provided pursuant to this Contract or otherwise. This section shall survive the term of the Contract and any holdover and/or contract extensions thereto, whether such term expires naturally by the passage of time or is terminated earlier pursuant to the provisions of this Contract. To the extent an Indemnified Party exercises its rights under this section, the Indemnified Party will (1) provide reasonable notice to Recipient of the applicable claim or liability, and (2) allow Recipient to participate in the litigation of such claim or liability (at Recipient's expense) to protect its interests. Each Indemnified Party will cooperate in the investigation, defense and settlement of claims and liabilities that are subject to indemnification hereunder, and each Party will obtain the prior written approval of the other Indemnified Party before entering into any settlement of such claim or liability, which consent shall not be unreasonably withheld, delayed or conditioned.

5.3 Without limiting its liability under this Contract, the Recipient and subcontractors of any tier shall procure and maintain at their sole expense, during the term of this Contract, insurance of the types and in the minimum amounts stated below:

SCHEDULE	**LIMITS**
Workers' Compensation	Florida Statutory Coverage
Employer's Liability (including appropriate Federal Acts)	$ 100,000 Each Accident $ 500,000 Disease Policy Limit $ 100,000 Each Employee/Disease

The Recipient's insurance shall cover the Recipient, employees (and to the extent its subcontractors of any tier are not otherwise insured) for those sources of liability which would be covered by the latest edition of the standard Workers' Compensation policy, as filed for use in the State of Florida by the National Council on Compensation Insurance (NCCI), without any restrictive endorsements other than the Florida Employers Liability Coverage Endorsement (NCCI Form WC 09 03), those which are required by the State of Florida, or any restrictive NCCI endorsements which, under an NCCI filing, must be attached to the policy (i.e., mandatory endorsements). In addition to coverage for the Florida Workers' Compensation Act, where appropriate, coverage is to be included for the Federal Employers' Liability Act and any other applicable federal or state law.

Commercial General Liability - (Form CG0001)
(ISO Form CG0001 as filed for use in the State of Florida without any restrictions endorsements other than those which are required by the State of Florida, or those which, under an ISO Filing, must be attached to the policy (i.e., mandatory endorsement).

$1,000,000 General Aggregate
$2,000,000 Products/Comp. Ops Aggregate
$1,000,000 Personal/Advertising Injury
$1,000,000 Each Occurrence
$50,000 Fire Damage
$5,000 Medical Expenses

(The Recipient or subcontractors shall maintain products and completed operations coverage for period of (3) years after the final completion of the work.)

Automobile Liability $1,000,000 Combined Single Limit
(Coverage for all automobiles-owned, hired or non-owned)

(The City of Jacksonville shall be endorsed as an additional insured under all of the above Commercial General Liability coverage and Automobile Liability. Such insurance shall be endorsed to provide for a waiver of underwriter's rights of subrogation in favor of the CITY.)

Professional Liability $1,000,000 Per Claim
$1,000,000 Aggregate

(Professional Liability coverage will be provided on an Occurrence Form or a Claims Made Form with a retroactive date to at least the first date of this agreement and with a three year reporting option beyond the annual expiration date of the policy).

Contractors Pollution Liability $1,000,000 Per Loss
$2,000,000 Annual Aggregate
(Contractors Pollution Liability coverage will be required for any Environmental/Pollution related services including but not limited to testing, design, consulting, analysis, or other consulting work, whether self-performed or subcontracted, Contractor will also maintain Contractor's Pollution Liability coverage. Such Coverage will include bodily injury, sickness, and disease, mental anguish or shock sustained by any person, including death; property damage including physical injury to destruction of tangible property including resulting loss of use thereof, cleanup costs, and the loss of use of tangible property that has not been physically injured or destroyed; defense including costs charges and expenses incurred in the investigation, adjustment or defense of claims for such compensatory damages; coverage for losses caused by pollution conditions that arises from the operations of the contractor including transportation. The City of Jacksonville shall be named as an additional insured.)
Pollution Legal Liability $1,000,000 Per Loss
$6,000,000 Aggregate
(If the services provided require the disposal of any hazardous or non-hazardous material off the job site, the disposal site operator must furnish a certificate of insurance for Pollution Legal Liability with coverage for bodily injury and property damage for losses that arise from the facility that is accepting the waste under this contract.

Umbrella Liability $1,000,000 Each Occurrence/Agg.

Property Insurance and/or Builder's Risk Replacement Cost
(City of Jacksonville named as a loss payee)

Construction Bonds (when applicable)

(The Umbrella Liability policy shall be in excess of the above limits without any gap. The Umbrella coverage will follow from the underlying coverages and provide on an Occurrence basis all coverages listed above and shall be included in the Umbrella policy.)

Said insurance shall be written by an insurer holding a current certificate of authority pursuant to Chapter 624, Florida Statutes. Such Insurance shall be written by an insurer with an A.M. Best Rating of A-VII or better. Prior to commencing Services, Certificates of Insurance approved by the City's Division of Insurance & Risk Management ("Risk Management Division") demonstrating the maintenance of said insurance shall be furnished to the City; provided, however, that with respect to the Property Insurance and/or Builder's Risk, Pollution Legal Liability, Constructors Pollution Liability, and Construction Bonds, such certificates of insurance shall be provided by the Recipient and approved by the Risk Management Division prior to the commencement of any construction work required hereunder. The Recipient shall provide the City thirty (30) days prior written notice of any change in the above insurance coverage limits or cancellation, including expiration or non-renewal.

Anything to the contrary notwithstanding, the liabilities of the Recipient under this Contract shall survive and not be terminated, reduced or otherwise limited by any expiration or termination of insurance coverage. Neither approval nor failure to disapprove insurance furnished by the Recipient shall relieve the Recipient or its sub-Recipients from the responsibility of providing insurance as required by the contract. The deductible amounts for any peril shall be deemed usual and customary in the insurance industry. The Recipient shall be responsible for payments of its deductible(s). Depending upon the nature of the Services and accompanying exposures and liabilities, the City may, at its sole option, require additional insurance coverage in the amounts responsive to those liabilities, which may or may not require that the City also be named as an additional insured. The Recipient's and/or sub-contractors insurance will be primary and not contributory.

ARTICLE VI
Contract Period and Termination

6.1 This Contract shall have a service period beginning on the **Effective Date and ending thirty-six (36) months thereafter**, unless this Contract is canceled sooner as provided by the provisions of this Contract. Notwithstanding the foregoing however, the City's obligation to fund disbursements of the grant to the Recipient for the Project shall be limited to expenditures by Recipient made on or before **April 30, 2014**, and provided that the City's obligation to fund disbursements of the grant to the Recipient for the Project shall be **sixty days thereafter**.

6.2 If the Recipient should materially fail to comply with any term of this Contract, suspension or termination of this Contract may occur in accordance with Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Public Law 110-289, HUD Docket No. FR-5447-N-01 and the City's NSP Substantial Amendment to the Consolidated Plan. This Contract may be terminated for convenience by the City and/or by the City on behalf of HUD upon thirty (30) days advance written notice. In the event that the NSP grant funds hereunder, or any portion thereof, should fail to be or cease to be provided to the City by HUD for whatever reason, then the City at its sole discretion may terminate this Contract immediately in accordance with the Exit Strategy provisions outlined in Section 12 of **Attachment A** attached hereto and shall reimburse payments that were expended up to that date of the termination only.

6.3 In addition to the City terminating this Contract as set forth in section 6.2 above, if the City terminates this Contract due to an event of default of the Recipient, then the City may also exercise all rights and remedies it may have at law or in equity (including but not limited to foreclosure on any mortgage or security interest, an action to recover unpaid principal, accrued interest and fees, the sale, transfer, lease, or other conveyance of any property seized as a result of the legal actions described above, or any other remedy provided at law or in equity). Failure on the part of the City to notify the Recipient of a default shall not be deemed to be a waiver by the City as to its rights on such default of the Recipient and shall not be deemed to be a waiver of the City's right to notify the Recipient of such default at a subsequent time, and such a notice shall have the same effect as if promptly made. If an event of default occurs by the Recipient, the contract may be terminated by the City as provided below:

A. The City may by written notice of breach to the Recipient terminate the whole or any part of this Contract for cause in any of the following circumstances, which shall constitute an "event of default" in addition to the circumstances described in Section 6.4 below:

i. If the Recipient fails to provide the services within the time specified herein or any extension thereof;

ii. If the Recipient fails to perform any of the other provisions of this Contract; and

iii. If the Recipient fails to correct said breach within five (5) business days from receipt of the written notice of breach.

B. Termination shall be upon no less than twenty-four (24) hours' notice in writing, if the breach has not been corrected within the five (5) business days. Said notice shall be delivered by certified mail, return receipt requested, or by any other means of delivery with proof of delivery. Upon receipt of a notice of termination and, except as otherwise directed, the Recipient shall:

i. Cease working under this Contract on the date and to the extent specified in the notice of termination;

ii. Place no further orders or subcontracts to the extent that they relate to the performance of the Service, which was terminated;

iii. Terminate all orders and subcontracts to the extent that they relate to the performance of the Service, which was terminated; and

iv. Prepare all necessary reports and documents required under the terms of this Contract up to the date of termination, including the final report without reimbursement for the Services rendered in completing said reports beyond the termination date.

6.4 The occurrence of any one or more of the following events prior to the expiration of the term shall constitute an event of default hereunder: (a) failure to perform or observe any material term, agreement, covenant or condition of this Contract or any of the agreements or other instruments attached hereto as attachments or exhibits, which such default continues for thirty (30) days after written notice thereof (unless a shorter period is set forth elsewhere in this Contract); (b) a violation of any applicable and governing federal, state or local law, rule, regulation or policy with respect to the subject matter hereof; (c) if any representation or warranty contained in this Contract shall be false or misleading in any material respect; (d) the application by the Recipient for, or consent to, the appointment of a receiver, trustee, liquidator

or custodian (or similar official) of its or all or a substantial part of its assets, or if any party shall be unable or admit in writing its inability to pay its debts as they mature, make a general assignment for the benefit of creditors, be adjudicated a bankrupt or insolvent, file a voluntary petition in bankruptcy or a petition or answer seeking reorganization or any arrangement with creditors or agrees to take advantage of any insolvency law, file an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization or insolvency proceeding or if any corporate action shall be taken by it for any purpose of effecting any of the foregoing, or if any order, judgment or decree shall be entered by a court of competent jurisdiction approving a petition seeking reorganization or appointing a receiver, trustee, liquidator or custodian (or other similar official) of any party hereto or of all or a substantial part of its assets, and such other judgment or decree shall continue unstayed and in effect for a period of thirty (30) consecutive days; (e) an event of default of the Recipient under any other agreement or transaction between the Recipient and City; (f) failure to comply with the NSP Policies and Procedures Manual or General Conditions as amended from time-to-time, or (g) failure to meet the performance timelines as detailed in the Policies and Procedures Manual and other communications from NSP-3 staff.

ARTICLE VII
Uniform Administrative Requirements

7.1 Recipient shall comply with the requirements and standards of Circular No. A-122, "Cost Principles for Non-Profit Organizations", and with Title 24 Housing and Urban Development, CFR Part 84, "Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations."

7.2 The Recipient shall maintain project records (including records of the Recipient's general contractors, subcontractors (including minority owned businesses, contracted amounts and ethnicity), material men, laborers and other persons engaged in connection with this contract) a minimum of five (5) years after the termination or expiration of this contract with the exception of any requirement of any litigation or claim set forth below. The Recipient shall make available to City, the City's agents, and HUD, and permit said parties to examine, inspect and have access to, at all reasonable times such Project records.

7.3 All records and reports required herein shall be retained and made accessible to the City as provided in 24 CFR 92.508(c) and (d).

7.4 All original records pertinent to this contract shall be retained by the Recipient for five (5) years following the date of termination of this contract or of submission of the final close-out report, whichever is later, with the following exceptions:

a. If any litigation, claim or audit is started before the expiration of the five (5) year period and extends beyond the three (3) year period, the records will be maintained until all litigation, claims or audit findings involving the records have been resolved;

b. records for the disposition of non-expendable personal property valued at $1,000 or more at the time of acquisition shall be retained for five (5) years after final disposition;

c. records relating to real property acquisition shall be retained for the Affordability Period (defined in **Attachment A-3**).

ARTICLE VIII
General Provisions

8.1 The Recipient shall hire an independent certified public accountant to audit the Project, the Recipient's own NSP program, and any other program necessary that is related to the use of these funds (the cost and expense of such audits and any other reporting required in this contract are *not* to be funded from these monies) in accordance with 24 CFR 92.506, 24 CFR Part 84, OMB Circular A-110, and OMB Circular A-122 (or the successor OMB Circulars as available from time to time). If a Project-specific audit is conducted, it must be submitted to the City no later than 120 days after the end of the contract or as otherwise required by law. If included in the Recipient's overall organizational audit(s), then it must be submitted no later than 120 days following the end of each fiscal year during which the funds were expended.

8.2 The Recipient agrees to abide by the provisions of Section 112.3135, Florida Statutes, as from time to time amended, pertaining to nepotism in their performance under this Contract.

8.3 The Recipient agrees to abide by Chapter 119, Florida Statutes, and related laws, concerning the Public Records laws as from time to time amended.

8.4 The Recipient accepts these funds so appropriated in accordance with the terms of this Contract and shall abide by the audit requirements of this Agreement as from time to time amended by the City.

8.5 The Recipient shall adhere to the provisions, guidelines and rules as set forth in the NSP-3 Substantial Amendment to the City of Jacksonville's Consolidated Plan, NSP Policy and Procedure Manual, NSP General Conditions, NSP Technical Construction Specifications, and NSP specific bidding instructions and any other bid documents, as amended by the City from time-to-time. The Recipient shall adhere to the requirements of **Attachment G** herein with respect to any "Section 3 covered contracts." The Recipient shall adhere to the following City procurement requirements in its procurement of non-Section 3 covered contracts (i.e., materials, supplies, and equipment solely) and will maintain written documentation in its records of:

- Any purchase up to $2,500 requires 1 written quotation;
- Any purchase over $2,501 to $15,000 requires 2 written quotations;
- Any purchase over $15,001 to $30,000 requires 3 written quotations;
- Any purchase over $30,001 to $50,000 requires 4 written quotations;
- Any purchase over $50,000 requires a formal bid procedure (advertising and sealed bids); and any professional design services exceeding $25,000 requires a formal bid procedure (advertising and sealed bids).

8.6 Upon a recommendation by the City, based on a written justification from the Recipient that a purchase can only be efficiently and effectively made from one proprietary or sole-source, the City may approve the purchase in accordance with the procedures set forth herein without competition or advertisement, but only: (i) after posting prior notice of said purchase on Recipient's website and or newspaper for no less than seven (7) calendar days; and (ii) if it is specifically found from all of the relevant facts that a proprietary or sole-source purchase is proper under the circumstances. As a prerequisite to obtaining a purchase from a proprietary or sole-source, the Recipient shall be required to provide a memorandum from its Executive Director/President to the City that:

1. Provides a summary of the scope of goods/services to be provided, identifying each item, component or service being procured and the price being proposed for the same;

2. Provides a detailed justification as to why the requested goods/services can only be efficiently and effectively procured through the recommended proprietary or sole-source provider. For purposes of this section: (i) a "Proprietary Source" shall apply to follow-up goods/services, such as replacement parts or warranty-related or required maintenance services for products and equipment previously purchased by the Recipient, or follow-up or related study services by the same professional that performed the original service, that may only be efficiently and effectively provided from one justifiable source; and (ii) a "Sole-Source" shall apply when there is only one justifiable source, such patented and manufactured products and services offered for sale in noncompetitive market or solely by a manufacturer's authorized dealer;

3. Asserts that the Recipient, prior to justifying the proprietary or sole-source, has researched the availability of the requested goods/services from other sources in applicable markets and has discussed and evaluated the same with the Housing Services Division.

4. Attaches (i) a Scope of Goods and/or Services as Attachment "A;" (ii) a Fee and/or Cost Summary as Attachment "B;" and (iii) a copy of a proposal letter from the proposed proprietary or sole-source provider regarding the scope of goods and/or services and other proposed contract terms and conditions, i.e. price, duration, etc.

ARTICLE IX
Conflict of Interest

9.1 The Recipient or by any sub-contractor, the conflict of interest provisions in 24 CFR 84.42, 24 CFR 85.36, and 24 CFR 92.356 shall be adhered to, as applicable.

9.2 No person who is an employee, agent, consultant, officer, or elected official or appointed official of the Recipient, or of any designated public agencies, or sub-contractors which are receiving NSP-3 funds or who exercise or have exercised any functions or responsibilities with respect to NSP-3 activities or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter; it being understood that Recipient must comply with all applicable ethics requirements, including but not limited to, chapter 112, Florida Statutes, and the requirements of section 8.2 above.

9.3 Upon the written request of the Recipient, HUD may grant an exception to the provisions of this Article IX pursuant to the provisions of 24 CFR 92.356 on a case-by-case basis when it determines that such an exception will serve to further the purposes of the HUD NSP-3 program regulations and the effective and efficient administration of the Recipient's program or project.

ARTICLE X
NSP-3 Program Requirements

10.1 The Recipient agrees to operate the Project in accordance with the provisions of 24 CFR part 92 (including but not limited to 24 CFR part 92.208), and other applicable HUD regulations.

10.2 The expenditures will consist of eligible expenses which are incurred by the Recipient in its efforts to provide quality, safe and decent housing to persons **at or below 120% of the Area Median Income ("AMI") for Jacksonville, Florida, except that not less than sixteen (16) of the twenty-eight (28) units shall be set aside for the exclusive use of households at or below 50% of AMI for Jacksonville, Florida, based on need, as published by HUD, the most current income limits for Jacksonville, Florida.** The current income limits are attached hereto as **Attachment D** (as updated from time to time) and incorporated herein by this reference. The income limits are subject to change and eligibility will be determined on the income limits in effect at the time of rental of any NSP-3 Unit.

10.3 The Recipient shall ensure that the Project meets the requirements of 24 CFR 92.251 relating to property standards and all applicable local housing code requirements for the duration of this contract and any modifications, amendments or successor agreements hereto.

10.4 The Recipient agrees to comply with such other terms and conditions, including record keeping and reports (which must include racial and ethnic data on participants) for program monitoring and evaluation purposes, as HUD may establish for purposes of carrying out the program in an effective and efficient manner.

10.5 The use and disposition of real property and equipment under this Contract shall be in compliance with the requirements of NSP Program, as applicable, which include but are not limited to the following:

1. The Recipient shall transfer to the Grantee any NSP funds on hand and any accounts receivable attributable to the use of funds under this Contract at the time of expiration, cancellation, or termination, unless otherwise specified in the HUD closeout agreement with the City.

2. Real property under the Recipient's control that was acquired or improved, in whole or in part, with funds under this Contract shall be used in accordance with the NSP application for the period consistent with the affordability requirements. If the Recipient fails to use NSP-assisted real property in a manner that meets NSP affordability and benefit requirements within and for the prescribed period of time, the Recipient shall comply with the applicable sections under the NSP Program.

3. In all cases in which equipment acquired, in whole or in part, with funds under this Contract is sold, the proceeds shall be program income (prorated to reflect the extent to which funds received under this Contract were used to acquire the equipment). Equipment not needed by the Recipient for activities under this Contract shall be (a) transferred to the City for the NSP program or (b) retained after compensating the City an amount equal to the current fair market value of the equipment less the percentage of non-NSP funds used to acquire the equipment.

ARTICLE XI
Other Federal Program Requirements

11.1 The Recipient shall carry out each activity in compliance with the following Federal laws and regulations:

- Pub.L. 110-289 (Housing Economic Recovery Act of 2008)
- Pub. L 88-352 - Title VI of the Civil Rights Act of 1964
- Pub. L. 90-284 - Title VIII of the Civil Rights Act of 1968

- Executive Order 11063 (as amended by Executive Order 12259)
- Section 109 of Title I of the Housing and Community Development Act of 1974 (as amended by 42 U.S.C. 5301-5320)
- Davis-Bacon Act (as amended by 40 U.S.C. 276a to a-7)
- Contract Work Hours and Safety Standards Act (40 U.S.C. 327 through 333)
- National Flood Insurance Program (as set forth in the Florida Disaster Protection Act of 1973)
- Displacement, Relocation Assistance and Real Property Acquisition (as set forth in 49 CFR Part 24 and 24 CFR Part 42)
- Employment and Contracting Opportunities:
    - Executive Order 11246 (as amended by E.O. 11375 and supplemented by 41 CFR Part 60)
    - Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u)
- Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c)
- Lead Based Paint Poisoning Prevention (as set forth in 24 CFR Part 35)
- Use of Debarred, Suspended or Ineligible Contractors or Sub-Contractors [in accordance with E.O.s 12549 and 12689, and as set forth in 24 CFR Part 29 and 29 CFR 5.12(a)(1)]
- Nondiscrimination Based on Age or Handicap (as set forth in the Age Discrimination Act of 1975, as amended, and 24 CFR Part 146)
- Section 504 of the Rehabilitation Act of 1973
- Environmental Protection Agency Regulations National Environmental Policy of 1969
- Title 24, Code of Federal Regulations, Volume 1, Part 135

11.2 To the extent applicable to the Project (e.g., certain provisions are applicable if 12 or more NSP-3 Units are assisted with NSP-3 funds), this Contract is also governed by the following provisions required by HUD:

A. *Section 3 - Title 24, Volume 1, Part 135, Appendix to Part 135(a).* The purpose of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) (Section 3) is to ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible and consistent with existing federal, state and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very-low income persons. To the extent applicable, Recipient shall adhere to the provisions of the "HUD Section 3 Requirements and Priority Ranking" attached hereto as **Attachment G**, and made a part hereof.

B. *Equal Employment Opportunity* — All contracts shall contain a provision requiring compliance with E.O. 11246, "Equal Employment Opportunity," as amended by E.O. 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

C. *Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c)* — All contracts and subgrants in excess of $2000 for construction or repair awarded by recipients and subrecipients shall include a provision for compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874), as supplemented by Department of Labor regulations (29 CFR part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient shall be prohibited from inducing, by any means, any person employed in the construction, completion,

or repair of public work, to give up any part of the compensation to which he is otherwise entitled. The recipient shall report all suspected or reported violations to HUD.

D. *Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7)* — When required by Federal program legislation, all construction contracts awarded by the recipients and subrecipients of more than $2000 shall include a provision for compliance with the Davis-Bacon Act (40 U.S.C. 276a to a-7) and as supplemented by Department of Labor regulations (29 CFR part 5, "Labor Standards Provisions Applicable to Contracts Governing Federally Financed and Assisted Construction"). Under this Act, contractors shall be required by Recipient to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required by Recipient to pay wages not less than once a week. The Recipient shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The Recipient shall report all suspected or reported violations to HUD.

E. *Contract Work Hours and Safety Standards Act (40 U.S.C. 327 through 333)* — (CWHSSA) To the extent applicable, under federal monetary threshold amounts for prime contracts, all contracts awarded by recipients in excess of $2000 for construction contracts and in excess of $2500 for other contracts that involve the employment of mechanics or laborers shall include a provision for compliance with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327–333), as supplemented by Department of Labor regulations (29 CFR part 5). Under Section 102 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard workweek of 40 hours. Work in excess of the standard workweek is permissible provided that the worker is compensated at a rate of not less than 1 ½ times the basic rate of pay for all hours worked in excess of 40 hours in the workweek. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

F. *Rights to Inventions Made Under a Contract or Agreement*— Contracts or agreements for the performance of experimental, developmental, or research work shall provide for the rights of the Federal Government and the recipient in any resulting invention in accordance with 37 CFR part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by HUD.

G. *Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended* — Contracts and subgrants of amounts in excess of $100,000 shall contain a provision that requires the recipient to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 *et seq.*) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251 *et seq.*). Violations shall be reported to HUD and the Regional Office of the Environmental Protection Agency (EPA).

H. *Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)* — Contractors who apply or bid for an award of $100,000 or more shall file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier shall also disclose any lobbying with non-Federal funds that takes

place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the recipient.

I. *Debarment and Suspension (E.O.s 12549 and 12689)* — No contract shall be made to parties listed on the General Services Administration's List of Parties Excluded from Federal Procurement or Non-procurement Programs in accordance with E.O.s 12549 and 12689, "Debarment and Suspension," as set forth at 24 CFR part 24. This list contains the names of parties debarred, suspended, or otherwise excluded by agencies, and contractors declared ineligible under statutory or regulatory authority other than E.O. 12549. Contractors with awards that exceed the small purchase threshold shall provide the required certification regarding its exclusion status and that of its principal employees.

J. *Drug-Free Workplace Requirements* — The Drug-Free Workplace Act of 1988 (42 U.S.C. 701) requires grantees (including individuals) of federal agencies, as a prior condition of being awarded a grant, to certify that they will provide drug-free workplaces. Each potential recipient must certify that it will comply with drug-free workplace requirements in accordance with the Act and with HUD's rules at 24 CFR part 24, subpart F.

K. The Recipient shall also comply with the following requirements to the extent applicable: Non-Discrimination in Federally Assisted Programs as set forth in Title 41 Public Contracts and Property Management; 41 CFR Part 60; non-Discrimination Based on Age or Handicap as set forth in Age Discrimination Act of 1975, as amended, and 24 CFR Part 146; Employment and Contracting Opportunities as set forth in Section 3 of the Housing and Urban Development Act of 1968, 24 CFR Part 135; Minority/Women's Business Enterprise as set forth in Executive Orders 11625 and 12138, and 24 CFR Part 85 Subpart C Section 36(e); Lead Based Paint Poisoning Prevention as set forth in 24 CFR Part 35; New Restrictions on Lobbying as set forth in 24 CFR Part 87; Displacement, Relocation Assistance and Real Property Acquisition as set forth in 49 CFR Part 24 and 24 CFR Part 42; National Flood Insurance as set forth in Flood Disaster Protection Act of 1973; 42 U.S.C. 40001 Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction; HUD 4010 Federal Labor Standards Provisions; HUD 4010 Federal Labor Standards Provisions; General Provisions set forth in 24 CFR Part 135, Volume 1; Relating to the Use of Volunteers as set forth in 24 CFR Part 70; Relating to Down Payment Assistance as set forth in 24 CFR 92.354 (a)(2); HOME National Affordable Housing Act of 1990 (NAHA); and Use of Disbarred, Suspended or Ineligible Contractors or Sub-recipients as set forth in 24 CFR Part 24; 29 CFR 5.12(a)(1).

L. The Recipient shall comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d) in regard to the persons served; the Recipient shall comply with Title VII of the Civil Rights Act of 1964 (42 USC 2000e) in regard to employees or applicants for employment; the Recipient shall comply with Section 504 of the Rehabilitation Act of 1973 in regard to employees or applicants for employment and clients served; and the Recipient shall comply with the Americans with Disabilities Act of 1990 (Public Law 101-336) in regard to employees and persons served.

M. The Recipient shall not discriminate against any person or family on the grounds of race, color, national origin, sex, religion, family status, or handicap in the use, lease, rental, sale, or occupancy of any residential unit in the Property. Age discrimination and discrimination against minor dependents are also not permitted. The Recipient shall further meet the equal opportunity and fair housing requirements of 24 CFR Part 92.350, 24 CFR Part 107, Title VI of the Civil Rights Act of 1968, as amended "Fair Housing Act" 2 U.S.C. 3601; 24 CFR Part 100, and Executive Order 11063.

N. If the Recipient is or was created by a religious organization, the Recipient agrees that all funds disbursed under this Contract shall be subject to the conditions, restrictions, and limitations of 24 CFR 5.109 and 24 CFR 92.257.

O. The Recipient shall comply with the Federal Funding Accountability and Transparency Act, P.L. 109-282 (the "Act"), including all reporting requirements contained therein. In accordance with the requirements of the Act, the Recipient shall provide City with the following information contemporaneously with the Recipient's execution of this Contract:

i. Provide the City with the names and total compensation of the Recipient's five most highly compensated officers if the Recipient in the preceding fiscal year received 80 percent or more of its annual gross revenues in federal awards; and $25,000,000.00 or more in annual gross revenues from federal awards; and the public does not have access to this information about the compensation of the senior executives of the Recipient through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. § § 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986, as provided in § 2(b)(1) of the Act; and

ii. Provide the City with the Recipient's entity information, Data Universal Numbering System ("DUNS") number, and Parent DUNS number, if applicable; and

iii. Register in the United States Government's Central Contractor Registration System ("CCR") pursuant to the provisions of the Act and provide City with documentation verifying the same at the time of Recipient's execution of this Contract. The Recipient must ensure that such registration remain current and in good standing throughout the term of this Contract.

The Recipient further agrees to provide the City with additional information and documentation throughout the term of this Contract as may be requested by the City to ensure alignment of the Recipient's system and processes to meet the reporting requirements and other requirements of the Act. Notwithstanding any provision in this Contract to the contrary, the Recipient's violation of this section shall be cause for immediate suspension of payment to Recipient of the grant funds provided herein by the City and unilateral cancellation of this Contract by the City upon thirty (30) days prior written notice to the Recipient of such cancellation.

P. The Recipient shall comply with the Federal Immigration and Naturalization Act. The City shall consider the employment by Recipient of unauthorized aliens a violation of Section 274A(e) of the federal Immigration and Naturalization Act. Such violation shall be cause for unilateral cancellation of this Contract upon thirty (30) days prior written notice of such cancellation.

ARTICLE XII
Representations and Warranties by Recipient

Without limiting the representations, warranties and covenants of Recipient set forth elsewhere in this Contract, as a material inducement for the City to enter into this Contract, the Recipient represents and warrants to the City (and unless otherwise specified, such representations, warranties and covenants are true as of the Effective Date and shall continue and be effective during the term of this Contract as if continuously reiterated) that:

12.1 The Recipient is a Florida non-profit corporation duly incorporated and validly existing under the laws of the State of Florida. The Recipient is authorized to conduct business and is in good standing in the State of Florida. The Recipient has full power and authority (including the Recipient obtaining any and all required third party consents) to execute and deliver this

Contract and all documents contemplated hereby, to perform its obligations arising hereunder and thereunder, and that the Recipient's entering into this Contract will not conflict with or result in a breach of any other agreement to which the Recipient is a party. The individuals signing on behalf of the Recipient have full power and authority to do so and the Recipient shall promptly deliver to the City, upon request, all documents reasonably requested by the City to evidence such authority.

12.2 Recipient is a non-profit corporation and has tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code.

12.3 The making, execution and delivery of this Contract and performance of all obligations hereunder by the Recipient have been duly authorized and approved by the shareholders, members, partners, or Board of Directors (as the case may be) of the Recipient.

12.4 This Contract and all documents contemplated hereby each constitute a legal, valid and binding obligation of the Recipient, enforceable in accordance with their respective terms, assuming execution of the same by the City.

12.5 This Contract and all documents contemplated hereby do not and will not contravene any provision of the governing documents of the Recipient, any judgment, order, decree, writ or injunction to which the Recipient is bound, or any provision of any applicable law or regulation to which the Recipient is bound. The execution and delivery of this Contract and all documents contemplated hereby, and performance of its obligations hereunder and thereunder will not result in a breach of or constitute a default under any agreement or require the consent from any third party.

12.6 The Recipient and each of its general contractors, subcontractors, materialmen, laborers and other persons performing services relating to the Project hold all necessary licenses, permits and authorizations required by all applicable governmental agencies and authorities as a condition to conduct business in the State of Florida and to work on the Project. The Recipient shall promptly deliver to the City, upon request, all documents reasonably requested by the City to evidence such licenses, permits and authorizations.

12.7 The Recipient has not employed or retained any third party having a relationship with City to solicit or secure this Contract and has not paid or agreed or promised to pay any such person any fee, commission, percentage, gift or any other consideration contingent upon or resulting from the execution of this Contract.

12.8 The Recipient has not engaged a broker, finder or other similar third party in connection with this Contract that would obligate the City to pay any cost, expense, fee to such broker, finder or other similar third party.

12.9 The Recipient has obtained for the rehabilitation, or will obtain prior to beginning of the rehabilitation, all necessary approvals and consents from all governmental or quasi-governmental authorities having jurisdiction over the rehabilitation, including, but not limited to, street openings or closings, zoning and use and occupancy permits, sewer permits, environmental permits and approvals, building permits, highway occupancy permits, subdivision and land development approvals, and approvals of fire underwriters (collectively, the "Governmental Approvals"), and all Governmental Approvals are or will be final, unappealed, and unappealable, and remain in full force and effect without restriction or modification.

12.10 No notice of taking by eminent domain or condemnation of any part of the Project has been received, and Recipient has no knowledge that any such proceeding is contemplated with respect to the Project and/or acquisition and rehabilitation.

12.11 No part of any real property or NSP-3 Unit contemplated by this Contract has been damaged or injured as a result of any fire, explosion, accident, flood, or other casualty that is not now fully restored.

12.12 Each and every parcel of real property and NSP-3 Unit contemplated by this Contract abuts and has direct access to a legally opened public right-of-way.

12.13 Electricity, public potable water and public sanitary and storm sewerage facilities and, if shown on the plans and specifications, natural gas service are available at each and every parcel of real property and NSP-3 Unit contemplated by this Contract, or will be available prior to beginning construction, and are of sufficient capacity to service the Project and rehabilitation.

12.14 All public improvements included as part of the Project and/or rehabilitation have been fully authorized by appropriate municipal ordinance or other required municipal action, or will be so authorized prior to beginning construction. The Recipient is not in default under any of agreement with City, and Recipient has satisfied all conditions imposed by any governmental authority in connection with the grant of development approval for each and every parcel of real property and NSP-3 Unit contemplated by this Contract.

12.15 The Recipient shall comply with the additional covenants and representations set forth in **Attachment E** relative to rental rehabilitation projects.

ARTICLE XIII
Miscellaneous

13.1 This Contract shall not be amended or modified in any way except by an instrument in writing executed by both parties hereto.

13.2 All notices to be given hereunder shall be in writing and personally delivered or sent by registered or certified mail, return receipt requested, or delivered by a courier service utilizing return receipts, to the party at the following addresses and such notice shall be deemed given and received for all purposes under this Contract three (3) business days after the date same are deposited in the United States mail, if sent by registered or certified mail, or the date actually received if sent by personal delivery or courier service. The address for the City is set forth in Section 1 above, and the address for the Recipient is set forth below its signature.

13.3 TIME IS OF THE ESSENCE in the performance by any party of its obligations hereunder. If any date of significance hereunder falls upon a Saturday, Sunday, or legal holiday, such date shall be deemed moved forward to the next day which is not a Saturday, Sunday or legal holiday. Saturdays, Sundays and legal holidays shall not be considered business days.

13.4 No waiver of any term of or obligation pursuant to this contract may occur or be enforced unless it is signed by both parties hereto. The failure or delay by either party in asserting any of its rights or remedies as to any default hereunder shall not constitute a waiver of such default or any other default or of related rights or remedies.

13.5 Except with respect to rights and remedies expressly declared to be exclusive in this contract, the rights and remedies of the parties hereto are cumulative, and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other party.

13.6 Except as expressly provided to the contrary herein, each section, part, term or provision of this contract shall be considered severable, and, if for any reason, any section, part, term or provision herein is determined to be invalid, contrary to or in conflict with any existing or future law, rule or regulation by a court or governmental agency having competent jurisdiction, such determination shall not impair the operation of or have any other affect on the remaining sections, parts, terms or provisions of this contract, which shall continue to be given full force and effect and bind the parties hereto, and such invalid sections, parts, terms or provisions shall deemed to be not a part of this Contract.

13.7 This Contract and the rights and obligations of the parties hereto shall inure to the benefit of and be binding upon the parties hereto. This Contract is for the sole and exclusive benefit of the parties hereto, and no third party is intended to or shall have any rights or benefits hereunder.

13.8 The Recipient acknowledges, consents and agrees that all legal actions or proceedings arising out of or related to this contract shall lie exclusively in a state or federal court in Duval County, Florida. This Contract shall be governed by, construed and enforced in accordance with the laws of the State of Florida.

13.9 In conformity with the requirements of Section 126 Part 4, Jacksonville Ordinance Code, the Recipient represents and warrants to the City that Recipient has adopted and will maintain a policy of nondiscrimination, as defined by such ordinance, throughout the term of this contract. Recipient agrees that, on written request, it will permit reasonable access to its records of employment, employment advertisement, application forms and other pertinent data and records by the executive director for the purpose of investigation to ascertain compliance with the nondiscrimination provisions of this Contract; provided, that the Recipient shall not be required to produce for inspection records covering periods of time more than one (1) year prior to the date of this Contract. The Recipient agrees that, if any of the obligations of this contract are to be performed by a subcontractor, the provisions of subsections (a) and (b) of Section 126.404, Jacksonville Ordinance Code, shall be incorporated into and become a part of the subcontract.

13.10 The Recipient shall, on request of the City, (a) promptly correct any defect, error or omission in this Contract and any related documents; (b) execute, acknowledge, deliver, procure, record or file such further instruments and do such further acts deemed necessary, desirable or proper by City to carry out the purposes of the Contract; (c) execute, acknowledge, deliver, procure, file or record any documents or instruments deemed necessary, desirable or proper by the City to protect its rights against the rights or interests of third persons; and (d) provide such certificates, documents, reports, information, affidavits and other instruments and do such further acts deemed necessary, desirable or proper by the City to carry out the purposes of the Contract.

13.11 Unless otherwise expressly provided herein, in the event of a conflict between any provisions of this contract and any exhibit attached to or referenced in this Contract, the provisions of this Contract shall govern to the extent of such conflict. All parties acknowledge and agree that they have had meaningful input into the terms and conditions contained in this Contract. The Recipient acknowledges that it has had ample time to review this contract and related documents with counsel of its choice. Should any provision of this Contract require judicial interpretation, there shall be no presumption that the terms hereof shall be more strictly construed against either party.

13.12 Captions and headings in this contract are for convenience of reference only and shall not affect the construction of this Contract.

13.13 The parties hereto shall follow the provisions of Section 126.110, Jacksonville Ordinance Code, with respect to required disclosures by public officials who have or acquire a financial interest in a bid or contract with the City, to the extent the parties are aware of the same. No person who is an employee, agent, consultant, officer, or elected official or appointed official of the City, or of any designated public agencies, or contractor or subcontractors which are receiving funds or who exercise or have exercised any functions or responsibilities with respect to the Project or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have a interest in any contract, subcontract, or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties during their tenure or for one (1) year thereafter. In addition, in the procurement of labor, supplies, equipment, construction and services by the Recipient or by any general contractor, subcontractor, materialmen, laborer or other persons working on the Project, the conflict of interest provisions of any applicable federal, state or local law, rule, regulation or policy shall be adhered to by the same.

13.14 All of the Recipient's representations, warranties, indemnities and other covenants set forth herein shall be deemed continuing in nature and shall survive the expiration or early termination of this Contract.

13.15 Except for contracts awarded pursuant to section 3 of the *Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7)*, the parties hereto acknowledge and agree that a person or affiliate who has been placed on the State of Florida Convicted Vendor List, following a conviction for a public entity crime, may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contractor 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 any public entity, and may not transact business with any public entity, in excess of Twenty Five Thousand Dollars ($25,000) for a period of thirty-six (36) months from the date of being placed on the Convicted Vendor List.

13.16 This Contract and the rights and obligations herein may not be assigned, in whole or part, by either party without the prior written approval of both parties.

13.17 Prompt Payment to Subcontractors and Suppliers.

(a) Nothing herein shall prohibit the Recipient from disputing, pursuant to the terms hereof, all or any portion of a payment alleged to be due to its subcontractors and suppliers. In the event of such a dispute, the Recipient may withhold the disputed portion of any such payment only after the Recipient has provided notice to the City and to the subcontractor or supplier whose payment is in dispute, which notice shall: (i) be in writing; (ii) state the amount in dispute; (iii) specifically describe the actions required to cure the dispute; and (iv) be delivered to the City and said subcontractor or supplier within (ten) 10 calendar days after the Recipient's receipt of payment from the City. The Recipient shall pay all undisputed amounts due within the time limits imposed by this section.

(b) Notwithstanding Chapter 126, Part 6, Jacksonville Ordinance Code, Recipient shall pay all contracts awarded with certified Jacksonville Small and Emerging Business ("JSEB") JSEBs and Minority Business Enterprise ("MBE") MBEs as defined therein their pro-rata share of their earned portion of the progress payments made by City under the applicable contract within seven (7) business days after Recipient's receipt of payment from City (less proper retainage). The pro-rata share shall be based on all work completed, materials, and equipment furnished or services performed by the certified JSEB or MBE at the time of payment. As a condition precedent to progress and final payments to Recipient, Recipient shall

provide to City, with its requisition for payment, documentation that sufficiently demonstrates that Recipient has made proper payments to its certified JSEB's or MBEs from all prior payments that Recipient has received from City. Recipient shall not unreasonably withhold payments to certified JSEBs if such payments have been made to the Recipient. If the Recipient withholds payment to its certified JSEB's or MBEs, which payment has been made by the City to the Recipient, Recipient shall return said payment to the City. The Recipient shall provide notice to City and to the certified JSEB or MBE whose payment is in dispute, which notice shall: (i) be in writing; (ii) state the amount in dispute; (iii) specifically describe the actions required to cure the dispute; and (iv) be delivered to City and said subcontractor or supplier within five (5) calendar days after Recipient's receipt of payment from City. The Recipient shall pay all undisputed amounts due within the time limits imposed by this section. The failure to pay undisputed amounts to the JSEB or MBE within seven (7) business days shall be deemed a breach of contract, compensable at one percent (1%) of the outstanding invoice being withheld by the City. Continued failure to adhere to this clause may be cause for termination.

(c) The prompt payment requirements hereunder shall, in no way, create any contractual relationship or obligation between the City and any subcontractor, supplier, JSEB, or any third-party or create any City liability for the Recipient's failure to make timely payments hereunder. However, the Recipient s failure to comply with the Prompt Payment requirements shall constitute a material breach of its contractual obligations to the City. As a result of said breach, the City, without waiving any other available remedy it may have against the Recipient, may: (i) issue joint checks; and (ii) charge the Recipient a two tenths percent (0.2%) daily late payment interest charge or other charges specified in Chapter 126 of the Code for JSEB's or MBEs and Chapter 218, Florida Statutes, for non-JSEB's or MBEs, whichever greater.

13.18 The Recipient shall annually attend all training workshops relating to the subject matter hereof as reasonably required by the City.

13.19 In the provision of the services to be performed by Recipient hereunder, Recipient must comply with any and all applicable Federal, State and local laws, rules, regulations and ordinances, as the same exist and may be amended from time to time. Such laws, rules, regulations and ordinances shall include, but are not limited to, Chapter 119, Florida Statutes, (the Florida Public Records Law) and Section 286.011, Florida Statutes, (the Florida Sunshine Law). Such laws, rules, regulations and ordinances must also include, but are not limited to obtaining and maintaining all licenses and certifications that are required to perform the Services contemplated in this Contract, in the City of Jacksonville, State of Florida. If any of the obligations of this Contract are to be performed by a subcontractor, the provisions of this Section shall be incorporated into and become a part of the subcontract.

13.20. In conformity with Section 126.305, *Ordinance Code*: Recipient understands and agrees that execution of this Contract by the Recipient shall be deemed to be simultaneous execution of truth-in-negotiation certificate under this provision to the same extent as if such certificate had been executed apart from this Contract, such certificate being required by Section 126.305, *Ordinance Code*, for professional services contracts over fifty thousand dollars. Pursuant to such certificate, Recipient hereby states that the wage rates and other factual unit costs supporting the compensation hereunder are accurate, complete and current at the time of contracting. Further, the Recipient agrees that the compensation hereunder shall be adjusted to exclude any significant sums where the City determines the contract price was increased due to inaccurate, incomplete or noncurrent wage rates and other factual unit costs, provided that any and all such adjustments shall be made within one (1) year following the completion date of this Contract.

13.21. To the extent that this Contract meets or exceeds the statutory price threshold, of $1,000,000.00, the Recipient by execution of this Contract certifies to the City that the Recipient is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to Florida Statutes §215.473. Pursuant to Florida Statutes §287.135, Recipient agrees that the City may terminate this Contract immediately, without penalty, if Recipient is found to have submitted a false certification or if the Recipient is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List.

13.22. The Recipient and its subcontractors shall maintain all books, documents, papers, accounting records and other evidence pertaining to costs incurred in the work and shall make such materials available at all reasonable times during the period of this Contract and for three (3) years from the date of final payment under this Contract for inspection, copying, and/or audit by the City.

13.23 This Contract may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

13.24 This Contract constitutes the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior negotiations, representations, agreements and understandings, oral or written, between them with respect to such subject matter.

(The remainder of this page was left blank intentionally by the parties. Signature pages to follow).

IN WITNESS WHEREOF, the parties hereto duly execute this contract as of the day and year first written above.

WEALTH WATCHERS, INC., a Florida non-profit corporation

By: _____
Carrie Davis, Executive Director

DATED: 2-11-13

RECIPIENT INFORMATION

Name: Wealth Watchers, Inc.
Contact: Carrie Davis
Address: 1225 West Beaver Street, Suite 110
Jacksonville, Florida 32204
Telephone: (904) 380-0292 FAX: (904) 265-1908
E-Mail: carriedavis@wealthwatchersfl.com
Federal Tax Identification Number: 01-0638984
Data Universal Numbering System (DUNS Number): 179314666
Central Contractor Registration (CCR) Number: 5SRV0

(Signature page for the City of Jacksonville to immediately follow this page)

ATTEST:

By: _____
James B. McCain, Jr.
Corporation Secretary

CITY OF JACKSONVILLE, a Florida municipal corporation

By: _____
Alvin Brown, Mayor

Cleveland Ferguson, III
Deputy Chief Administrative Officer
For: Mayor Alvin Brown
Under Authority of:
Executive Order No. 2012-17

DATED: 2/13/13

In compliance with Section 24.103(e) of the *Ordinance Code* of the City of Jacksonville, I do hereby certify that there is or will be an unexpended, unencumbered and unimpounded balance in the appropriation sufficient to cover the foregoing contract in accordance with the terms and conditions thereof and that provision has been made for the payment of the monies provided therein to be paid.

_____
Director of Finance
Contract # 8697-25

Account #:	HNHS1A3HPNC
Sub-Object:	09995
Project #:	NSP305
Grant#:	PDC023
Grant Detail #:	11
Amount:	**$650,353.00**

FORM APPROVED:

By: _____
Office of General Counsel

G:\Gov't Operations\LHodges\Neighborhoods Department\Housing and Community Development Division\2012-2013 Forms\NSP-3\First Street - WW\NSP-3 Contract (First St)-Final.3.doc

LISTING OF ATTACHMENTS

Attachment A	Project Description and General Scope of Services Requirements
Attachment A-1	Project Redevelopment Plan and Specifications
Attachment A-2	Mortgage and Security Agreement
Attachment A-3	Declaration of Covenants and Restrictions
Attachment A-4	Promissory Note
Attachment A-5	Collateral Assignment of Rents and Leases
Attachment A-6	Project Pro Forma Budget
Attachment A-7	Project Sources and Uses of Funds
Attachment A-8	Initial Rent and Utility Allowance
Attachment A-9	Project Redevelopment Schedule
Attachment B-1	NSP-3 Disbursement Request Form
Attachment B-2	Conditions Precedent to City's Disbursements
Attachment C	Monthly Progress Report Form
Attachment D	Income and Rent Limits
Attachment E	Additional Covenants
Attachment E-1	Final Affidavit, Waiver and Release of Lien of Contractor
Attachment E-2	Partial Affidavit, Waiver and Release of Lien of Contractor
Attachment F	Affirmative Marketing
Attachment G	HUD Section 3 Requirements and Priority Ranking
Attachment H	Leasing Requirements

ATTACHMENT A

Project Description and General Scope of Services Requirements

Recipient: **Wealth Watchers, Inc.**
1225 West Beaver Street
Jacksonville, Florida 32204

Funding Amount: **$650,353.00**

Name of Project – The Recipient's acquisition and predevelopment of a vacant parcel for the development of a twenty-eight (28) unit multifamily rental project on the property more particularly described below (the "Property"):

> **Lots 1, 2, 3, 24, 25 and 26, Block 4, CAMPBELLS ADDITION TO JACKSONVILLE, as per plat thereof, recorded in Plat Book 2, page 21, of the current public records of Duval County, Florida.**
>
> **(also known as First Street East, Jacksonville, Florida 32206)**

The remainder of this **Attachment A** concerns the purpose for which the Recipient conducts its business and the general requirements relating to the Scope of Services.

SCOPE OF SERVICES

The grant amount provided by the City, pursuant to this Contract is **$650,363.00**, and shall be used solely and exclusively for payment of acquisition and predevelopment construction costs within Duval County, Florida. Funds will be provided for the acquisition and predevelopment of rental housing units in accordance with the City's NSP program policies and applicable law. The Recipient shall commence the acquisition and redevelopment of the Property upon the execution of this Contract and complete the redevelopment of the Property in accordance with the Project Schedule (**Attachment A-9**), the Project Redevelopment Plan and Specifications (**Attachment A-1**) and the Project Pro Forma Budget (**Attachment A-6**) attached hereto. It is the intent of this activity to emphasize the upgrading of low, moderate and middle income rental conditions by increasing the funds available for reconstruction of deteriorated units. The combined total amount of repairs per unit may not exceed the amount calculated in the cost allocation and subsidy layering analysis.

Prior to commencement of the reconstruction, the Recipient shall supply and furnish to the City at least one (1) copy of the final plans and specifications for the rehabilitation, including without limitation, all maps, sketches, diagrams, surveys, drawings and lists of materials. The plans and specifications shall be prepared by an architect acceptable to the City and shall be subject to approval in advance by the City. No amendments, modifications or other changes to the plans and specifications may be made without the prior written consent of the City (which may be withheld in its sole discretion).

Number of Units to Complete: Multifamily project consisting of twenty-eight (28) Rental Units

Duration of Project:	Effective Date through thirty-six (36) months thereafter
Duration of Funding:	Effective Date through April 30, 2014
Location of Project:	See legal description above

1. Use of Grant Proceeds. The total deferred payment loan amount provided by the City, pursuant to this Contract is **$650,353.00** (the "Proceeds"). The Proceeds shall be used for the acquisition and predevelopment costs associated with the construction of a multifamily project consisting of twenty-eight (28) rental units for low, moderate and middle income persons or families located at the address above (collectively and individually the "NSP-3 Units" or "NSP-3 Unit"), as encumbered by a mortgage set forth in **Attachment A-2**, the restrictive covenants set forth in **Attachment A-3**, the collateral assignment of rents and leases set forth in **Attachment A-5**, and the indebtedness of the deferred payment loan evidenced by the City Note set forth in **Attachment A-4**. The Proceeds shall be used strictly in compliance with the Project Sources and Uses of Funds, attached hereto as **Attachment A-7** and incorporated herein by this reference and shall not be used for any other purpose or manner.

2.1 Affordable Housing Requirements.

a. The NSP-3 Units will be occupied by households whose annual incomes **do not exceed one-hundred twenty percent (120%) of the Area Median Income ("AMI") for Jacksonville, Florida, except that not less than sixteen (16) of the twenty-eight (28) units shall be set aside for the exclusive use of households at or below fifty percent (50%) of AMI for Jacksonville, Florida,** as determined by HUD and as shown in the table attached hereto as **Attachment D**, with adjustments for smaller and larger families.

b. The NSP-3 Units will not be refused for leasing to the holder of a certificate of family participation under 24 C.F.R. Part 882 (Rental Certificate Program) or the holder of a rental voucher under 24 C.F.R. Part 887 (Rental Voucher Program) or to the holder of a comparable document evidencing participation in an NSP tenant-based assistance program because of the status of the prospective tenant as a holder of such certificate of family participation, rental voucher, or comparable NSP tenant-based assistance document.

c. The City will review and approve the rents proposed by the Recipient of the NSP-3 Units, as well as the monthly allowance proposed by the Recipient for utilities and services to be paid by the tenant. The Initial Rent Schedule and Initial Utility Allowance Schedule for such units are attached hereto as **Attachment A-8**. The Recipient will re-examine the income of each tenant household living in very low or low-income units at least annually. The maximum monthly rent will be recalculated by the Recipient and reviewed and approved by the City annually, and may change as changes in the applicable gross rent amounts, the income adjustments, or the monthly allowance for utilities and services warrant. Any increase in rent for lower income units is subject to the provisions of outstanding leases, and in any event, the Recipient must provide tenants of those units not less than thirty (30) days prior written notice before implementing any increase in rent. However, the City's approval of adjustments to rents and utility allowances does not negate any requirements for seeking HUD's prior written approval of rent and utility allowance adjustments as required under the Housing Assistance Payment (HAP) Contract, if applicable.

d. Rental housing qualifies as affordable housing despite a temporary noncompliance if the noncompliance is caused by increases in the incomes of existing tenants

and if actions satisfactory to HUD are being taken to ensure that all vacancies are filled in accordance with this contract until the noncompliance is corrected. Tenants who no longer qualify as low-income families must pay as rent the lesser of the amount payable by the tenant under State or local law, or thirty percent (30%) of the family's adjusted monthly income, as recertified annually.

e. Changes in fair market rents and in Area Median Income over time should be sufficient to maintain the financial viability of the Project within the qualifying rent standards in paragraph 2.1 herein. Regardless of changes in fair market rents and in Area Median Income over time, the qualifying rents are not required to be lower than the NSP rent for the Project that is in effect at the time of Project commitment. The City, with prior HUD approval, may adjust the qualifying rents established for the NSP-3 Units under 2.1 only if the City and HUD find that an adjustment is necessary to support the continued financial viability of the Project and only by an amount that the City and HUD determine is necessary to maintain continued viability of the Project.

f. In the event that requirements of 24 C.F.R. Part 92 will become less restrictive with respect to the income levels for eligibility for occupancy of NSP-3 Units, the requirements of the then-applicable governmental regulations will prevail over those stated in this contract.

2.2 Non-Discrimination. The Recipient will not discriminate against any person or family on the ground of race, color, national origin, sex, religion, family status, or handicap in the use, lease, rental, sale, or occupancy of any residential unit in the Property. Age discrimination and discrimination against minor dependents are also not permitted. Recipient will further meet the equal opportunity and fair housing requirements of 24 C.F.F. 92.257.

3. The Project shall meet all relevant requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Public Law 110-289, HUD Docket No. FR-5447-N-01, and the City's NSP-3 Substantial Amendment to the Consolidated Plan as to the following:

Maximum per unit subsidy shall not exceed (Effective January 1, 2012, as amended from time to time):

0-Bedroom	$132,814
1-Bedroom	$152,251
2-Bedroom	$185,186
3-Bedroom	$239,506
4-Bedroom	$262,903

__X__ Property Maintenance Standards;
__X__ Qualification as affordable housing and income targeting; rental housing;
__X__ Tenant and participant protections:
_____ Mixed-income project;
_____ Mixed-use project

4. **Performance Schedule*** All expenditures must be completed by **April 30, 2014.** See the attached Draw Schedule entitled **Attachment A-9.**

** All draws are contingent upon passing an inspection by the Housing and Community Development Division and the Building Inspection Department, and Recipient's satisfactory completion of the requirements set forth in* ***Attachment B-2, and Attachment E****.*

5. Special Terms and Conditions: Schedule for Completing Tasks: The construction schedule for the Project is set forth in the attached **Attachment A-9**. Additionally, the Recipient shall ensure that the construction of the Project shall meet the current edition of the Model Energy Code published by the Council of American Building Officials, and, to the greatest extent possible, shall meet the standards established by the United States Environmental Protection Agency, in the publication titled *A Green Home Begins with ENERGY STAR Blue* or in the Version 6.0 Standard of the Florida Green Building Coalition (**www.floridagreenbuilding.org**). At minimum, in accordance with NSP-3 regulations, the Recipient shall comply with the following:

a. All gut rehabilitation or new construction up to three stories must meet the Energy Star Qualified New Homes standard.

b. Where relevant, housing must be improved to mitigate the impact of disasters.

c. All gut rehabilitation or new construction of mid- or high-rise multi-family housing must meet ASHRAE 90.1-2004, Appendix G plus 20% (which is the Energy Star standard for multifamily buildings piloted by the EPA and DOE).

d. Other rehabilitation must meet these standards to the extent possible, e.g. through use of Energy Star products to replace older obsolete products and appliances, and use of water-efficient fixtures such as the WaterSense label.

e. Compliance with disabled accessibility standards of 24 CFR part 8 must be incorporated into rehabilitation standards.

6. Resale: The NSP-3 Units to be rehabilitated/constructed in connection with the Project are to remain affordable for a minimum term (the "Affordability Period"), as defined in the Declaration of Covenants and Restrictions (**Attachment A-3**).

7. Affirmative Marketing and Leasing Requirements. The Recipient shall comply with the affirmative marketing requirements set forth in **Attachment F**, the Section 3 requirements set forth in **Attachment G**, and the leasing requirements set for on **Attachment H**.

8. Occupancy of NSP-3 Unit. Failure of the Recipient to show due care and diligence in keeping the NSP-3 Units maintained and occupied during the term of this Contract or if the NSP-3 Units have not been rented for a continuous period of **six (6) months** shall constitute a material breach of this Contract. It is understood by the City that vacancies may occur during the term of this Contract. However, the Recipient agrees to make adequate repairs to the units and to place them on the market in a timely manner to seek new eligible tenants. The Recipient shall inform the City in writing of any vacancies on a monthly basis and of the steps being taken by the Recipient to rent and occupy the NSP-3 Units.

9. Reporting Requirements. Annually on the anniversary of the loan documents, the Recipient shall submit to the City a report that includes:

a. Annual Financial Statement including reserve account balances

b. Occupancy and Rental Rate Information

c. Current Tenant Selection Policy

d. Marketing Material utilized during proceeding year

e. Current Standard Lease

f. Copies of any inspections undertaken by 3rd parties

g. Insurance Binder with City as additional insured

10. Project Feasibility Review. Prior to initial occupancy and thereafter annually, on the anniversary of the mortgage, the City will review the financial viability of the project through the submission of a profit and loss statement by the Recipient. The profit and loss statement must be prepared by an independent Certified Public Accountant (CPA). The City shall also review the financial condition of the Recipient to ensure that Recipient is able to continue the management of the property.

11. Recipient Allowed Project Profit

Upon completion of the acquisition and predevelopment of the Property, the Recipient shall be allowed to receive a Recipient/Developer profit of 3% of the total approved Project costs for the acquisition and predevelopment services.

12. Exit Strategy. Notwithstanding any provision to contrary contained herein, if any of the following events occur: (i) breach of this Contract by the Recipient pursuant to Sections 6.2 and 6.3 of this Contract; (ii) the NSP grant funds or any portion thereof should fail to be or cease to be provided by HUD for whatever reason; or (iii) the Recipient and/or the City are unable to obtain the additional funding sources as shown on the Project Sources and Uses of Funds to complete the redevelopment and construction of the Project in accordance with **Attachment A-1** on or before April 30, 2014, then the Recipient shall upon receipt of written notice from the City the occurrence of one of the events above either:

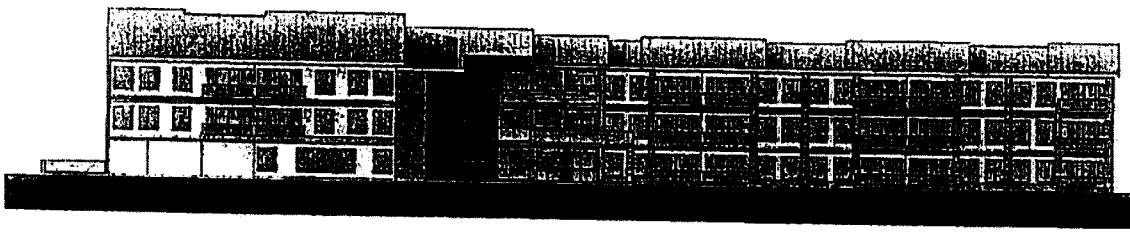
(i) convey the Property to the City free and clear of all liens and encumbrances (including Recipient's prorated real estate taxes) except for the City's Loan Documents by way of a deed in lieu of foreclosure on a form of deed approved and provided by the City; or

(ii) pay in full the outstanding principal balance of the City Note minus the allowed Developer's profit fee of 3% as shown on the Project Pro Forma Budget upon the City Note maturity date. If the Recipient fails to pay in full the outstanding principal balance of the City Note within ten (10) days following the maturity date, then the Recipient shall convey the Property to the City pursuant to Section 12(i) above upon receipt of City's written demand of the same.

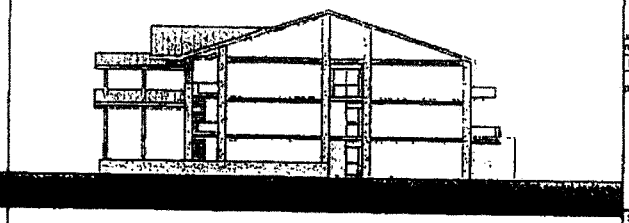
This Section 12 shall survive the termination of this Contract.

ATTACHMENT A-1
Project Plans and Specifications

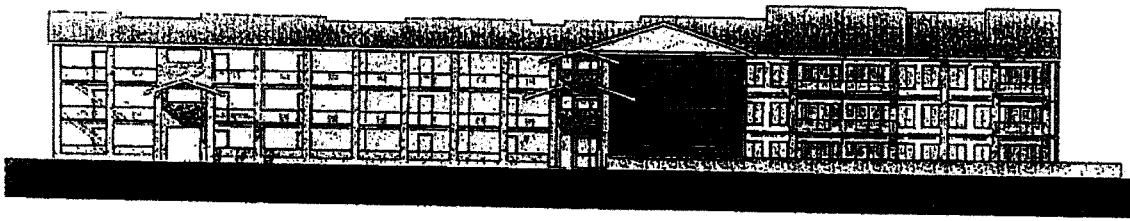
(See Attached)



NORTH ELEVATION



EAST ELEVATION



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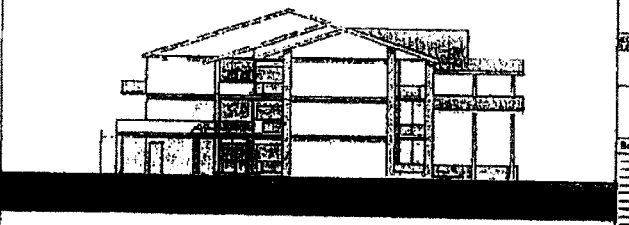


WEST ELEVATION

Project Title

S.S. BARET VILLAS ASSISTED LIVING FACILITY

JACKSONVILLE, FLORIDA

Drawing Title

ELEVATIONS

Scale N.T.S.

Dwg. by M/r.r.

Ckd. by

Date 1/30/12

design affiliation architecture

13015 FORT CAROLINE ROAD JACKSONVILLE, FLORIDA 32225 904-476-6100

Consultants

CIVIL

STRUCTURAL

MECHANICAL/ ELECTRICAL

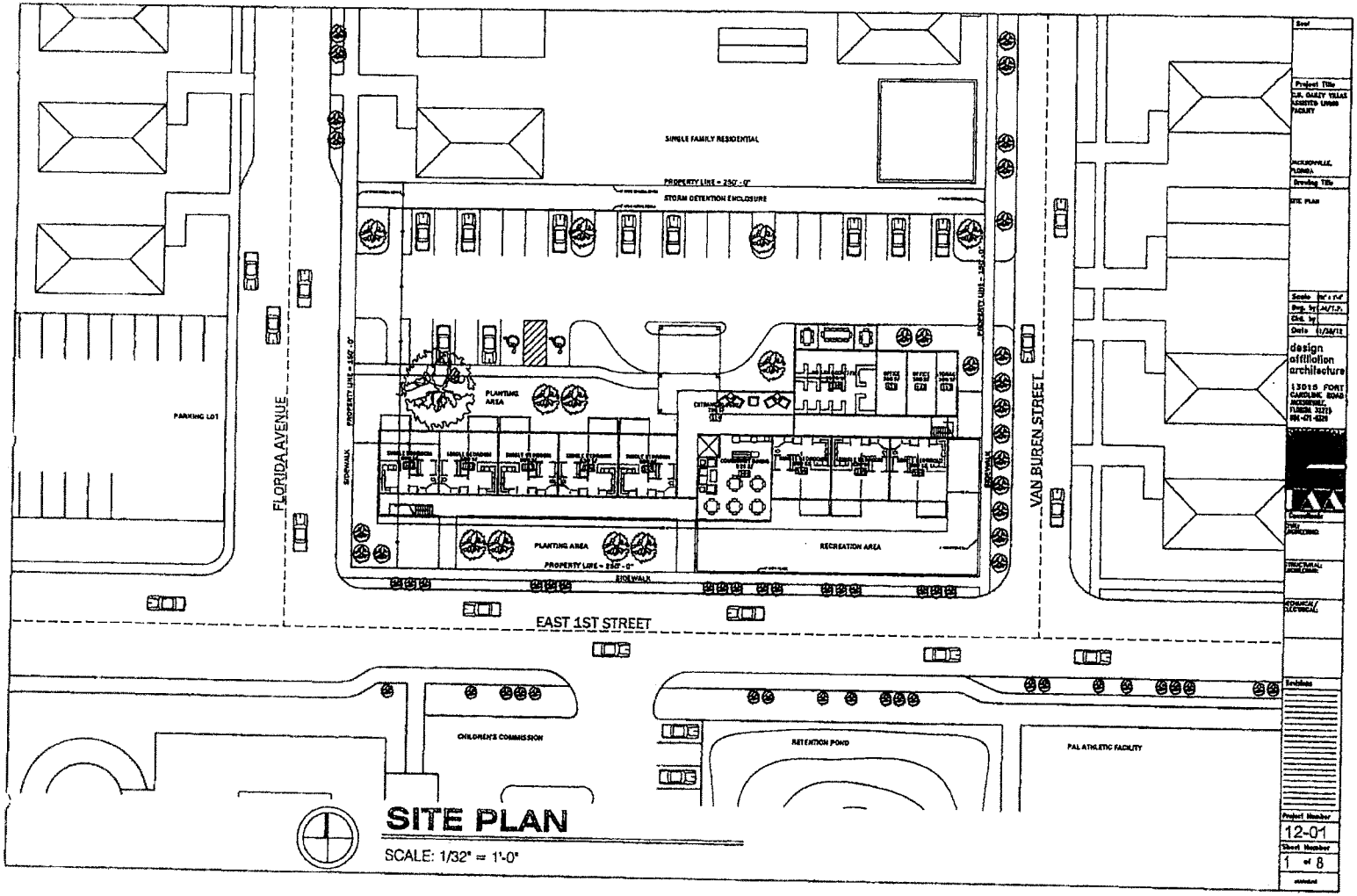
Revisions

Project Number

12-01

Sheet Number

8 of 8



SITE PLAN

SCALE: 1/32" = 1'-0"

Project Title
J.R. DAILY VILLAS ASSISTED LIVING FACILITY

JACKSONVILLE, FLORIDA

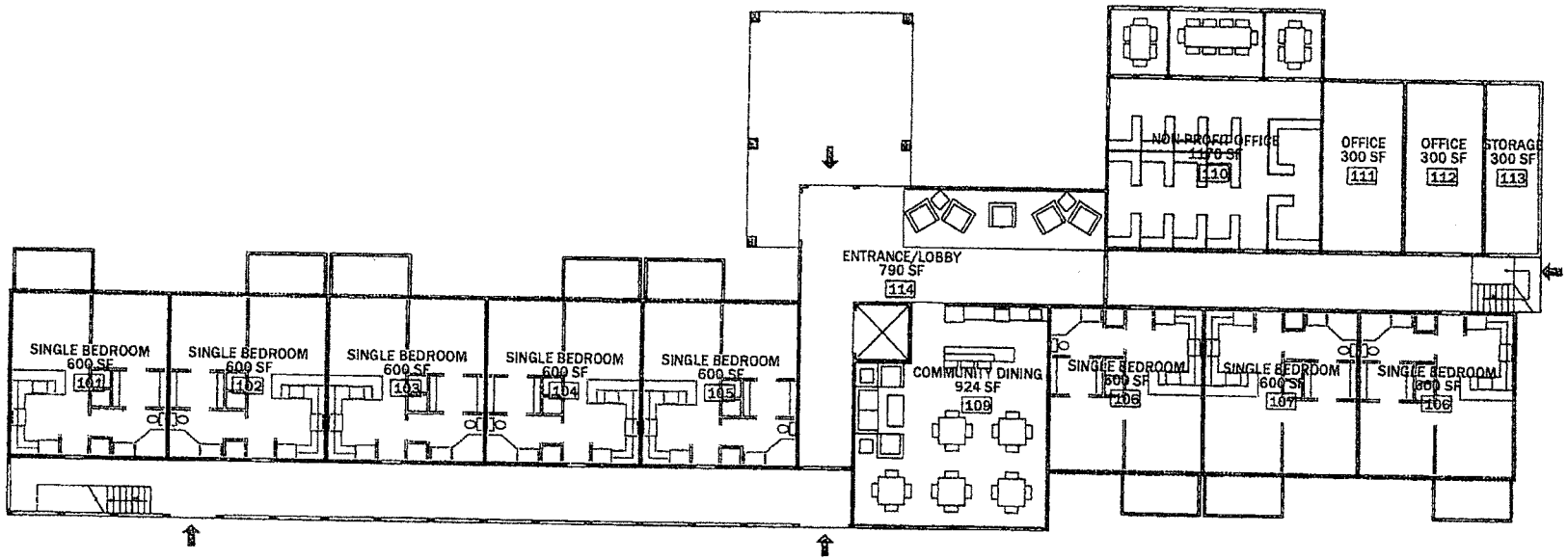
Drawing Title
SITE PLAN

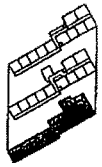
Scale 1/32" = 1'-0"
Drg. by AJ/T.P.
Ckd. by
Date 1/24/12

design affiliation architecture
13015 FORT CAROLINE ROAD
JACKSONVILLE, FLORIDA 32225
904-721-6228

Project Number
12-01

Sheet Number
1 of 8





FIRST FLOOR PLAN

SCALE: 1/16" = 1'-0"

Seal

Project Title
S.S. OARLEY VILLAS
ASSISTED LIVING
FACILITY

JACKSONVILLE,
FLORIDA

Drawing Title
FIRST FLOOR PLAN

Scale 1/16" = 1'-0"
Dwg. by L.M./T.P.
Ckd. by
Date 11/30/12

design
affiliation
architecture

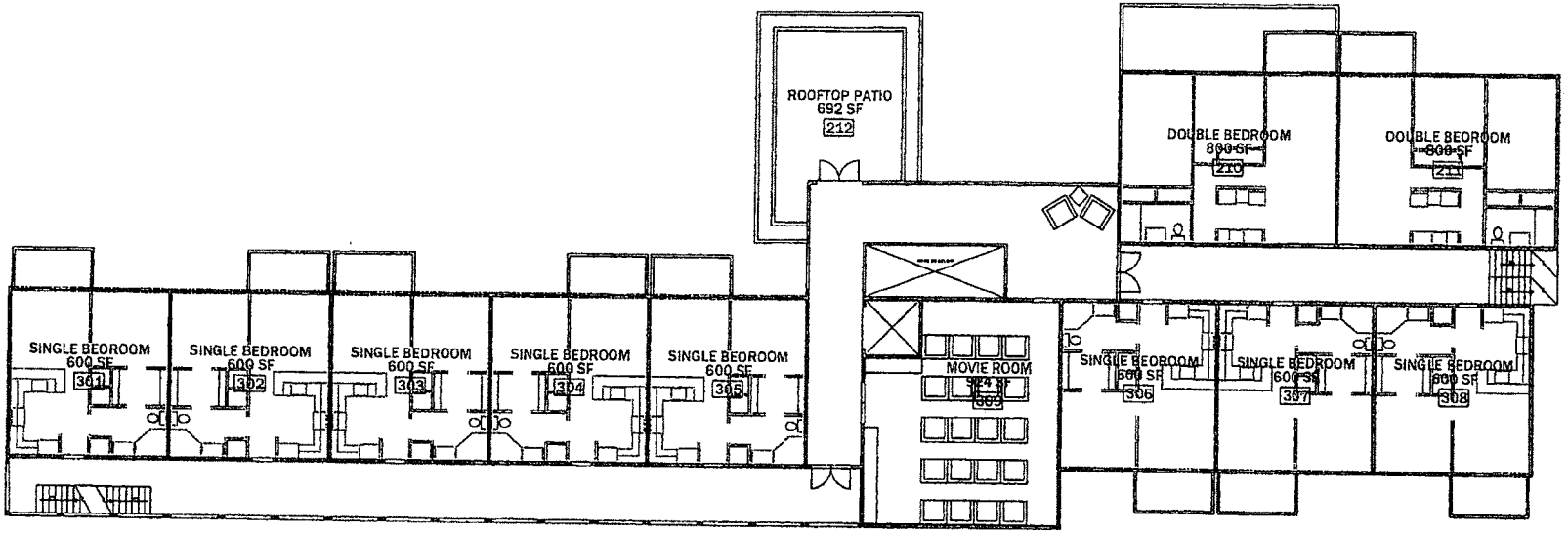
13015 FORT
CAROLINE ROAD
JACKSONVILLE,
FLORIDA 32225
904-475-0320

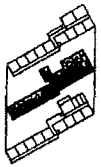
Consultants

Revisions

Project Number
12-01

Sheet Number
2 of 8





SECOND FLOOR PLAN

SCALE: 1/16" = 1'-0"

Seal

Project Title
C.B. BAILEY VILLAS RESIDENCE LIVING FACILITY

JACKSONVILLE, FLORIDA

Drawing Title
SECOND FLOOR PLAN

Scale 1/16" = 1'-0"
Dwg. by J.M./T.P.
Ckd. by
Date 01/30/12

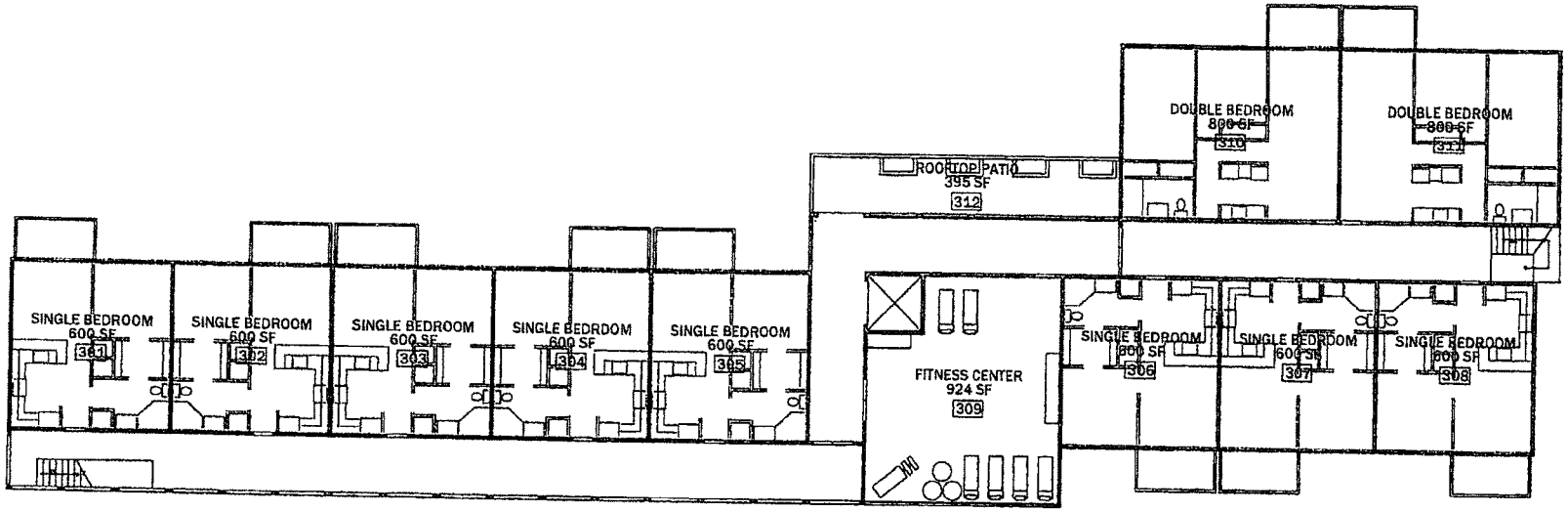
design affiliation architecture
13015 FORT CAROLINE ROAD
JACKSONVILLE, FLORIDA 32225
904-476-5328

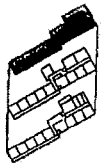
Consultants
CIVIL ENGINEERING
STRUCTURAL ENGINEERING
MECHANICAL/ ELECTRICAL

Revisions

Project Number
12-01

Sheet Number
3 of 8





THIRD FLOOR PLAN

SCALE: 1/16" = 1'-0"

Sheet

Project Title
S.B. DAILEY VILLAS
MASTER LIVING
FACILITY

JACKSONVILLE,
FLORIDA

Drawing Title
THIRD FLOOR PLAN

Scale 1/16" = 1'-0"
Dwg. by J.J./T.P.
Chk. by
Date 11/30/12

design
affiliation
architecture

13015 FORT
CAROLINE ROAD
JACKSONVILLE,
FLORIDA 32225
904-676-4512

Consultants
CIVIL:
STRUCTURAL:
MECHANICAL/
ELECTRICAL:

Revisions

Project Number
12-01

Sheet Number
4 of 8

ATTACHMENT A-2
Form Mortgage and Security Agreement

AFTER RECORDING RETURN TO:

Neighborhoods Department, City of Jacksonville
Housing and Community Development Division
214 N. Hogan Street, 8th Floor
Jacksonville, Florida 32202

THIS INSTRUMENT WAS PREPARED BY:
Office of General Counsel
City of Jacksonville
117 West Duval Street, Suite 480
Jacksonville, FL 32202

NOTE TO CLERK AND REVENUE DEPARTMENT:
This Mortgage is exempt from the payment of Florida Intangible Taxes pursuant to F.S. 199.183(1).

MORTGAGE AND SECURITY AGREEMENT

THIS MORTGAGE AND SECURITY AGREEMENT (the "Mortgage") is made this ____ day of _____, 20__, by_____, a Florida non-profit corporation, whose address is _____, Jacksonville, Florida _____ (the "Mortgagor"), in favor of the **CITY OF JACKSONVILLE**, a Florida municipal corporation (the "Mortgagee"), whose address is c/o Neighborhoods Department, City of Jacksonville, Housing and Community Development Division, 214 North Hogan Street, 8th Floor Jacksonville, Florida 32202.

RECITALS:

WHEREAS, Mortgagor is indebted to the Mortgagee, as a deferred payment loan for Mortgagor's repairs and/or improvements to Mortgagor's Property, in the principal amount of $_____ (the "Principal Amount") together with interest thereon (the "Loan"), as evidenced by that certain promissory note (as amended, renewed or extended from time to time, the "Note") of even date herewith in the Principal Amount executed by Mortgagor in favor of the Mortgagee. The final payment of the Note, if any, under the deferred payment loan program, shall be due on the Maturity Dates set forth in the Note. The term of this Mortgage shall end on April 30, 2014.

WHEREAS, the indebtedness evidenced by the Note shall also be governed by those certain loan documents of even date herewith in connection with the Loan executed by Mortgagor, Mortgagee, and any other party, specifically including, but not limited to, that certain Neighborhood Stabilization Program-3 Rental Redevelopment Contract between the Mortgagor and the Mortgagee dated of even date herewith (the "NSP-3 Contract"), that certain Declaration of Covenants and Restrictions between Mortgagor and Mortgagee of even date herewith (the "Restrictive Covenants") and that certain Collateral Assignment of Leases and Rents of even date herewith (the "Collateral Assignment"). The NSP-3 Contract, the Restrictive Covenants, the Collateral Assignment, and all other loan documents are collectively referred to herein as the "Loan Documents." The Recitals set forth above are incorporated into the Mortgage by reference.

NOW, THEREFORE, to secure to the Mortgagee the payment and performance by Mortgagor of all covenants and conditions of the Note, and all other instruments securing the Note, including the Loan Documents and this Mortgage, and in order to charge the properties, interests and rights hereinafter described with such payment and performance and for and in consideration of the mutual premises and covenants, and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the Mortgagor does hereby mortgage, transfer and assign to the Mortgagee, and, where applicable, grant a security interest in, the following:

(A) All of the land (the "Land") in Duval County, Florida described in **Exhibit A**, attached hereto and made a part hereof, to have and to hold the same, together with all rights, privileges, tenements, hereditaments, rights-of-way, easements, appendages, projections, appurtenances, water rights including riparian and littoral rights, streets, ways, alleys, and strips and gores of land now or hereafter in any way belonging, adjoining, crossing, or pertaining to the Land; and all of the following property of the Mortgagor whether now owned or existing, or hereafter acquired or arising, whether located in, on, pertaining to, used or intended to be used in connection with or resulting or created from the ownership, development, management, or operation of the Land:

(B) all buildings, betterments, structures, improvements and fixtures of any nature now or hereafter constructed, or intended to be constructed, in whole or in part on the Land, regardless of whether physically affixed or now or hereafter severed or capable of severance from the Land (collectively, the "Improvements") and landscaping;

(C) all tangible property (collectively, the "Equipment") now or hereafter owned by the Mortgagor and now or hereafter located at, affixed to, placed upon or used in connection with the Land or the Improvements, or any present or future improvements thereon, including without limitation: all machinery, equipment, appliances, fixtures, conduits and systems for generating or distributing air, water, heat, air conditioning, electricity, light, fuel or refrigeration, or for ventilating or sanitary purposes, or for the exclusion of vermin or insects, or for the removal of dust, refuse, sewage or garbage, or for fire prevention or extinguishing; all elevators, escalators, lifts and dumbwaiters; all motors, engineers, generators, compressors, pumps, lift stations, tanks, boilers, water heaters, furnaces and incinerators; all furniture, furnishings, fixtures, appliances, installations, partitions, shelving, cabinets, lockers, vaults and wall safes; all carpets, carpeting, rugs, underpadding, linoleum, tiles, mirrors, wall coverings, windows, storm doors, awnings, canopies, shades, screens, blinds, draperies and related hardware, chandeliers and light fixtures; all plumbing, sinks, basins, toilets, faucets, pipes, sprinklers, disposals, laundry appliances and equipment, and kitchen appliances and equipment; all alarm, safety, electronic, telephone, music, entertainment and communications equipment and systems; all janitorial, maintenance, cleaning, window washing, vacuuming, landscaping, pool and recreational equipment and supplies; and any other items of property, wherever kept or stored, if acquired by the Mortgagor with the intent of incorporating them in or using them in connection with the Land or the Improvements (however, the Equipment shall not include, and this Mortgage shall not encumber, any equipment, inventory, fixtures or other tangible personal property owned by tenants under the Leases);

(D) all rights of the Mortgagor in and to all awards or payments, including interest thereon and the right to receive the same, growing out of or resulting from any exercise of the power of eminent domain (including the taking of all or any part of the Land or the Improvements), or any alteration of the grade of any street upon which the Land abuts, or any other injury to, taking of, or decrease in the value of the Land or the Improvements or any part thereof;

(E) all rights of the Mortgagor in and to any hazard, casualty, liability, or other insurance policy carried for the benefit of the Mortgagor or the Mortgagee with respect to the Improvements or the Equipment, including without limitation any unearned premiums and all insurance proceeds or sums payable in lieu of or as compensation for any loss of or damage to all or any portion of the Improvements or the Equipment;

(F) all rights of the Mortgagor in and to all supplies and building materials delivered to or located upon the Land or elsewhere and used or usable in connection with the construction or refurbishing of Improvements;

(G) all rights of the Mortgagor in, to, under, by virtue of, arising from or growing out of any and all present or future contracts, instruments, accounts, insurance policies, permits, licenses, trade names, plans, appraisals, reports, paid fees, choses-in-action, subdivision restrictions or declarations or general intangibles whatsoever now or hereafter dealing with, affecting or concerning the Land or the Improvements or any portion thereof or interest therein, including but not limited to: (a) all contracts, plans and permits for or related to the Land or its development or the construction or refurbishing of the Improvements, (b) all agreements for the provision of utilities (including any reservation of capacity for utilities) to the Land or Improvements, (c) all payment, performance or other bonds, (d) all contracts, option agreements, right of first refusal agreements and other agreements now existing or hereafter made

for the sale by the Mortgagor of all or any portion of the Land or the Improvements, including any deposits paid by any purchasers (howsoever such deposits may be held) and any proceeds of such contracts and agreements, including any purchase-money notes and mortgages made by such purchasers, and (e) any declaration of condominium, restrictions, covenants, easements or similar documents now or hereafter recorded against the title to all or any portion of the Land;

(H) all rents, income, issues and profits of the Land, the Improvements and other property subject to the Mortgage (collectively, the "Rents"), and all leases, subleases, tenancies, licenses, franchises and occupancy agreements of any nature whatsoever now or hereafter affecting the Land and/or the Improvements (collectively, the "Leases"), together with all guaranties of the Leases and all security deposits and prepaid rents under the Leases (it being understood that this Mortgage is also a collateral assignment of the Leases to the Mortgagee); and

(I) all proceeds (and proceeds of proceeds), products, replacements, additions, betterments, extensions, improvements, substitutions, renewals and accessions of any of the foregoing.

Everything referred to in subparagraphs (A) through (I) above and any additional property hereafter acquired by the Mortgagor and subject to the lien of this Mortgage or any part of these properties is herein referred to as the "Mortgaged Property."

This Mortgage is a self-operative security agreement with respect to the above described personal property and all fixtures, but the Mortgagor agrees to execute and deliver on demand such other security agreements, financing statements and other instruments as the Mortgagee may request in order to perfect its security interest or to impose the lien hereof more specifically upon any of such property. The Mortgagee shall have all the rights and remedies in addition to those specified herein of a secured party under the Florida Uniform Commercial Code.

The parties intend that this Mortgage shall continue in full force and effect until satisfied by a written satisfaction executed and delivered by the Mortgagee to the Mortgagor. The lien of this Mortgage shall secure all amounts now or hereafter due hereunder or under the Note, including, without limitation, future advances or other extensions of credit to Mortgagor made pursuant to the Note. This Mortgage shall secure such amounts notwithstanding any reduction of principal amounts under the Note to zero from time to time whether under a revolving credit arrangement or otherwise. The parties intend that this Mortgage shall secure, without limitation, mandatory and optional future advances.

The Mortgagor specifically agrees as follows:

1. Compliance with the Note and the Mortgage and Warranty of Title. The Mortgagor shall comply with all provisions hereof, and shall cause compliance with, the Note, the NSP-3 Contract, the Restrictive Covenants, and of every other instrument securing the Note, and will cause the prompt payment to the Mortgagee the principal with interest thereon and all other sums required to be paid by Mortgagor under the Note, this Mortgage and all other instruments securing the Note. The Mortgagor covenants and warrants that the Mortgagor is indefeasibly seized of the Mortgaged Property in fee simple, that the Mortgaged Property is free from all encumbrances (except for the Restrictive Covenants (the "Permitted Encumbrances")), that the Mortgagor has lawful authority to convey, mortgage and encumber the Property pursuant to that certain written consent from the holder of the Permitted Encumbrances, and as provided by this Mortgage, that the Mortgagee shall have the right to peaceably and quietly enjoy the Mortgaged Property, that the Mortgagor will defend the title to the Mortgaged Property against the claims of all persons whomsoever and that the Mortgagor shall provide such further assurances as may be necessary or convenient to perfect title in the Mortgagee.

2. Payment of Taxes and Liens. The Mortgagor shall pay or cause to be paid all taxes, assessments, liens, levies, liabilities, obligations and encumbrances of every nature and kind whether now or hereafter imposed, levied or assessed on the Mortgaged Property, this Mortgage or the indebtedness secured hereby. All such payments shall be made when due and payable before they become delinquent and before any interest attaches or any penalty is incurred. Insofar as any such lien or encumbrance is of record the same shall be promptly satisfied or released and evidence of such satisfaction or release shall be given to the Mortgagee. Upon demand by the Mortgagee, the Mortgagor shall deliver or cause to be delivered to the Mortgagee such additional monies as are necessary to make up any deficiencies in the

amounts necessary to enable the Mortgagee to pay such taxes and assessments when due. In the event of default in the payment or performance of the Indebtedness, the Mortgagee may apply to the reduction of the sums secured hereby, in such manner as the Mortgagee shall determine, any amount under this paragraph remaining to the Mortgagor's credit.

3. Zoning. The Mortgagor covenants and warrants that all applicable zoning laws, ordinances and regulations affecting the Mortgaged Property permit the Mortgagor's respective current or intended use and occupancy thereof.

4. Insurance. The Mortgagor shall keep or cause to be kept the improvements now existing or hereafter erected on the Mortgaged Property and all parts of the Mortgaged Property insured as may be required from time to time by the Mortgagee against loss by fire or other casualty and contingency in such amounts and for such periods as may be required by the Mortgagee, and to pay promptly, when due, all premiums for such insurance. All such insurance shall be carried with companies approved by the Mortgagee and the policies and renewals thereof shall be held by the Mortgagee and have attached thereto loss payable clauses in favor of and in form acceptable to the Mortgagee. In the event of loss, each insurance company concerned is hereby authorized and directed to make payments for such loss directly to the Mortgagee instead of to the Mortgagor or to the Mortgagor and the Mortgagee jointly and the insurance proceeds or any part thereof may be applied by the Mortgagee at its option, after deducting therefrom all of its expenses, including attorneys' fees, either to the reduction of the indebtedness hereby secured or to the repair or restoration of the property damaged. The Mortgagee is hereby authorized, at its option, to settle and compromise any claims, awards, damages, rights of action and proceeds, and any other payment or relief under any insurance policy. The Mortgagee shall not be responsible for any failure to collect any insurance proceeds due under the term of any policy regardless of the cause of the failure. In the event of foreclosure of this Mortgage or other transfer of title to the Mortgaged Property in extinguishment of the indebtedness secured hereby, all right, title, and interest of the Mortgagor in and to any insurance policies then in force shall pass to the purchaser or grantee. In the event of default in the payment or performance of the Indebtedness, the Mortgagee may apply to the reduction of the sums secured hereby, in such manner as the Mortgagee shall determine, any amount under this paragraph remaining to the Mortgagor's credit and any return premium received from cancellation of any insurance policy by the Mortgagee upon foreclosure of this Mortgage.

5. Condemnation. If all or any part of the Mortgaged Property shall be damaged or taken through condemnation (which term when used herein shall include any damage or taking by any government authority or any other authority authorized by the laws of the State of Florida or the United States of America to so damage or take, and any transfer by private sale in lieu thereof), either temporarily or permanently, then the entire indebtedness and other sums secured hereby shall, at the option of the Mortgagee, become immediately due and payable. The Mortgagee shall be entitled to all compensation awards, damages, claims, rights of action and proceeds of, or on account of any damage or taking through condemnation and is hereby authorized, at its option, to commence, appear in and prosecute, in the Mortgagor's name, any action or proceeding relating to any condemnation, and to settle or compromise any claim in connection therewith. All such compensation awards, damages, claims, rights of action and proceeds, and any other payments or relief, and the right thereto, are hereby assigned by the Mortgagor to the Mortgagee, who, after deducting therefrom all its expenses including attorneys' fees, may release any monies so received by it without affecting the lien of this Mortgage or may apply the same, in such manner as the Mortgagee shall determine, to the reduction of the sums secured hereby and to any prepayment charge provided in the Note, this Mortgage or any other instruments securing the Note. Any balance of such monies then remaining shall be paid to the Mortgagor. The Mortgagor agrees to execute such further assignments of any compensations, awards, damages, claims, rights of action and proceeds as the Mortgagee may require.

6. Care of the Mortgaged Property. The Mortgagor shall not remove or demolish any building or other property forming a part of the Mortgaged Property without the written consent of the Mortgagee, or permit, commit, or suffer any waste, impairment or deterioration of the Mortgaged Property or any part thereof, and shall keep the same and the improvements thereon in good condition and repair. The Mortgagee may, at the Mortgagee's discretion, have the Mortgaged Property inspected at the time and the Mortgagor shall pay all costs incurred by the Mortgagee in executing such inspection. The Mortgagor shall comply with all present and future laws, ordinances, rules and regulations affecting the Mortgaged Property or any part thereof.

7. The Mortgagee's Right to Make Certain Payments. In the event the Mortgagor fails to pay or discharge, or cause payment or discharge, the taxes, assessments, liens, levies, liabilities, obligations and encumbrances, or fails to keep the Mortgaged Property insured or to deliver the policies, premiums paid, or fails to repair the Mortgaged Property as herein agreed, the Mortgagee is hereby authorized at its election to pay or discharge the taxes, assessments, liens, levies, liabilities, obligations and encumbrances or any part thereof, to procure and pay for such insurance or to make and pay for such repairs, without any obligation on its part to determine the validity or necessity thereof, and without the Mortgagee waiving or affecting any option, lien, equity or right under or by virtue of this Mortgage. The full amount of each and every such payment made by the Mortgagee shall be immediately due and payable by the Mortgagor and shall bear interest from the date thereof until paid at the Default Rate, as hereinafter defined, and together with such interest, shall be secured by the lien of this Mortgage. Nothing herein contained shall be construed as requiring the Mortgagee to advance or expend monies for any of the purposes mentioned in this Section.

In addition, upon a failure described in this Section 7, the Mortgagee may, at its option, require the Mortgagor to deposit or cause to be deposited with the Mortgagee on the first day of each month, in addition to making payments of principal and interest, until the Indebtedness is fully paid, an amount equal to one-twelfth (1/12) of the annual taxes and assessments payable with respect to the Mortgaged Property and/or an amount equal to one-twelfth (1/12) of the annual premiums for all insurance.. These deposits (the "Deposits") shall not be, nor be deemed to be, trust funds, but may be commingled with the general funds of the Mortgagee, and no interest shall be payable on the Deposits. Upon demand by the Mortgagee, the Mortgagor shall deliver or cause to be delivered to the Mortgagee such additional monies as are necessary to make up any deficiencies in the amounts necessary to enable the Mortgagee to pay such premiums when due.

8. Payment of Expenses. The Mortgagor shall pay, or cause to be paid, all the costs, charges and expenses, including reasonable attorneys' fees, whether incurred at the trial or appellate level, or in any bankruptcy proceeding, disbursements and costs of abstracts of title, incurred or paid at any time by the Mortgagee because or in the event of the failure on the part of the Mortgagor to promptly and fully perform, comply with and abide by each and every stipulation, agreement, condition and covenant of the Note, this Mortgage, the NSP-3 Contract and any other instrument securing the Note. Such costs, charges and expenses, shall be immediately due and payable, without notice, demand, attempt to collect or suit pending. The full amount of each and every such payment shall bear interest from the date thereof until paid at the Default Rate, as hereinafter defined. All such costs, charges and expenses so incurred or paid, together with such interest, shall be secured by the lien of this Mortgage.

9. No Transfer or Further Encumbrance. The Mortgagor covenants and agrees not to sell, convey, transfer, lease or further encumber any interest in or any part of the Mortgaged Property without the prior written consent of the Mortgagee (which is governed by the Loan Agreement), and any such sale, conveyance, transfer, lease or encumbrance made without the Mortgagee's prior written consent shall be void. If any person should obtain an interest in all or any part of the Mortgaged Property pursuant to the execution or enforcement of any lien, security interest or other right, whether superior, equal or subordinate to this Mortgage or the lien hereof, such event shall be deemed to be a transfer by the Mortgagor and a default hereunder. Additionally, if either of the Mortgagor is a corporation, partnership, or trust, the sale, assignment, pledge, transfer, hypothecation, or other disposition of any proprietary or beneficial interest in either of the Mortgagor without the prior written consent of the Mortgagee shall be deemed to be an event of default under this Mortgage.

10. After Acquired Property. The lien of this Mortgage will automatically attach, without further act, to all after acquired property located in or on, or attached to, or used or intended to be used in connection with or with the operation of the Mortgaged Property.

11. Additional Documents. At any time and from time to time, upon the Mortgagee's request, the Mortgagor shall make, execute and deliver or cause to be made, executed and delivered to the Mortgagee and, where appropriate, shall cause to be recorded or filed and from time to time thereafter to be recorded or refiled at such time and in such offices and places as shall be deemed desirable by the Mortgagee any and all such further mortgages, instruments of further assurance, certificates and other documents as the Mortgagee may consider necessary or desirable in order to effectuate, complete, enlarge or perfect, or to

continue and preserve the obligations under the Note and this Mortgage, and the lien of this Mortgage as a second lien upon all of the Mortgaged Property, whether now owned or hereafter acquired by either of the Mortgagor. Upon any failure by the Mortgagor to do so, the Mortgagee may make, execute, record, file, re-record, or re-file any and all such mortgages, instruments, certificates and documents for and in the name of the Mortgagor, and the Mortgagor hereby irrevocably appoints the Mortgagee agent and attorney-in-fact of the Mortgagor to do so.

12. Hazardous Substances. The Mortgagor warrants and represents to the Mortgagee:

(a) That to its best knowledge neither it nor any other person has ever used the Mortgaged Property as a facility for the storage, treatment or disposal of any "Hazardous Substances," as that term is hereinafter defined, except such materials as are used or stored in accordance with all applicable laws in the ordinary course of the Mortgagor's business;

(b) That the Mortgaged Property is now and at all times hereafter will continue to be in full compliance with all federal, state and local "Environmental Laws" (as that term is defined hereinafter), including but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 USC 9601, et seq., the Superfund Amendments and Reauthorization Act of 1986 ("SARA"), Public Law 99-499, 100 Stat. 1613, the Resource Conservation and Recovery Act ("RCRA"), 42 USC 6901, et seq., the Florida Resource Recovery and Management Act, Section 403.702, et seq., Florida Statutes, the Pollutant Spill Prevention and Control Act, Section 376.011-376.17 and 376.19-376.21 Florida Statutes, as the same may be amended from time to time, and all ordinances, regulations, codes, plans, orders, and decrees now existing or in the future enacted, promulgated, adopted, entered or issued, both within and outside present contemplation of the Mortgagor and the Mortgagee;

(c) That: (i) as of the date hereof, there are no hazardous or toxic materials, substances, wastes or other environmentally regulated substances (including solids or gaseous products and any materials containing asbestos), the presence of which is limited, regulated or prohibited by any state, federal or local governmental authority or agency having jurisdiction over the Mortgaged Property, or which are otherwise known to pose a hazard to health or safety of occupants of the Mortgaged Property, located on, in or under the Mortgaged Property or used in connection therewith; or (ii) the Mortgagor has fully disclosed to the Mortgagee in writing the existence, extent and nature of any such hazardous or toxic material waste or other environmentally regulated substance, which the Mortgagor is legally authorized and empowered to maintain on, in or under the Mortgaged Property or use in connection therewith, and the Mortgagor has obtained and will maintain all licenses, permits and approvals required with respect thereto, and is in full compliance with all of the terms, conditions and requirements of such licenses, permits and approvals;

(d) That the Mortgagor is not aware of any past, present or future events, conditions, circumstances, activities, practices, incidents, actions or plans which may interfere with or prevent compliance or continued compliance with Environmental Laws or any ordinance, regulation, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder, or which may give rise to any common law or legal liability, or otherwise form the basis of any claim, action, demand, suit, proceeding, hearing, study or investigation, based on or related to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling, or the emission, discharge, release or threatened release into the environment, of any Hazardous Substance; and

(e) That there is no civil, criminal or administrative action, suit, demand, claim, hearing, notice or demand letter, notice of violation, investigation, or proceeding pending or, to the best knowledge of the Mortgagor, threatened against it or the Mortgaged Property, relating in any way to any Environmental Laws or any regulation, code, plan, order, decree, judgment, injunction, notice or demand letter issued, entered, promulgated or approved thereunder.

(f) That the Mortgagor shall notify the Mortgagee of any change of which it is aware in the nature or extent of any hazardous or toxic materials, substances or wastes maintained on, in or under the Mortgaged Property or used in connection therewith, and will transmit to the Mortgagee copies of any citations, orders, notices or other material governmental or other communication

received with respect to any other hazardous materials, substances, wastes or other environmentally regulated substances affecting the Mortgaged Property.

(g) That the Mortgagor agrees to indemnify, reimburse, defend and hold harmless the Mortgagee, its officers, directors, employees, successors and assigns, from and against all demands, claims, civil or criminal actions or causes of action, liens, assessments, civil or criminal penalties or fines, losses, damages, liabilities, obligations, costs, disbursements, expenses or fees of any kind or of any nature (including, without limitation, reasonable cleanup costs, attorneys', consultants' or experts' fees and disbursements and costs of litigation at trial and appellate levels) which may at any time be imposed upon, incurred by or asserted or awarded against, the Mortgagee directly or indirectly: (a) resulting from any acts or activities of the Mortgagor or its agents, employees or contractors, at, on or about the Mortgaged Property which contaminate air, soils, surface waters or groundwaters over, on or under the property; (b) arising from or out of any Hazardous Substance on, in or under the Mortgaged Property; (c) arising pursuant to or in connection with the application of any Environmental Law to the acts or omissions of the Mortgagor or any other person and any environmental damage alleged to have been caused, in whole or in part, by the transportation, treatment, storage, or disposal of any Hazardous Substance; or (d) arising from or in relation to the presence, whether past, present or future, of any Hazardous Substances on the Mortgaged Property. Without limiting the foregoing, this indemnification provision specifically protects the Mortgagee against any claim or action from activities described in (a), (b), (c) or (d) above, based in whole or in part upon any environmental statute, rule, regulation or policy, including but not limited to Chapters 403 and 376, Florida Statutes, the Florida Administrative Code, CERCLA, RCRA and other laws, whether now in existence or enacted in the future. The indemnification obligation hereunder shall be one of strict liability and shall be enforceable without regard to any knowledge of the Mortgagee with respect to any act or omission or condition or event which is the basis of the claim under such indemnification obligation. The obligations under this section shall not be limited to any extent by the term of any Note or other obligations of the Mortgagor, and such obligations hereunder shall continue, survive and remain in full force and effect notwithstanding payment in full or other satisfaction or release of such Note (and such other obligations).

(h) That the Mortgagor agrees that the Mortgagee shall have the right, in its reasonable discretion, to require the Mortgagor to periodically (but not more frequently than annually unless an environmental complaint is then outstanding) perform (at the Mortgagor's expense) an environmental audit and, if deemed necessary by the Mortgagee, an environmental risk assessment, each of which must be satisfactory to the Mortgagee in its reasonable discretion, of the Mortgaged Property, hazardous waste management practices or hazardous waste disposal sites used by the Mortgagor. Such audit or risk assessment must be performed by an environmental consultant satisfactory to the Mortgagee. If the Mortgagor fails to perform such environmental audit or risk assessment within 30 days of the Mortgagee's written request, the Mortgagee shall have the right but not the obligation to retain an environmental consultant to perform such environmental audit or risk assessment. All costs and expenses incurred by the Mortgagee in the exercise of such rights shall bear interest at the highest default rate set forth in any Note executed by the Mortgagor in favor of the Mortgagee and shall be payable by the Mortgagor upon demand or charged to the Mortgagor's loan balance at the discretion of the Mortgagee.

(i) As used herein, "Environmental Law" means any federal, state, or local statutory or common law relating to pollution or protection of the environment, including without limitation, any common law of nuisance or trespass, and any law or regulation relating to emissions, discharges, releases or threatened releases of Hazardous Substances into the environment (including without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Substances. As used herein, "Hazardous Substance" means any substance or material: (a) identified in Section 101(14) of CERCLA, 42 USC s. 9601(14), as the same may be amended from time to time; or (b) determined to be toxic, a pollutant or contaminant, under federal, state or local statute, law, ordinance, rule or regulation or judicial or administrative order or decision, as same may be amended from time to time, including but not limited to petroleum and petroleum products as defined in Section 376.301(26) and (27), Florida Statutes, as same may be amended from time to time.

13. Events of Default. Any one of the following shall constitute an event of default:

(a) The occurrence of any Event of Default under any of the Loan Documents between Mortgagor and the Mortgagee of even date herewith, as the same may be amended from time to time.

(b) Failure by Mortgagor to pay, as and when due and payable, or, if a grace period is provided in the Note, within such applicable grace period, any installments of principal, interest or other amounts due under the Note.

(c) Failure by the Mortgagor to duly keep, perform and observe any other covenant, condition or agreement in this Mortgage or the Loan Documents for the period specified in the Loan Documents (and if none specified, then ten (10) days) after the Mortgagee gives written notice specifying the failure.

(d) If either of the Mortgagor or any guarantor or endorser of the Note: (i) files a voluntary petition in bankruptcy, or (ii) is adjudicated as a bankrupt or insolvent, or (iii) files any petition or answer seeking or acquiescing in any reorganization, management, composition, readjustment, liquidation, dissolution or similar relief for itself under any law relating to bankruptcy, insolvency or other relief for debtors, or (iv) seeks, consents to or acquiesces in the appointment of any trustee, receiver, master or liquidator of itself or of all or any part of the Mortgaged Property, or (v) makes any general assignment for the benefit of creditors, or (vi) makes any admission in writing of its inability to pay its debts generally as they become due.

(e) If: (i) a court of competent jurisdiction enters an order, judgment or decree approving a petition filed against the Mortgagor or any guarantor or endorser of the Note seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief, under any present or future federal, state, or other statute, law or regulation relating to bankruptcy, insolvency or other relief for debtors, which order, judgment or decree remains unvacated and unstayed for an aggregate of sixty (60) days whether or not consecutive from the date of entry thereof; or (ii) any trustee, receiver or liquidator of either of the Mortgagor or any guarantor or endorser of the Note or of any part of the Mortgaged Property is appointed without the prior written consent of the Mortgagee, which appointment shall remain unvacated and unstayed for an aggregate of sixty (60) days whether or not consecutive.

(f) Any default by either of the Mortgagor or any guarantor under any other loan or extension of credit by the Mortgagee to both or either of the Mortgagor or any guarantor.

(g) Any breach of any warranty or material untruth of any representation of Mortgagor contained in this Mortgage, the Note, NSP-3 Contract or in any other Loan Document securing the Note.

(h) Any default under the Permitted Encumbrances, or any related loan documents related to the Permitted Encumbrances.

(i) Failure of the Mortgagor to show due care and diligence in keeping the rental units on the Property maintained and occupied during the term of the Affordability Period required in the Declaration of Covenants and Restrictions or if the rental units have not been rented for a continuous period of six (6) months.

14. Acceleration. If an event of default shall have occurred, the Mortgagee may declare the outstanding principal amount of the Note and the interest accrued thereon, and all other sums secured hereby, to be due and payable immediately, and upon such declaration such principal and interest and other sums shall immediately become due and payable without demand, notice or presentment for payment.

15. Other Remedies. If an event of default shall have occurred, the Mortgagee may proceed by suit or suits at law or in equity or by any other appropriate proceeding or remedy: (a) to enforce payment of the Note or the performance of any term hereof or any other right; (b) to foreclose this Mortgage and to

sell, as an entirety or in separate lots or parcels, the Mortgaged Property under the judgment or decree of a court or courts of competent jurisdiction; (c) to collect all rents, issues, profits, revenues, income, proceeds or other benefits from the Mortgaged Property; (d) to seek appointment of a receiver to enter upon and take possession of the Mortgaged Property and to collect all rents, issues, profits, revenues, income or other benefits thereof and apply the same as the court may direct and such receiver shall have all rights and powers permitted under law; and (e) to pursue any other remedy available to it, including, but not limited to taking possession of the Mortgaged Property without notice or hearing to the Mortgagor. The Mortgagee shall take action either by such proceedings or by the exercise of its power with respect to entry or taking possession, or both as the Mortgagee may determine.

16. No Waiver. No delay or omission of the Mortgagee or of any holder of the Note and Mortgage to exercise any right, power or remedy accruing upon any event of default shall exhaust or impair any such right, power or remedy or be construed as a waiver of any such event of default or constitute acquiescence therein.

17. Non-Exclusive Remedies. No right, power or remedy conferred upon or reserved to the Mortgagee by the Note, this Mortgage or any other instrument securing the Note is exclusive of any other right, power or remedy, but each and every such right, power and remedy shall be cumulative and concurrent and shall be in addition to any other right, power or remedy given hereunder or under the Note, or any other instrument securing the Note, or now or hereafter existing at law, in equity or by statute.

18. Bankruptcy Matters.

(a) No Subsequent Bankruptcy. The Mortgagor represents and warrants to the Mortgagee that the Mortgagor has no intent, either at the present time or at any time hereafter, (a) to file any petition under any chapter of the U.S. Bankruptcy Code, or in any manner to seek relief, protection, reorganization, liquidation, dissolution or similar relief for debtors under any other local, state, federal or other insolvency law; or (b) to directly or indirectly cause any involuntary petition under any chapter of the U.S. Bankruptcy Code to be filed against either of the Mortgagor, or directly or indirectly to cause the Mortgagor to become the subject of any proceedings pursuant to any other state, federal or other insolvency laws or laws providing for relief of debtors. The Mortgagor acknowledges and agrees that filing any bankruptcy petition or seeking relief or protection under any insolvency law, either directly or indirectly, during the term of this Mortgage or at any time that this Mortgage is in default, would be in manifest bad faith and would constitute an abuse of the law, motivated solely by the Mortgagor's desire to delay and frustrate the legitimate efforts of the Mortgagee to enforce its rights and remedies against the Mortgagor pursuant to this Mortgage, or at law or in equity.

(b) Adequate Protection; Waivers. The Mortgagor, for itself and, to the maximum extent permitted by law, for any trustee, debtor-in-possession, receiver or other representative of the Mortgagor, hereby agrees that in any proceeding filed by or against the Mortgagor under the U.S. Bankruptcy Code (the "Bankruptcy Code"), the Mortgagee will receive adequate protection only by immediate surrender of the Mortgaged Property to the Mortgagee for liquidation and sale. Thus, in the event of the filing of any voluntary or involuntary petition in bankruptcy by or against the Mortgagor, (i) the Mortgagor shall neither oppose nor request any other party to oppose a lifting of the automatic stay provided by Section 362 of the Bankruptcy Code as to the Mortgaged Property upon request therefor by the Mortgagee and the Mortgagor agrees to consent to any requested relief from the automatic stay provided by Section 362 of the Bankruptcy Code sought by the Mortgagee as to all or any part of the Mortgaged Property, whether now existing or hereafter acquired or arising; (ii) the Mortgagor shall not seek a supplemental stay or other relief, whether injunctive or otherwise, pursuant to Section 105 of the Bankruptcy Code or any other provision of the Bankruptcy Code to stay, interdict, condition, reduce or inhibit the ability of the Mortgagee to enforce any rights it has by virtue of this Mortgage or any other rights the Mortgagee has, whether now or hereafter acquired against the Mortgagor or any guarantor or against any of the Mortgaged Property; (iii) the Mortgagor shall not challenge or attempt to challenge, or have any standing to challenge or attempt to challenge, for its own benefit, any transfer of any or all of the Mortgaged Property for the loans as a fraudulent conveyance under any federal, state or other law; (iv) the Mortgagor shall not oppose the appointment of a trustee, examiner or receiver, and to the extent permitted by law will stipulate that any "custodian" (as defined in the Bankruptcy Code) which is in

custody, control or possession of the Mortgaged Property, is excused from complying with Section 543 of the Bankruptcy Code; (v) the Mortgagor agrees that Section 546(b) of the Bankruptcy Code may be utilized to perfect any assignment of rents in favor of the Mortgagee; and (vi) the Mortgagor shall not file a motion to extend the exclusive periods provided under Section 1121(c)(2) or (c)(3) of the Bankruptcy Code and shall not oppose any motion by the Mortgagee to terminate the exclusive periods provided under Sections 1121(c)(2) or (c)(3) of the Bankruptcy Code.

(c) The Mortgagee's Reliance. The Mortgagor acknowledges and confirms that the representations, waivers and releases in this paragraph have been separately bargained for and are a material inducement to the willingness of the Mortgagee to enter into the extension of credit to the Mortgagor.

19. Successors and Assigns Bound. Whenever one of the parties hereto is named or referred to herein, the heirs, personal representatives, successors and assigns of such party shall be included and all covenants and agreements contained in this Mortgage, by or on behalf of the Mortgagor or the Mortgagee, shall bind and inure to the benefit of their respective heirs, personal representatives, successors and assigns.

20. Invalid or Unenforceable. In the event that any of the covenants, agreements, terms or provisions contained in the Note, this Mortgage or any other instrument securing the Note shall be invalid, illegal or unenforceable in any respect, the validity of the remaining covenants, agreements, terms or provisions contained herein and in the Note and any other instrument securing the Note shall be in no way affected, prejudiced or disturbed thereby.

21. Future Advances. This Mortgage is given to secure not only existing indebtedness, but also such future advances, whether such advances are obligatory or are to be made at the option of the Mortgagee, or otherwise, as are made within twenty (20) years from the date hereof, to the same extent as if such future advances are made on the date of the execution of this Mortgage. The total amount of indebtedness that may be so secured may decrease or increase from time to time, but the total unpaid balance so secured at one time shall not exceed twice the face amount of the Note, plus interest thereon, and any disbursements made for the payment of taxes, levies or insurance on the Mortgaged Property, with interest on such disbursements at the Default Rate as hereinafter defined.

22. Obligation of the Mortgagor. The Mortgagor shall pay or cause to be paid the cost of releasing or satisfying this Mortgage of record.

23. Default Rate. The Default Rate shall be the default rate as set forth in the Note. However, at no time shall any interest or charges in the nature of interest be taken, exacted, received or collected which would exceed the maximum rate permitted by law.

24. No Merger. Neither the Mortgagor nor the Mortgagee intend that there be, and there shall not in any event be, any merger of the lien and security interest of this Mortgage with any other right, interest, lien or security interest in the Mortgaged Property held by the Mortgagee (including, without limitation, the Permitted Encumbrances), and it is specifically provided that the lien and security interest of this Mortgage on one hand and any other right, interest, lien or security interest of the Mortgagee on the other hand shall be and remain separate and distinct (and the priority of any and all such other rights, interests, liens and security interests is hereby preserved).

25. Changes in Loan Terms. The Mortgagor agrees that the Mortgagee may, at any time and without impairing the lien evidenced by this Mortgage or the Mortgagor's obligations hereunder, take any of the following actions without notice to or consent of the Mortgagor: (i) renew, modify or extend the Note or any of the Indebtedness evidenced thereby; (ii) modify or restate any instrument or agreement evidencing or related to such Indebtedness, any collateral therefor or any guaranty thereof; (iii) take from any party and hold collateral for the payment of such Indebtedness or any part thereof, and exchange, enforce or release such collateral or any part thereof; (iv) accept and hold the enforcement or guaranty of payment of such Indebtedness or any part thereof and release or substitute any such endorser or guarantor or any party who has given any security interest in any collateral as security for the payment of such Indebtedness or any part thereof or any party in any way obligated to pay such Indebtedness or any part

thereof; and (v) upon the occurrence of any event of default, direct the manner of the disposition of the collateral hereunder and any other collateral and the enforcement of any endorsements or guaranties relating to the indebtedness evidenced by the Note or any part thereof as the Mortgagee in its sole discretion may determine.

26. Land Use Restriction. Mortgagor has executed, delivered and recorded that certain Declaration of Covenants and Restrictions between Mortgagor and Mortgagee dated of even date herewith encumbering the Land (the "Land Use Restriction"). Any default under the Land Use Restriction shall constitute a default under this Mortgage.

IN WITNESS WHEREOF, the undersigned has executed this instrument as of the day and year above first written.

Signed, sealed and delivered in the Presence of:

_____, a Florida non-profit corporation

_____

By: _____

_____

Print Name: _____

_____

Print Name: _____

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by_____, the _____, of _____, a Florida non-profit corporation, on behalf of the corporation, who [___] is personally known to me or [___] has produced _____ as identification.

_____
Notary Public, State and County Aforesaid
Print Name: _____
Commission No. _____
My Commission Expires: _____

EXHIBIT A
(The Property - Legal Description)

ATTACHMENT A-3
Form Declaration of Covenants and Restrictions

AFTER RECORDING RETURN TO:
Neighborhoods Department, City of Jacksonville
214 N. Hogan Street, 8th Floor
Jacksonville, Florida 32202
Attn: Housing and Community Development Division

THIS INSTRUMENT WAS PREPARED BY:
Office of General Counsel
City of Jacksonville
117 W. Duval Street, Suite 480
Jacksonville, FL 32202

Preface:

The contract requires that housing assisted with the Grant meets the affordability requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Public Law 110-289, Department of Housing and Urban Development (HUD) Docket No. FR-5447-N-01 and the City of Jacksonville's NSP-3 Substantial Amendment to the Consolidated Plan, as currently in effect (collectively, the "Affordability Requirements"). The Recipient shall cause the following Declaration of Covenants and Restrictions (the "Declaration") to be recorded against any real property acquired with the NSP-3 funds (the following form shall be updated by the **Recipient** ***from time to time in the event 24 CFR Part 92 is amended regarding the Affordability Requirements). Repayment of the NSP-3 funds will be required if the housing does not meet the Affordability Requirements for the specified time period, and failure of the Recipient to timely cause the recording of the Declaration shall be an event of default.***

* * * * * * *

DECLARATION OF COVENANTS AND RESTRICTIONS

THIS DECLARATION OF COVENANT AND RESTRICTIONS (the "Declaration") is dated as of _____, 20__, and is made by _____, a Florida non-profit corporation (hereinafter sometimes referred to as "Owner"), whose address is _____, Jacksonville, Florida _____, in favor of the **CITY OF JACKSONVILLE**, a Florida municipal corporation (the "City"), whose address is: c/o Neighborhoods Department, Housing and Community Development Division, City of Jacksonville, 214 North Hogan Street, 8th Floor, Jacksonville, Florida 32202.

RECITALS:

I. Owner owns the property more particularly described in Exhibit A, attached hereto and made a part hereof (the "Property").

II. The City loaned certain funds to the Owner for Owner's acquisition of the Property pursuant to that certain Neighborhood Stabilization Program 3 Rental Redevelopment Contract between City and the Owner (the "NSP-3 Agreement").

III. As a condition of the City's loan of funds to the Owner, the Owner agreed to cause certain covenants and restrictions to be placed on the Property pursuant to the NSP-3 Agreement.

NOW, THEREFORE, Owner in consideration of the premises and covenants, and for other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, agrees as follows:

1. Recitals. The foregoing Recitals are true and correct and incorporated herein.

2. Affordability Restrictions. The following affordability requirements required by the NSP-3 Agreement shall be covenants that shall touch and concern the Property and shall be deemed covenants running with the land:

Housing assisted with NSP-3 funds must meet the affordability requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Public Law 110-289, Department of Housing and Urban Development (HUD) Docket No. FR-5447-N-01, and the City of Jacksonville's NSP Substantial Amendment to the Consolidated Plan. Repayment of the funds by the Recipient to the City will be required if the housing does not meet the specified affordability requirement time period. Specifically:

a. For the affordability period of **twenty (20) years**, commencing on the date of project completion as documented by the certificate of occupancy and ending on the **twentieth (20th)** anniversary thereof, the Property described in Exhibit A hereof, may only be rented to eligible residents whose household income **does not exceed 120% of the Area Median Income ("AMI") for Jacksonville, Florida, except that not less than sixteen (16) of the twenty-eight (28) units shall be set aside for the exclusive use of households at or below 50% of AMI for Jacksonville, Florida**, and shall be subject to the leasing requirements contained on Exhibit B attached hereto;

b. These affordability requirements shall remain in effect for the terms stated herein, irrespective of the sale, conveyance, or other transfer of the Property, and irrespective of the termination, satisfaction, release, or other discharge of any NSP-related Mortgage or the lien thereof upon the Property, and shall be binding upon the Owner, its successors, assigns and transferees, and all parties having any right, title or interest in the Property.

3. Violation of Restrictions. Owner shall be deemed in violation of the restriction contained in Section 2 of this Declaration if Owner fails to cure the same within thirty (30) days of having received written notice from the City of said violation.

4. Indemnification by Owner. Owner shall indemnify and hold the City harmless from all loss, cost, damage and expense arising from any claim or proceeding instituted against the City relating to the covenants set forth herein and that certain Agreement Subordinating Existing Declaration of Covenants and Restrictions executed by Owner and City of even date herewith.

5. Deed References. In order to ensure the perpetual nature of this Declaration, Owner, its successors and assigns, shall reference this Declaration in any subsequent deed of conveyance, including the recording book and page of record of this Declaration.

6. Covenants Running with the Land. It is the intention of Owner that the restrictions contained in this Declaration shall touch and concern the Property, run with the land and with the title to the Property, and shall apply to and be binding upon and inure to the benefit of the successors and assigns of Owner, and to the City, and to any and all parties hereafter having any right, title or interest in the Property or any part thereof.

7. Enforcement. The City may enforce the terms and conditions of this Declaration by injunctive relief and other appropriate available legal remedies. Any forbearance on behalf of the City to exercise its right in the event of the failure of the Owner, its successors and assigns to comply with the provisions of this Declaration shall not be deemed or construed to be a waiver of the City's rights hereunder. This Declaration shall continue in perpetuity, unless otherwise modified in writing by Owner, its successors and assigns and the City. These restrictions may also be enforced in a court of competent jurisdiction by any fee owner of the Property or part thereof, or by any other person, firm, corporation, or governmental agency that is substantially benefitted by this Declaration.

8. Severability. If any provision of this Declaration is held to be invalid by any court of competent jurisdiction, the invalidity of such provision shall not affect the validity of any other provisions thereof. All such other provisions shall continue unimpaired in full force and effect.

9. Representations and Warranties. Owner covenants and represents that on the date of execution of this Declaration that Owner is seized of the Property in fee simple and has good right to create, establish, and impose the above covenant, restriction and condition on the use of the Property. Owner also covenants and warrants that the Property is free and clear of any and all liens, mortgages, or encumbrances that could impair Owner's rights to impose the restrictive covenant described in this Declaration or that would be superior to the restrictive covenant described in this Declaration.

10. Governing Law. This Declaration shall be governed and interpreted under the laws of the State of Florida. Venue for any action arising under this Declaration shall lie exclusively in the courts in and for Duval County, Florida.

IN WITNESS WHEREOF, Owner has caused this Declaration to be executed in its name as of the date first above written.

OWNER:

_____, a Florida non-profit corporation

By: _____
_____

Signed and Sealed in the Presence of:

_____

Print Name:_____

_____

Print Name:_____

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this ____ day of _____20__, by_____, the _____ of _____, a Florida non-profit corporation, who [___] is personally known to me or [___] has produced a Florida driver's license as identification.

_____
Notary Public, State and County Aforesaid
Print Name: _____
Commission No. _____
My Commission Expires: _____

(NOTARIAL SEAL)

EXHIBIT A to Declaration of Covenants and Restrictions
(The Property)

EXHIBIT B to Declaration of Covenants and Restrictions
(Leasing Requirements)

Leases to be Maintained by the Recipient

The Recipient shall, for each household that is leased an unit at the Project, maintain a file that, at minimum, contains the following:

(i) An application for lease, signed and dated by the applicant(s), identifying the household members that intend to occupy the unit, the household characteristics, and the household income they have disclosed,

(i) Source documentation evidencing the Recipient's verification of the applicant's household income and a computation sheet demonstrating the Recipient's determination of the applicant's income eligibility to occupy the unit. Household income computation shall follow the HUD Section 8 method (24 CFR 5.609),

(ii) For HOME Units, source documentation evidencing the Recipient's annual re-verification of the tenant's household income and a computation sheet demonstrating the Recipient's determination of the tenant's income eligibility to continue occupancy of the unit. Household income computation shall follow the HUD Section 8 method (24 CFR 5.609),

(iii) A copy of the HUD income levels in effect at the time the initial lease is signed,

(iv) (iv) A computation sheet and supporting documentation demonstrating that the rent charged by the Recipient is at the applicable rental rate specified herein,

(v) An original of all executed leases with the applicant/tenant identifying the unit number and the rental rate,

(vi) A copy of the below described criminal and credit background check, and

(vii) Any other documentation evidencing the Recipient's compliance with this Agreement.

Background Check, Tenant Selection, and Lease Requirements:

Prior to the occupancy of the NSP-3 Unit, the Recipient shall conduct a series of standard screening test on all adult members of the household, including:

(i) Criminal history in the past five (5) years;

(ii) Credit as it relates to rental history, including evictions; and

(iii) References from past landlords.

Based upon the results of these screening tests, the Recipient may deny approval to any applicant whose habits and practices may be expected to have a detrimental effect.

The Recipient shall comply with the following tenant selection and lease requirements:

(i) The Recipient shall adopt written tenant selection policies and criteria that:

- Are consistent with the purpose of providing housing for very low-income and low-income families;
- Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;
- Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
- Give prompt written notification to any rejected applicant of the grounds for any

rejection.

(ii) The Recipient shall submit a copy of its proposed Lease Agreement for approval by the City. In the event that future revisions may occur, Recipient shall submit an updated Lease Agreement for approval as revisions occur.

(iii) The lease between a tenant and the Recipient must be for not less than one (1) year, unless by mutual agreement between the tenant and the Recipient, and as referenced at 24 CFR 92.253.

(iv) The Recipient shall utilize leases which require parents to be held legally and financially liable for the acts of their children in the unit complex, and which allow management to terminate the lease where a household member is engaged in illegal or criminal activity or where a household member is engaged in anti-social behavior which denies the Project or area residents the right to quiet and peaceful enjoyment of their homes or businesses.

(v) The Recipient may not terminate the tenancy or refuse to renew the lease of a tenant at the Project, **except for** serious or repeated violation of the terms and conditions of the lease; violation of applicable Federal, State, or local law; or for other good cause.

(vi) The Recipient is prohibited, pursuant to 24 CFR 92.253(b)(1-8), from including any of the following lease terms in the Lease Agreement at the Project:

- Agreement to be Sued: Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the Recipient in a lawsuit brought in connection with the lease;
- Treatment of Property: Agreement by the tenant that the Recipient may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The Recipient may dispose of this personal property in accordance with State law;
- Excusing Owner from Responsibility: Agreement by the tenant not to hold the Recipient or the Recipient's agents legally responsible for any action or failure to act, whether intentional or negligent;
- Waiver of Notice: Agreement of the tenant that the Recipient may institute a lawsuit without notice to the tenant;
- Waiver of Legal Proceedings: Agreement by the tenant that the Recipient may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;
- Waiver of a Jury Trial: Agreement by the tenant to waive any right to a trial by jury;
- Waiver of Right to Appeal Court Decision: Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and
- Tenant Chargeable with Cost of Legal Actions Regardless of Outcome: Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the Recipient against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

ATTACHMENT A-4
Form Promissory Note

PROMISSORY NOTE

$_____ **As of _____, 20__**
Jacksonville, Florida

FOR VALUE RECEIVED, the undersigned, _____, a Florida non-profit corporation, whose address is _____ (the "Borrower"), hereby promises to pay to the order of the **CITY OF JACKSONVILLE**, a Florida municipal corporation, c/o Neighborhoods Department, Housing and Community Development Division, North 214 Hogan Street, 8th Floor, Jacksonville, Florida 32202 (the "Lender") the principal sum of _____ **00/100 Dollars ($_____)** (hereinafter referred to as the "Principal Sum"), at an annual rate of interest of Zero Percent (0.00%). This Note shall be governed by the following provisions:

1. Advances of Loan Funds. The Borrower and the Lender have executed a Neighborhood Stabilization Program-3 Rental Redevelopment Contract (as amended or restated from time to time, the "NSP-3 Contract"), a Mortgage and Security Agreement (the "Mortgage"), and other related loan documents dated of even date herewith, (all collectively referred to hereafter as the "Loan Documents"). The loan evidenced by this Note is a **Deferred Payment Loan**, and the Borrower may, at the Lender's option, borrow and make written requests for disbursements and draws during the term hereof, subject to the terms contained herein and in the NSP-3 Contract. Notwithstanding the foregoing, the outstanding principal balance hereof shall not exceed the Principal Sum (the "Maximum Indebtedness") at any one time. Nothing contained herein shall impose any obligation upon the Lender to make advances hereunder. This Note is the Note described in the NSP-3 Contract.

2. Payments. So long as there is no uncured Event of Default (as defined herein), the Borrower shall not be required to make any payments of interest or principal for the term of this Note. Unless sooner repaid or forgiven, the **Maturity Date** of this Note is April 30, 2014, with respect to the property as described in the Mortgage. So long as there is no uncured Event of Default in existence on the Maturity Date, then the debt evidenced by this Note shall be forgiven and cancelled by the Lender on April 30, 2014.

3. Interest. So long as there is no uncured Event of Default hereunder or under the Loan Documents ("Event of Default"), there shall be no interest accruing on the outstanding principal balance of this Note. Upon the occurrence of an Event of Default, interest shall accrue from the date of the Event of Default at the Default Rate hereinafter set forth, notwithstanding the provisions of this Section. Any interest shall be calculated on the basis of a 365-day year based upon the actual number of days elapsed. The total liability of the Borrower and any endorsers or guarantors hereof for payment of interest shall not exceed any limitations imposed on the payment of interest by applicable usury laws. If any interest is received or charged by any holder hereof in excess of that amount, the Borrower shall be entitled to an immediate refund of the excess.

4. Prepayment. The Borrower shall be entitled to prepay this Note in whole or in part at any time without penalty.

5. Security Interest. From time to time, Borrower shall grant to Lender upon its demand a security interest in the collateral described in the Mortgage, which shall secure the Borrower's Indebtedness hereunder.

6. Application of Payments. All payments hereunder shall be applied first to the Lender's costs and expenses, then to fees authorized hereunder or under the Loan Agreement, then to interest and then to principal.

7. Default. Any of the following events shall be considered an "Event of Default":

(a) Nonpayment of any principal, interest, fee or other amount due hereunder upon demand of the Lender or, if demand is not sooner made, as and when otherwise due and payable; or

(b) Any Event of Default under the Loan Documents, including the failure of Recipient to obtain the additional funding sources to complete the Project as set forth in the Project Sources and Uses of Funds as contained in the NSP-3 Contract.

If any Event of Default or any Default as defined in the Loan Documents shall occur, any obligation of the Lender to make advances hereunder shall be terminated without notice to the Borrower. In addition, if any Event of Default shall occur, the Lender may declare the outstanding principal of this Note, all accrued and unpaid interest hereunder and all other amounts payable under this Note to be immediately due and payable. Thereupon, the outstanding principal of this Note, all such interest and all such amounts shall become and be immediately due and payable, without presentment, demand, protest, notice of protest or further notice of any kind, all of which are hereby expressly waived by the Borrower. Upon the occurrence of any Event of Default, the outstanding principal of this Note, and any accrued and unpaid interest, shall bear interest at the highest legal rate permitted by law after default until paid (the "Default Rate"). Nothing contained herein shall impose an obligation on the Lender to make advances prior to, during, or after the occurrence of an Event of Default. The Borrower specifically acknowledges that: (a) Borrower shall pay all amounts outstanding hereunder upon demand of the Lender upon an Event of Default; and (b) nothing contained herein or in any other Loan Document shall impose any obligation on the Lender to make advances hereunder, and the Lender may at any time in its discretion elect not to make any requested advance hereunder.

8. Expenses. All parties liable for the payment of this Note agree to pay the Lender all costs incurred by it in connection with the collection of this Note. Those costs include, without limitation, fees for the services of counsel and legal assistants employed to collect this Note, whether or not suit be brought, and whether incurred in connection with collection, trial, appeal, bankruptcy or otherwise. All such parties further agree to indemnify and hold the Lender harmless against liability for the payment of state documentary stamp taxes, intangible taxes or other taxes (including interest and penalties, if any), excluding income or service taxes of the Lender, which may be determined to be payable with respect to this transaction. Documentary stamp taxes shall be affixed hereto or to the Mortgage.

9. Late Charge. If any scheduled payment hereunder is fifteen (15) or more days late, the Borrower shall pay a fee equal to **one-half of one percent (.005%)** of the unpaid portion of the scheduled payment. The fee is not a penalty, but liquidated damages to defray administrative and related expenses due to such late payment. The fee shall be immediately due and payable and shall be paid by the Borrower to the Lender without notice or demand. This provision for a fee is not and shall not be deemed a grace period, and Lender has no obligation to accept a late payment. Further, the acceptance of a late payment shall not constitute a waiver of any default then existing or thereafter arising under this Note.

10. Setoffs. The Borrower and any endorsers, sureties, guarantors, and all others who are, or who may become liable for the payment hereof, severally expressly grant to the Lender a continuing first lien security interest in any and all money, general or specific deposits, or property of any such parties now or hereafter in the possession of the Lender. The Borrower and such other parties authorize and empower the Lender, in its sole discretion at any time after the occurrence of a default hereunder to appropriate and, in such order as the Lender may elect, apply any such money, deposits or property to the payment hereof or to the payment of any and all Indebtedness, liabilities and obligations of such parties to the Lender or any of the Lender's affiliates, whether now existing or hereafter created or arising or now owned or howsoever after acquired by the Lender or any of the Lender's affiliates (whether such Indebtedness, liabilities and obligations are or will be joint or several, direct or indirect, absolute or contingent, liquidated or un-liquidated, matured or un-matured, including, but not limited to, any letter of credit issued by the Lender for the account of any such parties).

11. Miscellaneous. The Borrower and all sureties, endorsers and guarantors of this Note shall make all payments hereunder in lawful money of the United States at the Lender's address set forth herein or at such other place as the Lender may designate in writing. The remedies of the Lender as provided herein shall be cumulative and concurrent, and may be pursued singly, successively or together, at the sole discretion of the Lender and may be exercised as often as occasion therefor shall arise. No act of omission or commission of the Lender, including specifically any failure to exercise any right,

remedy or recourse, shall be effective, unless set forth in a written document executed by the Lender, and then only to the extent specifically recited therein. A waiver or release with reference to one event shall not be construed as continuing, as a bar to, or as a waiver or release of any subsequent right, remedy or recourse as to any subsequent event. This Note shall be construed and enforced in accordance with Florida law and shall be binding on the successors and assigns of the parties hereto. The term "Lender" as used herein shall mean any holder of this Note.

The Borrower and all sureties, endorsers and guarantors of this Note hereby: (i) waive demand, notice of demand, presentment for payment, notice of nonpayment or dishonor, protest, notice of protest and all other notice, filing of suit and diligence in collecting this Note, or in the Lender's enforcing any of its rights under any guaranties securing the repayment hereof; (ii) agree to any substitution, addition or release of any collateral or any party or person primarily or secondarily liable hereon; (iii) agree that the Lender shall not be required first to institute any suit, or to exhaust his, their or its remedies against the Borrower or any other person or party to become liable hereunder, or against any collateral in order to enforce payment of this Note; (iv) consent to any extension, rearrangement, renewal or postponement of time of payment of this Note and to any other indulgency with respect hereto without notice, consent or consideration to any of them; and (v) agree that, notwithstanding the occurrence of any of the foregoing (except with the express written release by the Lender of any such person), they shall be and remain jointly and severally, directly and primarily, liable for all sums due under this Note.

_____, a Florida non-profit corporation

By: _____

_____

(Corporate Seal)

Proper Florida documentary stamp taxes have been paid and affixed to the Mortgage securing the repayment of this Note, which has been recorded in the current public records of Duval County, Florida.

ATTACHMENT A-5
Form Collateral Assignment of Rents and Leases

After recording return to:

Neighborhoods Department, City of Jacksonville
Housing and Community Development Division
214 North Hogan Street, 8th Floor
Jacksonville, FL 32202

This instrument prepared by:

Lawsikia J. Hodges
Assistant General Counsel
Office of General Counsel
City of Jacksonville
117 West Duval Street, Suite 480
Jacksonville, FL 32202

COLLATERAL ASSIGNMENT OF RENTS AND LEASES

For good and valuable consideration, _____, a Florida non-profit corporation, whose address is _____ (the "Assignor"), hereby transfers and assigns unto the **CITY OF JACKSONVILLE**, a Florida municipal corporation, whose address is c/o Neighborhoods Department, City of Jacksonville, Housing and Community Development Division, 214 North Hogan Street, 8th Floor, Jacksonville, Florida 32202 (the "Assignee"), and its successors and assigns: (a) all the Assignor's rights, interests and privileges in, under and to any and all leases, as such leases may be modified, extended or renewed from time to time, covering all or part of the Property described in Exhibit A attached hereto; (b) all of the Assignor's rights, interests and privileges in, under and to any and all other leases now in effect or hereafter entered into covering all or any portion of the Property, as such leases may be modified, extended or renewed from time to time; (c) all rents, income, profits, issues, royalties, security deposits, and proceeds (collectively, the "Income") at any time derived from any of the leases (collectively, the "Leases") described in the foregoing subparagraphs (a) and (b); (d) all guarantees of the obligations under any or all of the Leases; and (e) any and all proceeds of the foregoing. The Assignor will, on request of the Assignee, execute such further assignments of any future leases affecting any part of the Property as the Assignee may request from time to time.

This Assignment creates a security interest in the Leases, the Income and other assets described above. The security interest secures payment of all obligations (the "Indebtedness") now or hereafter owing to the Assignee by Assignor. The Indebtedness includes, without limitation, those obligations of Assignor, which: (a) are now existing or hereafter incurred; (b) are direct or indirect; or (c) arise from loans, guaranties, endorsements or otherwise. The Indebtedness may be: (a) related or unrelated to the purpose of the original extension of credit; (b) of the same or a different class as the primary obligation; and (c) from time to time reduced or extinguished and thereafter increased or re-incurred. The Indebtedness specifically includes, without limitation, any sums advanced and any expenses or obligations incurred by the Assignee pursuant to this Assignment or any other agreement concerning, evidencing or securing obligations of the Assignor to the Assignee and any liabilities of the Assignor to the Assignee arising from any sources whatsoever.

The Assignor agrees that:

1. The Assignor shall not modify the terms and conditions of the form of Lease on or after the date hereof unless the modification to the instrument is acceptable to the Assignee in form and substance. Each such Lease entered into the Assignor and the tenant, and each such modification thereof, shall be on arm's-length terms. Each Lease made on or after the date hereof shall include a provision subordinating the tenant's interest under the Lease to the lien of any mortgage or lien in the Assignee's favor. The Assignor shall report to the Assignee each Lease entered into on or after the date hereof as may be required under that certain Neighborhood Stabilization Program 3 Rental Redevelopment Contract executed by Assignor of even date herewith ("NSP-3 Loan Agreement").

2. The Assignor shall have the right to collect all Income from the Leases prior to the occurrence of an event of default hereunder. However, the Assignor shall not in any event collect or accept any rents under any Lease more than two months in advance without the prior written consent of the Assignee. From and after the occurrence of any event of default hereunder: (a) all such Income shall belong to the Assignee; (b) the Assignee shall be entitled to collect and retain such Income; and (c) the Assignor shall not be entitled to receive or collect any such Income. If the Assignor collects or receives any such Income after the occurrence of any event of default, then: (a) the Assignor shall hold such funds in trust for the Assignee; (b) the Assignor shall not commingle such funds with any other funds or assets; and (c) the Assignor shall remit such funds to the Assignee not later than one business day after the Assignor's receipt of the same.

3. The Assignor shall perform all of its material obligations under the Leases. The Assignee shall be entitled, but not obligated, to perform or discharge any obligation or duty to be performed or discharged by the Assignor under any of the Leases. The Assignor hereby agrees to indemnify the Assignee for, and to save it harmless from, any and all liability arising from the Leases or from this Assignment. This Assignment shall not place responsibility for the control, care, management or repair of the Property upon the Assignee or make the Assignee responsible or liable for any negligence in the management, operation, upkeep, repair or control of the Property resulting in loss or injury or death to any tenant, licensee, employee or other person. Any expenditures made by the Assignee in curing any default under the Leases or hereunder on the Assignor's behalf, with interest thereon at the rate payable upon default under the Indebtedness, shall become part of the debt secured by this Assignment.

4. The Assignor covenants and represents that: (a) the Assignor has title to, and full right to assign the Leases, the rents, income and profits due or to become due thereunder; (b) no other assignment of any interest therein has been made, except as set forth herein; (c) there are no existing material defaults under the provisions of the Leases; and (d) the Assignor will not hereafter further assign, transfer, encumber or pledge the Leases.

5. Each of the following shall constitute a default and an event of default hereunder: (a) the occurrence of an Event of Default under that certain Promissory Note, Mortgage and Security Agreement, NSP-3 Loan Agreement, Declaration of Covenants and Restrictions, and any related loan documents (the "Loan Documents") of even date herewith between Assignor and the Assignee, as the same may be amended or restated from time to time; (b) failure of Assignor to pay any Indebtedness when due; (c) failure by the Assignor to perform any obligations under this Assignment or under any other agreement between the Assignor and the Assignee or by the Assignor in favor of the Assignee, time being of the essence; (d) material falsity in any certificate, statement, representation, warranty or audit at any time furnished by or on behalf of the Assignor or any endorser or guarantor or any other party liable for payment of all or part of the Indebtedness, pursuant to or in connection with this Assignment or otherwise to the Assignee, including warranties in this Assignment and including any omission to disclose any substantial contingent or liquidated liabilities or any material adverse change in facts disclosed by any certificate, statement, representation, warranty or audit furnished to the Assignee; (e) any attachment or levy against any assets assigned hereunder; or (f) material default by the Assignor under any of the terms of the Leases.

6. From and after the occurrence of any event of default hereunder, the Assignee shall be entitled, at its option and without notice to or the consent of the Assignor, to enter and take possession of the Property and to manage and operate the same, to collect all or any rents accruing therefrom or from the Leases, to let or re-let the Property or any part thereof, to cancel and modify Leases, to evict tenants, to bring or defend any suits in connection with the possession of the Property in its own name or the Assignor's name, to make such repairs as the Assignee deems appropriate, and to perform such other acts in connection with the management and operation of the Property as the Assignee, in its sole discretion, may deem proper. The Assignee is specifically authorized, without limitation, to notify tenants under the Leases of: (a) the terms of this Assignment; (b) the occurrence of any event of default hereunder; and (c) any other matters that the Assignee deems appropriate. The Assignee is further authorized to direct such tenants to make all payments directly to the Assignee or its nominee from and after the occurrence of any event of default hereunder. The Assignee's receipt of any rents, issues or profits pursuant to this instrument, after the institution of foreclosure or sale proceedings under any mortgage, shall not cure such default or affect such proceedings or any sale pursuant thereto.

7. The net proceeds of any Income collected by the Assignee hereunder, after reimbursement of expenses incurred by the Assignee under the terms of this instrument, shall be applied in reduction of the Indebtedness from time to time outstanding in such order as the Assignee, in its discretion, deems appropriate.

8. The Assignee shall not be deemed to be an agent, partner or joint venturer of either the Assignor or any other person, and nothing herein contained shall be construed to impose any liability upon the Assignee by reason of the assignment granted hereby.

9. This Assignment shall be governed by and construed in accordance with the laws of the State of Florida. Whenever possible, each provision of this Assignment shall be interpreted in such manner as to be effective and valid under applicable law. However, if any provision of this Assignment shall be prohibited by or be invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of this Assignment. This Assignment shall not be modified except by written instrument signed by the Assignor and the Assignee.

10. The full payment and performance of the Indebtedness and the duly recorded satisfaction or release of the Property shall render this Assignment automatically void with respect to the Property or the portion thereof described in any such satisfaction or release.

11. This Assignment applies to and binds the parties hereto and its administrators, executors, successors and assigns, as well as any subsequent owner of the Property described herein and any assignee of any mortgage in favor of the Assignee covering the Property.

IN WITNESS WHEREOF, the Assignor has executed this Assignment as of _____, 20__.

Signed, sealed and delivered in the
Presence of:

_____
a Florida non-profit corporation

By:_____
Print Name:_____

_____
Print Name:_____

_____
Print Name:_____

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this _____ day of _____, 20__, by _____, the _____ of _____, a Florida non-profit corporation, on behalf of the corporation, who is [__] personally known to me or [__] produced _____, as identification.

_____
Notary Public, State and County Aforesaid
Print Name_____
My commission number: _____
My commission expires:_____

(NOTARY SEAL)

EXHIBIT A
(The Property)

ATTACHMENT A-6
Project Pro Forma Budget

(See Attached)

1	NSP Detailed Development Budget						
2	Project Address:	C B Villas					
3	Square Feet	26,628					
4		Proposed Project Costs	Cost SF/Unit	% of TPC	Actual Project Costs	Cost SF/Unit	% of TPC
5	ACQUISITION						
6	Home Acuisition Price	-	-	0%			14%
7	Lot Acquisition Price (if vacant)	118,800	4.46	5%			0%
8	Estimated Acquisition Closing Costs	7,500	0.28	0%			2%
9	**Total Acquisition Costs**	**$ 126,300**	4.74	5%			16%
10	HARD COSTS						
11	Site Work	450,000	16.90	18%			0%
12	Specialty Work	-	-	0%			0%
13	Rehab Construction Estimate (M.L.)	1,754,519	65.89	70%			67%
14	Contingency (3%)	52,636	1.98	2%			7%
15	Subdivision Development		-	0%			0%
16	Retention		-	0%			0%
17	Utilities		-	0%			0%
18	Roads		-	0%			0%
19	Sidewalks		-	0%			0%
20	Curbs & Gutters		-	0%			0%
21	**Total Hard Costs**	**$ 2,257,154**	84.77	90%			74%
22	SOFT COSTS		-	-			
23	Architect	96,280	3.62	4%			0%
24	Design	33,500	1.26	1%			0%
25	Structural Engineering	-	-	0%			0%
26	General Liability Insurance	-	-	0%			0%
27	Lender Inspections	-	-	0%			0%
28	Builder's Risk Insurance	-	-	0%			1%
29	Construction Interest Carry	-	-	0%			1%
30	Environmental Abatement	-	-	0%			0%
31	Maintenance	-	-	0%			1%
32	Utilities (Water/Sewer Services)	-	-	0%			1%
33	Other (MLC)	-	-	0%			0%
34	Estimated Sellers Closing Costs at Resale	-	-	0%			4%
35	Commission Paid to Selling Agent	-	-	0%			3%
36	Construction Loan Closing Cost	-	-	0%			0%
37	**Total Soft Costs**	**$ 129,780**	4.87	5%			10%
38	**Total Approved Project Cost**	**$ 2,513,234**	94	100%			
39			-				
40	Estimated Developer Profit 3%	88,181	3.31				
41	**Total Approved Project Costs + Profit**	**$ 2,601,415**	98				
42			-				
43	**Completed Appraised Value**	#DIV/0!	#DIV/0!				
44	**TOTAL GAP SUBSIDY**	**#DIV/0!**					

Organization: Wealth Watchers, Inc.

Submittal: Reservation ☐

Completion ☐

Executive Director: _____

Signature: _____

Date: _____

COJ HAND Approval: _____

Date: _____

ATTACHMENT A-7
Project Sources and Uses of Funds

(See Attached)

SOURCES and USES

(by funding source)

VENDOR: Wealth Watchers

Property Address: First Street East

	Construction Financing / Line of Credit	NSP Project	Other Funding Sources	Total
SOURCES:				
Acquisition Loan		$ 126,300		$ 126,300
Construction Loan		$ -	$ 1,827,421	$ 1,827,421
Soft Constructions Costs		$ 524,053	$ 35,461	$ 559,514
Deferred Developer Fee		$ -	$ 88,180	$ 88,180
TOTAL SOURCES		$ 650,353	$ 1,951,062	$ 2,601,415
USES:				
Acquisition		$ 126,300	$ -	$ 126,300
Hard Construction Costs		$ -	$ 1,827,421	$ 1,827,421
Soft Constructions Costs		$ 524,053	$ 35,461	$ 559,514
Developer Fee		$ -	$ 88,180	$ 88,180
TOTAL USES:		$ 650,353	$ 1,951,062	$ 2,601,415

Organization:_____

Executive Director:_____

Signature:_____

Date:_____

COJ HAND Approval:_____

Date:_____

ATTACHMENT A-8
Initial Rent Schedule and
Initial Utility Allowance Schedule
(as may be amended from time to time)

NSP PROGRAM							
2013 Multi-Family Rent Limits Effective February 1, 2013							
(Fair Market Rents used for SRO & Group Homes (All Rents Include Utilities)							
BDRMS	**0BR**	**1BR**	**2BR**	**3BR**	**4BR**	**5BR**	**6BR**
Low HOME Rent	614	757	910	1200	1468	1485	1512
High HOME Rent	**655**	807	**970**	1279	1565	1583	1585
Fair Market Rent	614	757	910	1200	1468	1485	1512

Tenant Monthly Utility Allowance Effective Oct 1, 2011								
		0BR	**1BR**	**2BR**	**3BR**	**4BR**	**5BR**	**6BR**
Code	**Fuel for Heating**							
A	Natural Gas	12	22	24	28	36	41	44
B	Bottle Gas	22	24	28	35	38	46	52
C	Oil	15	17	19	23	26	28	32
D	Electric	16	20	22	25	29	33	35
Code	**Fuel for Cooking**							
A	Natural Gas	12	12	14	14	22	22	23
B	Bottle Gas	10	10	13	13	19	19	22
D	Electric	8	8	10	10	13	13	14
Code	**Fuel for Water Heater**							
A	Natural Gas	13	22	23	24	26	28	31
B	Bottle Gas	22	24	26	28	36	38	41
D	Electric	13	15	16	20	21	23	24
Code	**Other Tenant Paid Electric**							
A	Lights & Refrigerator	13	14	15	16	17	20	21
A	Air Conditioner	8	13	14	16	21	23	23
Code	**Tenant Paid Utilities**							
A	Water	6	6	8	11	13	15	17
A	Sewer	10	10	13	16	19	23	26
A	Trash	3	3	3	3	3	3	3
Code	**Tenant provided Appliances**							
A	Range	3	3	3	3	3	3	3
A	Refrigerator	3	3	3	3	3	3	3
TOTAL								

ACTUAL FAMILY ALLOWANCES	**UTILITIES SERVICE**	**PER MONTH**
Name	HEATING	$
	COOKING	$
	OTHER ELECTRIC	$
	WATER HEATING	$
Address of Unit	WATER	$
	SEWER	$
	TRASH COLLECTION	$
	RANGE	$
	REFRIGERATOR	$
	AIR CONDITIONING	$
	OTHER (SPECIFY)	$
Number of Bedrooms in Unit	**TOTAL**	**$**

***Denotes Rents Held at 2010 Level**

Project Schedule

Phase	Benchmark	Benchmark Date
Acquisition	100% Expended	At Closing
Pre-Development Costs	50% Expended	March 1, 2013
	100% Expended	April 30, 2014

NSP-3 DISBURSEMENT REQUEST FORM

Recipient Name: _____ Request # _____
Address: _____ Contract# _____
Jacksonville, FL 322_____ Federal ID# _____
Phone# (904) _____ NSP-3 Project #_____
Date Submitted:_____20____

1. Amount of this request: $_____
2. Contract funds received to date: $_____
3. Contract funds disbursed to date: $_____
4. Contract funds previously requested but not yet received: $_____

CONTRACTOR PAYMENT REQUEST

Recipient: _____ Payment #_____ = ____% Complete
Address: _____
_____ Total Project Cost: $_____

Amount Requested this Draw: $_____

Name of Contractor: _____ Including this Draw:
Total Disbursements to Date: $_____

Contractor: I hereby request an inspection to receive Payment #_____ in the amount of $_____. I certify that I have satisfactorily completed the necessary work to justify this request and that all bills incurred for labor used and materials furnished in making said repairs and improvements have been paid in full to this date. Attached is a description of the work completed and the amount of payment requested by work item.

_____ _____
Contractor's Signature Date

Redevelopment Specialist:
I hereby certify that I exercised reasonable care to determine that the work performed at the above address meets specifications and was completed in a satisfactory manner; however, neither the undersigned, the Housing Services Division, nor the City of Jacksonville is in any way responsible for the acts or omissions of the contractor, any subcontractor, or any of the contractor's agents or employees, or any other person performing work under the construction agreement. The contractor has provided a release of all liens, if any, in connection with this contract and has provided the property owner with a copy of each warranty or guarantee due the property owner from the contractor for work performed.

I hereby certify that all work is completed as indicated on the contractor's payment request and recommend payment to the contractor in the amount of $_____.

_____ _____
Redevelopment Specialist's Signature Date

At 100% Completion:

I certify that the property complies with the Minimum Housing Code (# of Units: _____)

_____ _____

Redevelopment Specialist's Signature Date

This payment request is approved and has been forwarded to the Financial Institution for payment this date.

_____ _____

Authorized Signature Date

_____ _____

Authorized Signature Date

I. METHOD OF PAYMENT

Unless otherwise stated, all contract funds will be released on a reimbursement basis based on 100% of the total approved project costs as indicated in **Attachment B-3**, not to exceed **$650,353.00**, as authorized by the City's NSP3 Substantial Amendment to the Consolidated Plan and approved by HUD. The NSP-3 Program Payment Request Form set forth above may be submitted no more than monthly and the Recipient may not request disbursement until such time as there is a need for reimbursement of eligible costs. No disbursement shall be made until the operating expenses are incurred and reimbursement requests have been approved by the City Jacksonville. The time period for the City to process the cash request from submission of the request to availability of a check is **ten to fifteen working days**.

B. Required Documentation

Payment requests must be accompanied by closing statements, receipts, cancelled checks, bank statements corresponding with cancelled checks, invoices, written bids, phone quotes and any other reasonable and legible documents to support the expenditure and amount of payment requested as may be deemed appropriate by the City in the City's sole discretion together with any Section 3 documentation required by the City pursuant to **Attachment G** of this Contract.

Requests for reimbursement of wages, salaries and fringe benefits must include copies of employee time sheets, demonstrating the number of hours worked per day and per week. Each time it must be signed by the employee and his or her supervisor. If a full-time employee is paid partially with NSP funds, a time distribution sheet reporting the number of hours spent working on NSP projects and on other non-NSP projects must be submitted. All requests for reimbursement of salary, wages and fringe benefits must be accompanied by a copy of the paycheck. Payment requests for reimbursement of mileage must be accompanied by a log that identifies the employee, "from" where he or she traveled, "to" location, "number of miles", "odometer reading" and "purpose of trip." The mileage log must be signed by the employee and his or her supervisor.

Failure by the Recipient to provide the City with the above required documentation to receive payment under this Contract shall result in a denial of Recipient's payment request and shall constitute a material breach of this Contract.

C. Procurement

The requirements of Article VIII of this contract outline the required procurement procedures and documentation for purchases. Items not specifically identified in this contract will not be reimbursed with NSP-3 funds.

II. ADDITIONAL PROVISIONS:

1.1 Maximum Amount. Provided that Recipient has performed all obligations of Recipient then due and subject to compliance by Recipient with the terms and conditions of this contract, City shall make disbursements (each, a "Disbursement" and collectively, the "Disbursements") to Recipient for the "Direct Costs of the Rehabilitation," up to the maximum amount of the grant funds awarded pursuant to this contract and in accordance with the NSP-3 regulations. However, in no event shall City be obligated to make any disbursements in excess

of the "Verified Rehabilitation Costs" defined below. For purposes of this contract, the term "Direct Costs" shall mean the direct construction costs actually incurred and paid by Recipient in connection with the rehabilitation in accordance with and as itemized in the Sources and Uses Statement, and the term "Verified Rehabilitation Costs" shall mean the aggregate amount of the Direct Costs, as certified by City Inspector pursuant to the terms of this contract.

1.2 Deficiency.

1.2.1 Deficiency as to Rehabilitation Funding. If, prior to any Disbursement and for any reason, City determines, in its sole and absolute discretion, that the actual cost to complete the rehabilitation exceeds the amount of the Proceeds then not disbursed, then City may require Recipient, at the sole cost and expense of Recipient, to fund the costs of the rehabilitation without reimbursement or any further Disbursements from City until such deficiency no longer exists. At City's option, no Disbursements shall be made until Recipient has fully complied with this requirement.

1.2.2 Deficiency of Project Funding. If, prior to any Disbursement and for any reason, City determines, in its sole and absolute discretion, that the actual cost to complete the Project exceeds the amount of funding then available to Recipient, then City may require Recipient, at the sole cost and expense of Recipient, to fund the costs of the Project without reimbursement or any further Disbursements from City until such deficiency no longer exists. At City's option, no Disbursements shall be made until Recipient has fully complied with this requirement.

1.3 City Inspector. City shall have the right to retain, at the sole cost and expense of Recipient, an inspector to act as a consultant to City (the "City Inspector") in connection with the Grant and the construction of the Projects, to review and advise City with respect to all matters related to the design, construction, operation and use of the Projects, to monitor the progress of construction, and to review Disbursement Requests and permitted change orders submitted hereunder. The reasonable fees and expenses of City Inspector shall be due and payable by Recipient as invoiced. Recipient shall provide to City and City Inspector facilities commonly made available by contractors for the inspection of the Projects and afford full and free access by City and City Inspector to all documents requested. Recipient acknowledges that (a) City Inspector has been retained by City to act as a consultant, and only as a consultant, to City in connection with the construction of the Projects, (b) City Inspector shall in no event have any power or authority to make any decision or to give any approval or consent or to do any other thing which is binding upon City and any such purported decision, approval, consent or act by City Inspector on behalf of City shall be void and of no force or effect, (c) City reserves the right to make any and all decisions required to be made by City under this contract, in its sole and absolute discretion, without, in any instance, being bound or limited in any manner whatsoever by any opinion expressed or not expressed by City Inspector to City or any other person with respect thereto, and (d) City reserves the right, in its sole and absolute discretion, to replace the individual serving as City Inspector at any time and without prior notice to or approval by Recipient.

1.4 Disbursement Procedures. All Disbursements shall be made from time to time upon written application of Recipient pursuant to a Disbursement Request. Recipient shall submit Disbursement Requests to City no more frequently than monthly, covering work performed since the prior Disbursement Request. Each Disbursement Request shall constitute a representation and warranty by Recipient to City that (a) the work performed and the materials supplied as of the date thereof are in accordance with the Construction Documents, this contract and the Sources and Uses Statement, (b) the work and materials for which payment is requested have been physically incorporated into the rehabilitation, (c) the value is

as stated, (d) the work and materials conform with all applicable rules and regulations of the public authorities having jurisdiction, (e) payment for the items described in such Disbursement Request has been made by Recipient (or, at the option of City, will be made by City directly to the provider of the service), (f) such Disbursement Request is consistent with the Sources and Uses Statement, this contract, and the Local Plan, and (g) no Event of Default or event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default has occurred and is continuing. For purposes of this contract, the term "Construction Documents" shall mean the Architect's Contract, each Contractor's Contract, all construction, architectural and other design professional contracts and subcontracts, all change orders, all Governmental Approvals, the plans and specifications, and all other drawings, budgets, bonds and agreements relating to the construction of the Projects.

1.5 Requests for Disbursement. For each request for a Disbursement, Recipient shall submit to City a completed written disbursement request (each, a "Disbursement Request") on a copy of the Disbursement Request Form attached hereto as Attachment B, together with a check in the amount of the inspection fee set forth in Section 1.6 hereof, if required by City. In each Disbursement Request, Recipient shall certify and describe in detail reasonably acceptable to City (a) the cost of the labor that has been performed and the materials that have been incorporated into the rehabilitation, (b) the amount actually paid by Recipient for such labor and materials and (c) the amount that Recipient is seeking pursuant to the Disbursement Request. Recipient shall attach to each Disbursement Request such invoices, receipts and other documents required by City evidencing that the costs and expenses were actually incurred and paid for by Recipient and were expended on and pertain to the rehabilitation.

1.6 Inspection. Upon receiving each Disbursement Request, the City Inspector shall determine (a) whether the work completed as of the date of such Disbursement Request has been done satisfactorily and in accordance with the Construction Documents, this contract and the Sources and Uses Statement, (b) the percentage of the rehabilitation and the Projects completed as of the date of such Disbursement Request, (c) the Direct Costs actually incurred for work in place as part of the rehabilitation as of the date of such Disbursement Request, (d) the actual sum necessary to complete the rehabilitation and the Projects in accordance with the Construction Documents, this contract and the Sources and Uses Statement, and (e) the amount of time from the date of such Disbursement Request that will be required to complete the rehabilitation and the Projects in accordance with the Construction Documents, this contract and the Sources and Uses Statement. At the City's option, the Recipient shall pay an inspection fee in the amount of Two Hundred and Fifty Dollars ($250) to the City upon submission of each Disbursement Request to cover the cost of the City Inspector engaged by the City to inspect the progress of the Projects. All inspections by or on behalf of the City shall be solely for the benefit of the City, and Recipient shall have no right to claim any loss or damage against the City or the City Inspector arising from any alleged (x) negligence in or failure to perform such inspections, (y) failure to monitor Disbursements or the progress or quality of construction or (z) failure to otherwise properly administer the Grant.

1.7 Conditions to Disbursements.

1.7.1 General Conditions. The City shall have no obligation to make any Disbursement (a) unless the City is satisfied, in its sole and absolute discretion, that each and every condition precedent to the making of such Disbursement has been satisfied or (b) if an Event of Default or an event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default, has occurred or is continuing.

1.7.2 Conditions to Initial Disbursement. The obligation of the City to make the initial Disbursement is conditioned upon the occurrence of each of the following:

(a) The Recipient shall have provided to the City, in form and substance satisfactory to the City, evidence showing that the Recipient holds title to the real property upon which Recipient will construct the Project and rehabilitation, and the Recipient has executed, recorded, and delivered the security documents (***prior to recording any Notice of Commencement***) as identified in Attachment A-2, Attachment A-4, and Attachment A-5 of this Contract;

(b) The Recipient shall have provided to the City, in form and substance satisfactory to the City, evidence that Recipient has applied for and has obtained, or is pursuing and will obtain, all governmental approvals and consents required for the construction of the Projects;

(c) The Recipient shall have provided to the City proof of insurance coverage as required in this Contract;

(d) The Recipient shall have submitted to the City a Disbursement Request, along with all other information and documentation required pursuant to Section 1.5 hereof;

(e) The Recipient shall have provided to the City, in form and substance satisfactory to the City, each document, certificate and instrument required from the Recipient under this Contract;

(f) The City shall have received a satisfactory inspection report from the City Inspector pursuant to Section 1.6 hereof;

(g) The Recipient shall have provided to the City, in form and substance satisfactory to the City, an updated Sources and Uses Statement showing the amount of money actually spent by the Recipient on particular items and the remaining costs of the rehabilitation and the Project; and

(h) The Recipient shall have provided to the City, in form and substance satisfactory to the City, any such other document, instrument, information, agreement or certificate the City may require.

1.7.3 Subsequent Disbursements. The obligation of the City to make subsequent Disbursements is conditioned upon the occurrence of each of the following:

(a) The Recipient shall have submitted to the City a Disbursement Request, along with all other information and documentation required pursuant to Section 1.5 hereof;

(b) The Recipient shall have provided to the City, in form and substance satisfactory to the City, each document, certificate and instrument required from the Recipient under this Contract;

(c) The City shall have received a satisfactory inspection report from the City Inspector pursuant to Section 1.6 hereof;

(d) The Recipient shall have provided to the City, in form and substance satisfactory to the City, an updated Sources and Uses Statement showing the amount of money actually spent by the Recipient on particular items and the remaining costs of the rehabilitation and the Project and

(e) The Recipient shall have provided to the City, in form and substance satisfactory to the City, any such other document, instrument, information, agreement or certificate the City may require.

1.7.4 Conditions to Final Disbursement. The obligation of the City to make the Final Disbursement is conditioned upon the occurrence of each of the following:

(a) The Recipient shall have completed each of the items set forth in subsection 1.7.3 hereof;

(b) The Recipient shall have provided to the City, in form and substance satisfactory to the City, a final "as-built" survey in compliance with the requirements hereof;

(c) The Recipient shall have provided to the City, in form and substance satisfactory to City, evidence that the Recipient has procured an "all-risk" hazard insurance policy; and

(d) The Recipient shall have completed each of the Project Completion Conditions set forth hereof.

1.8 No Warranty by the City. Nothing contained in this contract or any other document attached hereto or contemplated hereby shall constitute or create any duty on or warranty by the City regarding (a) the accuracy or reasonableness of the Sources and Uses Statement, (b) the feasibility or quality of the Construction Documents, (c) the proper application by the Recipient of the Proceeds, (d) the quality or condition of the Projects, including the rehabilitation, or (e) the competence or qualifications of any third party furnishing services, labor or materials in connection with the construction of the Project, including the rehabilitation. The Recipient acknowledges it has not relied and will not rely upon any experience, awareness or expertise of the City or the City's Inspector, regarding the aforesaid matters.

ATTACHMENT C
Report Form

TO: Housing and Community Development Division
214 North Hogan Street, 8th Floor
Jacksonville, Florida 32202

Contract #: _____
Report #: _____
Project #: _____

MONTHLY PROGRESS REPORT

Submit by the 10th of the month to:

NSP Program Manager
214 North Hogan Street, 8th Floor
Jacksonville, Florida 32202

Recipient:	Contract No.
Project title:	Report period: _____ to _____
Person filling out report:	Date Submitted:

Please describe activities undertaken during this reporting period in regard to the following:

1. Describe specific work tasks and accomplishments completed this month.

_____

_____

2. Describe successes or hindrances encountered with the project.

_____

_____

3. Describe any anticipated problems or concerns. Please identify any technical assistance needed from NSP staff.

_____

_____

PROJECT COSTS

	Budgeted to Date	**Expended Total**	**Percent Of**
Total Project	$	$	$
NSP-3 Funds	$	$	$
Other Funds (state source(s)	$	$	$

I certify that to the best of my knowledge the data reported is correct.

By:_____ Date: _____
Printed Name:_____
Title: _____

ATTACHMENT D
Program Income Limits
Effective January 2, 2013
(as may be amended from time to time)

PROGRAM INCOME LIMITS

HOUSEHOLD SIZE	50% OF MEDIAN	60% OF MEDIAN	70% OF MEDIAN	80% OF MEDIAN	100% OF MEDIAN	120% OF MEDIAN
1 person	22,400	26,880	31,360	35,850	44,800	53,760
2 persons	25,600	30,720	35,840	41,000	51,200	61,440
3 persons	28,800	34,560	40,320	46,100	57,600	69,120
4 persons	32,000	38,400	44,800	51,200	64,000	76,800
5 persons	34,600	41,520	48,440	55,300	69,200	83,040
6 persons	37,150	44,580	52,010	59,400	74,300	89,160
7 persons	39,700	47,640	55,580	63,500	79,400	95,280
8 persons	42,250	50,700	59,150	67,600	84,500	101,400

1.1 Completion of the Rehabilitation. The Recipient shall complete the rehabilitation no later than **thirty-six (36) months from the Effective Date of this Contract**; provided however, this Contract is not terminated pursuant to the provisions contained herein. For purposes of this Contract, completion of the rehabilitation shall be deemed to have occurred only when the following conditions (the "Project Completion Conditions") shall have been satisfied:

(a) Recipient shall furnish to the City a certificate of occupancy or its equivalent (if available in the jurisdiction) or such other permits and/or certificates (including a certificate of substantial completion from the architect) as shall be required to establish to the City's satisfaction that the Project, including the rehabilitation, has been properly completed and are not subject to any violations or uncorrected conditions noted or filed in any municipal department;

(b) Recipient shall submit to the City a proper contractor's final affidavit and full and complete releases of liens from each contractor, subcontractor and supplier, or other proof satisfactory to the City, confirming that final payment has been made for all materials supplied and labor furnished in connection with the rehabilitation (see Attachments E-1 and E-2 for sample documents);

(c) The Project shall have been finally completed in all respects in accordance with the plans and specifications, as verified by a final inspection report satisfactory to the City from the City Inspector, certifying that the Project and/or rehabilitation have been constructed in a good and workmanlike manner and is in satisfactory condition, and that all mechanical, electrical, plumbing, structural and roof systems are in acceptable operating condition. In the event City determines that there is a deficiency with the Project and/or rehabilitation, the City reserves the right to require that an escrow be established in an amount satisfactory to the City to remedy such deficiency.

1.2 Change Orders. No material amendment shall be made to the Construction Documents, the agreements between Recipient and each of its general contractors (each, a "Contractor's Contract") or the agreement between the Recipient and Architect (the "Architect's Contract") nor shall any material change orders be made thereunder without the prior written consent of the City; provided, however, that the City's consent shall not be required for (but City shall promptly receive copies of) any change orders which do not involve a change in the scope of the rehabilitation or the Project or a reduction in the value thereof so long as such change order does not (a) materially affect the electrical, plumbing, mechanical, HVAC or structural portions of the rehabilitation or the Project, (b) materially change gross square footage, number of rooms, units or floors, basic layout, parking or quality of materials; (c) extend the rehabilitation Completion Date or the Project Completion Date, (d) involve an expenditure of Five Thousand Dollars ($5,000) or more as to any individual change order, and (e) involve, as to the aggregate of all change orders, an expenditure in excess of Twenty Thousand Dollars ($20,000).

a. Subcontractors. The Recipient agrees that it will not engage or continue to employ, or permit any of its general contractors to engage or continue to employ, any contractor, subcontractor or materialman or any other third party who may be reasonably objectionable to the City. If requested by the City, the Recipient shall deliver to the City a fully executed copy of each of the agreements between the Recipient and such third parties and between any such general contractor and any contractor, subcontractor or materialman or any

other third party, each of which shall be in form and substance reasonably satisfactory to the City. The City's approval of a construction contract is specifically conditioned upon the following: (a) the total contract price thereof does not exceed the fair and reasonable cost of the work to be performed thereunder and (b) the contractor or subcontractor is of recognized standing in the trade, has a reputation for complying with contractual obligations and is otherwise reasonably acceptable to the City.

b. Liens and Lien Waivers. The Recipient shall take all action necessary to have any mechanic's and materialmen's liens, judgment liens or other liens or encumbrances filed against any real property contemplated by this contract released or transferred to bond within ten (10) days of the date Recipient receives notice of the filing of such liens or encumbrances. If any such lien or encumbrance is filed, the City shall not be required to make any Disbursements until it is bonded over or removed and a copy of the recorded release thereof is received and accepted by the City. The City shall not be obligated to disburse any funds to Recipient if, in the opinion of the City, any Disbursement, real property contemplated by this contract or any other collateral for the grant funds would be subject to a mechanic's or materialmen's lien or any other lien or encumbrance other than inchoate construction liens. The Recipient shall be fully and solely responsible for compliance in all respects whatsoever with the applicable mechanic's and materialmen's lien laws.

c. Surveys. The Recipient shall deliver to City, each in compliance with City's survey requirements, (a) an as-built survey within thirty (30) days after the completion of the exterior building rehabilitation of each Project and/or rehabilitation, and (b) any additional surveys reasonably requested by the City or the City Inspector, within thirty (30) days after such request. Any change in the state of facts shown in any such updated survey shall be subject to approval by the City and the City Inspector.

d. Soil, Concrete and Other Tests. The Recipient shall, at the Recipient's expense, cause to be made such soil, compaction, concrete and other tests as the City or the City Inspector may reasonably require from time to time, each in form and substance and from testing companies reasonably acceptable to the City.

e. Compliance with Laws and Restrictions. All construction shall be performed strictly in accordance with all applicable and governing statutes, ordinances, codes, regulations and restrictions. Each Project, including the rehabilitation, shall be constructed entirely on the real property owned by the applicable the Recipient and shall not encroach upon or overhang any easement, right of way or any other land, and shall be constructed wholly within applicable building setback restrictions except for such existing matters shown on the survey delivered to the City prior to the date hereof.

f. Advertising. Subject to any design guidelines and laws applicable to the real property contemplated by this contract, the City shall have the right to erect one or more signs on such real property advertising its Grant for funding of the rehabilitation.

g. Permitted Liens. The Recipient shall not create or permit to exist any mortgage, lien, security interest or other encumbrance on any real property owned by the Recipient, except for those permitted in Attachment A-5 set forth above.

h. Affordable Housing Requirements. The Recipient shall ensure that each Project meets and is compliant with all applicable and governing federal, state and local affordable housing requirements (including but not limited to the NSP requirements) as currently in effect and as may be amended during the term of this Contract, the terms of which are incorporated herein by this reference. The Recipient shall ensure that the Project remains affordable housing in accordance with the City guidelines and as set forth in Attachments A-1 and A-3.

i. Authority of City to Monitor Compliance. During all periods of design and rehabilitation of the Project, the Recipient shall permit the City's Chief of Housing and Community Development Division, or his/her designated personnel, to monitor compliance by Recipient with the provisions of this Contract and the Construction Documents. During the period of rehabilitation of the Project and with prior notice to the Recipient, representatives of the City shall have the right of access to the Recipient's records and employees, as they relate to the rehabilitation of the Project, during normal business hours.

j. Construction and Operation Management. Except as otherwise expressly provided herein, the Recipient shall have discretion and control, free from interference, interruption or disturbance, in all matters relating to the management, development, redevelopment, construction and operation of the Project, provided that the same shall, in any event, conform to and comply with the terms and conditions set forth in this contract, the Construction Documents, and all applicable and governing federal, state and local laws, rules, regulations and policies (including without limitation, applicable zoning, subdivision, building and fire codes). The Recipient's discretion, control and authority with respect thereto shall include, without limitation, the following matters:

(a) the construction and design of the rehabilitation of the Project, subject to the express terms and conditions of this Contract;

(b) the selection, approval, hiring and discharge of engineers, architects, contractors, subcontractors, professionals and other third parties (collectively, the "Vendors") on such terms and conditions as the Recipient deems appropriate; provided however, that to the extent that the City furnishes to the Recipient the names and identities of Jacksonville-based Vendors, including, without limitation, Jacksonville-based minority Vendors, and to the extent that the Recipient has the need to enter into contracts with Vendors outside of persons employed by the Recipient or companies affiliated with or controlled by the Recipient, then the Recipient agrees to include all such Jacksonville-based Vendors in the process established by the Recipient for obtaining bids for any of the rehabilitation;

(c) the negotiation and execution of contracts, agreements, easements and other documents with third parties, in form and substance satisfactory to the Recipient; and

(d) the preparation of such budgets, cost estimates, financial projections, statements, information and reports as the Recipient deems appropriate.

FINAL AFFIDAVIT, WAIVER AND RELEASE OF LIEN OF CONTRACTOR

City inspection #_____

The undersigned contractor performed work and labor and/or furnished materials for use in construction of certain improvement on the property described as follows:

_____, Jacksonville, Florida _____

LEGAL DESCRIPTION OF PROPERTY
[to be verified by title commitment]
RE# _____

The undersigned contractor acknowledges receipt of payment of all sums due on all prior applications for payment and waives and releases any right it has to a construction lien on the property here involved with respect to all work and materials included in those prior applications for payment. The undersigned further states that the amount due to it on this application for payment is $ _____ and effective upon receipt of said sum waives its right to claim a lien on the property here involved for work performed or materials furnished up to the effective date of this application for final payment.

The undersigned contractor acknowledges that all of its subcontractors, laborers and materialmen under the direct contract have been paid all money due on all prior applications for payment, herewith tenders final releases from all such subcontractors, laborers and materialmen with respect to this application for final payment.

Upon receipt of this payment of $_____ the undersigned contractor agrees to hold the owner harmless from any construction lien filed by its subcontractors, laborers and materialmen with respect to this application for final payment.

IN WITNESS WHEREOF, we have executed this Final Affidavit, Waiver and Release of Lien in the County of Duval, State of Florida, this _____ day of _____, 20___.

_____
Contractor Name

By:_____
Contractor Signature

Sworn to and subscribed before me this
_____ day of _____, 20___.

_____
Notary Public, State of Florida
Print Name: _____
Commission No. _____
My Commission Expires:_____

ATTACHMENT E-2
Partial Affidavit, Waiver and Release of Lien of Contractor

PARTIAL AFFIDAVIT, WAIVER AND RELEASE OF LIEN OF CONTRACTOR

Draw inspection #_____

The undersigned contractor performed work and labor and/or furnished materials for use in construction of certain improvement on the property described as follows:

_____, Jacksonville, Florida _____

LEGAL DESCRIPTION OF PROPERTY
[to be verified by title commitment]
RE# _____

The undersigned contractor acknowledges receipt of payment of all sums due on all prior applications for payment and waives and releases any right it has to a construction lien on the property here involved with respect to all work and materials included in those prior applications for payment. The undersigned further states that the amount due to it on this application for payment is $_____ and effective upon receipt of said sum waives its right to claim a lien on the property here involved for work performed or materials furnished up to the effective date of this application for partial payment.

The undersigned contractor acknowledges that all of its subcontractors, laborers and materialmen under the direct contract have been paid all money due on all prior applications for payment, herewith tenders partial releases from all such subcontractors, laborers and materialmen with respect to this application for partial payment.

Upon receipt of this payment of $_____, the undersigned contractor agrees to hold the owner harmless from any construction lien filed by its subcontractors, laborers and materialmen with respect to this application for partial payment.

IN WITNESS WHEREOF, we have executed this Partial Affidavit, Waiver and Release of Lien in the County of Duval, State of Florida, this _____ day of _____, 20___.

_____
Contractor Name

By:_____
Contractor Signature

Sworn to and subscribed before me this
_____ day of _____, 20___.

_____
Notary Public, State of Florida
Print Name: _____
Commission No. _____
My Commission Expires:_____

ATTACHMENT F
Affirmative Marketing

AGREEMENT REGARDING CERTIFICATIONS OF PROPERTY OWNERS PARTICIPATING IN THE NSP-3 PROGRAM TO AFFIRMATIVELY MARKET VACANT UNITS
USE FOR FIVE (5) OR MORE NSP-3 ASSISTED RENTAL UNITS ONLY)

This is to certify that to the extent that there are vacant units in properties being rehabilitated through the NSP-3 Program, those units will be marketed in an affirmative manner to attract tenants, regardless of race, color, national origin, religion, age, or sex. If soliciting tenants and buyers, the Recipient agrees to each of the following conditions:

1. The Recipient will use the "Equal Housing Opportunity" logo, slogan, and/or statement in all advertising. These items are as follows:

a.

b. "Equal Housing Provider", or

c. "Equal Housing opportunity".

2. Where appropriate to advertise, the Recipient will use the media that will reach persons least likely to apply for the rehabilitated housing. At least two (2) of the following methods will be used for advertising a vacant unit unless the property owner contacts the housing assistance payments program office to place the vacant unit on the real estate listing to be given to eligible participants.

The Recipient will:

a. Advertise in a paper of City-wide distribution, such as the *Florida Times-Union*;

b. Advertise in a paper of minority orientation, such as the *Florida Star*;

c. Contact in writing a servicing agency in Jacksonville, Florida, to advertise available housing for needy persons.

d. Post a sign of adequate size on the site advertising the unit availability and use the equal opportunity logo, slogan, or statement prominently displayed on the sign.

3. The Recipient will maintain a non-discriminatory hiring policy.

4. The Recipient will use a fair housing policy.

5. The Recipient will display a fair housing poster in the rental and sales office, if such office exists.

6. The Recipient will use the equal housing opportunity logo on any project sign displayed on or about the project site.

7. The Recipient will not discriminate against prospective tenants on the basis of their receipt of, or eligibility for, housing assistance under any Federal, State or local housing assistance program or (except for projects housing elderly persons) on the basis that the tenants have a minor child who will be residing with them.

8. Each calendar year for the term of the deferred payment loan the Recipient will report to the City of Jacksonville, Housing Services Division, the following information:

   a. The efforts made to affirmatively market any vacant units, including copies of all advertisements;

   b. The current rent level of the units;

   c. Data on the tenants which will include, but not be limited to: race, ethnic origin, income level, number of persons occupying the unit, and gender of the head of the household;

   d. Evidence of hazard insurance on the property;

   e. Evidence of payment of property taxes.

9. The undersigned Recipient does hereby certify that the above listed requirements will be met for a period of time not less than the term of the deferred payment loan from the execution of the mortgage on the property. The undersigned Recipient does further certify that an understanding exists with respect to the consequences of a failure to meet these requirements. These consequences are specifically outlined in the mortgage on the property. This Agreement/Certification is made effective _____.

_____	_____
Witness	Witness
Date: _____	Date: _____
_____	_____
Witness	Witness
Date:_____	Date: _____

AFFIRMATIVE MARKETING QUESTIONNAIRE
(For Projects with 5 or More NSP-3 Assisted Units)

Recipient/Manager: _____ Phone:_____
Project Name: _____
Project Location: _____

CIRCLE YES OR NO

1. Were any housing units marked for rental or sale during _____?
   (If No, skip to # 4; IF yes, answer all questions) YES/NO

2. If you advertise, did you use the Equal Housing Opportunity logo, slogan or statement in all advertising for the housing units? YES/NO

3. In order to meet the requirements of the Fair Housing conditions of the mortgage, you should notify the Housing Assistance Office of the Jacksonville Housing Authority (630-3820) and/or use the media to advertise available units.

   Did you notify the Housing Assistance Office about this housing vacancy? YES/NO

   Did you use TWO types of media? YES/NO
   (Indicate which two types used):

   ___ TV___ Radio ___Newspaper ___ Direct Mail
   ___ Other: _____

4. Did you maintain a non-discriminatory hiring policy and a fair housing policy? YES/NO

5. If you have a rental or sales office, did you display an Equal Housing poster? (If No, one will be mailed to you for display in your office.) YES/NO

6. If you have a project sign at the site, does it have an Equal Housing Opportunity logo displayed on it? (If No, one will be mailed to you for display on the site sign.) YES/NO

7. Have you refused to rent to any prospective tenants on the basis of their receipt of, or eligibility for Housing Assistance through any federal, state, or local programs? YES/NO

8. What are the current rental or sale levels on these units?

O BR $_____ 1 BR $_____ 2BR $_____ 3BR $_____ 4BR $____ 5BR $_____ 6 BR $_____

AFFIRMATIVE MARKETING QUESTIONNAIRE
(For Projects with 5 or More NSP-3 Assisted Rental Units)

WARNING: 18 USC 1001 provides, among other things, that whoever knowingly and willingly makes or uses a document or writing containing any false, fictitious, or fraudulent statement or entry, in any matter within jurisdiction or any department or agency of the United States, shall be fined not more than $10,000 or imprisoned for not more than 5 years, or both

I certify that the statements made on this Questionnaire are true and complete to the best of my knowledge and belief. I understand that providing false statements or incomplete information may result in punishment under Federal Law.

_____ _____

Signature Date

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HUD SECTION 3 REQUIREMENTS AND PRIORITY RANKING

FEDERAL FUNDING

Unless otherwise defined in the Contract or this Attachment G, all capitalized terms or phrases used in this Attachment G shall have the meanings given to them in Attachment G-2 (Definitions).

This Project, as more particularly set forth in Attachment G attached hereto, will be funded partly or in total by Section 3 Covered Assistance, which is assistance provided under the U.S. Department of Housing and Urban Development housing or community development program that is expended for work arising in connection with housing rehabilitation, construction, or other public construction project. Therefore, the City, Recipient and any of its contractors and subcontractors must comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968 in administration of the Project.

Title 24 CFR Part 135 pertains to Economic Opportunities for Low- and Very-Low Income Persons and provides as follows with respect to Section 3 of the Housing and Urban Development Act of 1968:

(a) *Section 3.* The purpose of Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C 1701u) (Section 3) is to ensure that employment and other economic opportunities generated by certain HUD financial assistance, shall, to the greatest extent feasible and consistent with existing federal, state and local laws and regulations, be directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing and to business concerns which provide economic opportunities to low- and very-low income persons.

(b) *Part 135.* The purpose of this part is to establish the standards and procedures to be followed to ensure that the objectives of Section 3 are met.

By execution of this Contract, the Recipient acknowledges and accepts that the City of Jacksonville is responsible for ensuring that Section 3 requirements will be adhered to by the Recipient during the administration of the Project. The Table of Contents contained in this Attachment G provides a listing of the documents that the City will utilize to ensure compliance by the Recipient with Section 3 requirements as it pertains to the Project.

The Recipient shall be responsible for the procurement (which includes without limitation the solicitation, evaluation, and contract award) of all "Section 3 covered contracts" related to the Project. Attachments G-3 through G-11, G-14 through G-17 are "Section 3 Bid Documents," as amended from time to time, that shall be utilized by the Recipient in its procurement of any Section 3 covered contracts related to the Project Attachment G-15 is the reporting form that the Recipient shall utilize and submit to the City on a monthly basis. Failure by the Recipient to include this report in Recipient's CDBG Payment Request Form or utilization of the Section 3 Bid Documents in its procurement process shall result in the City's disapproval of the Recipient's payment request or termination of this Contract.

Attachment G-12 is the HUD Section 3 Clause, which must be contained in all Section 3 covered contracts (such as this Contract) and adhered to by the City, the Recipient and its contractors and subcontractors in the administration of the Project. Recipient shall include the HUD Section 3 clause in its contracts between its contractors and subcontractors as applicable. Attachment G-13 is a list of "efforts" approved by HUD to assist recipients, contractors and subcontractors in demonstrating to HUD efforts made to offer training and employment opportunities to Section 3 Residents and award contracts to Section 3 Business Concerns. The efforts listed on Attachment G-13 are not required by HUD but have been approved to demonstrate compliance with Section 3 requirements.

The Recipient shall perform the following efforts to ensure Section 3 compliance as it relates to the Project:

- Coordinate notifications related to bidding
- Distribute bid packages
- Receive bid packages
- Rate, rank and respond
- Recommend award
- Include the Section 3 Clause in all covered contracts related to the project
- Ensure submittal of any required supporting documents relating to compliance monitoring

Additionally, Recipient shall cooperate, assist and coordinate with the City regarding obtaining documentation supporting the applicability, compliance and monitoring of its Section 3 covered assistance funded by the City pursuant to this Contract.

DEFINITIONS

Applicant – Any entity which makes an application for Section 3 covered assistance, and includes, but is not limited to, any State, unit of local government, public housing agency or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association.

Assistant – the Assistant Secretary for Fair Housing and Equal Opportunity.

Business Concern – a business entity formed in accordance with State law, and which is licensed under State, county or municipal law to engage in the type of business activity for which it was formed.

Consultant - any entity which contracts to perform work generated the expenditure of Section 3 covered assistance, or for work in connection with a Section 3 covered project.

Employment Opportunities Generated by Section 3 Covered Assistance – all employment opportunities generated by the expenditure of Section 3 covered public assistance (i.e. operating assistance, development assistance and modernization assistance, as described in Section 135.3 (a) (1). With respect to Section 3 covered housing and community development assistance, this term means all employment opportunities arising in connection with Section 3 covered projects (as described in Section 135.3 (a) (2)), including management and administrative jobs. Management and administrative jobs include architectural, engineering or related professional services required to prepare plans, drawings, specifications, or work write-ups; and jobs directly related to administrative support of these activities, (e.g. construction manager, relocation specialist, payroll clerk, etc.)

Housing Authority (HA) – Public Housing Agency.

Housing Development – low-income housing owned, developed, or operated by public housing agencies in accordance with HUD's public housing program regulations codified in 24 CFR Chapter IX.

HUD Youthbuild Programs – programs that receive assistance under subtitle D of Title IV of the National Affordable Housing Act, as amended by the Housing and Community Development Act of 1992 (42 U.S.C. 12899), and provide disadvantaged youth with opportunities for employment, education, leadership development, and training in the construction or rehabilitation of housing for homeless individuals and members of low- and very low-income families.

JTPA – The Job Training Partnership Act (29 U.S.C. 1579 (a)).

Low-income person – families (including single persons) whose incomes do not exceed 80 percent of the median income for the area, as determined by the Secretary of the U.S. Housing and Urban Development, with adjustments for smaller and larger families. However, the Secretary may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low-income families.

Metropolitan Area – a metropolitan statistical area (MSA), as established by the Office of Management and Budget.

New Hires – full-time employees for permanent, temporary or seasonal employment opportunities.

Recipient – any entity which receives Section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State unit of local government, PHA, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee or transferee of any such entity, but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include contractors.

Section 3 – Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

Section 3 Business Concern – a business concern, defined as follows:

1) That is 51 percent or more owned by Section 3 resident: or
2) Whose permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or
3) That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontractors to be awarded to business concerns that meet the qualifications set forth in paragraphs 1 or 2 above.

Section 3 Covered Assistance –

1) public housing development assistance provided pursuant to Section 5 of the 1937 Act;
2) public housing operating assistance provided pursuant to Section 9 of the 1937 Act;
3) public housing modernization assistance provided pursuant to Section 14 of the 1937 Act;
4) assistance provided under any HUD housing or community development program that is expended for work arising in connection with housing rehabilitation, construction, or other public construction project (which includes other buildings or improvements, regardless of ownership).

Section 3 Clause – the contract provisions set forth in Section 135.38.

Section 3 RFP/Q – a proposal awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance, or for work arising in connection with a Section 3 covered project.

Section 3 Covered Project - applies only to projects in which HUD funding (i.e., CDBG, HOME, NSP, etc.) is involved.

Section 3 Resident – a public housing resident or an individual who resides in the metropolitan area or non-metropolitan county in which the Section 3 covered assistance is expended and who is considered to be a low-to very low-income person.

Subcontractor – any entity (other than a person who is an employee of the design firm) which has a contract with a design firm to undertake a portion of the firm's obligation for the performance of work generated by the expenditure of Section 3 covered assistance, or arising in connection with a Section 3 covered project.

Very low-income person – families (including single persons) whose income do not exceed 50 percent of the median family income for the area, as determined by the Secretary of HUD with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

ATTACHMENT G-3
Invitation to Bid

REQUIRED DOCUMENTS CHECKLIST

ALL DOCUMENTS MUST BE SUBMITTED IN THE BID PACKAGE AND MUST BE IN THE SAME ORDER AS LISTED BELOW:

- ❑ Bids submitted in triplicate.
- ❑ Signed copy of Document Requirements Checklist.
- ❑ Bid Form.
- ❑ Bid Bond in the amount of 5% of the bid if the project is over $100,000.
- ❑ Completed Form W-9 Request for Taxpayer identification Number and Certification.
- ❑ Proof of Total Staff and Firms Experience Profile.
- ❑ Description of the firm's organizational structure.
- ❑ Proof of Experience: Bidders shall submit proof of minimum of 5 years' experience in performing similar projects with emphasis on housing rehabilitation or new construction of single or multi-family projects (list project, contact and year of project).
- ❑ Qualifications: Bidders shall submit proof that they are currently licensed as a General, Residential or Building Contractor.
- ❑ A chronological description of the firm's work load and current projects.
- ❑ Related Building Experience. List the Project(s) that best illustrate the experience of the firm and current staff that are being assigned to the Project(s). List no more than 5 Project(s) and do not list Project(s) completed more than 5 years.
- ❑ Financial: Bidders shall submit copies of certified financial statements for the past two years; and provide evidence of the firm's financial capability, resources and the necessary working capital to assure financial stability through to the completion of the Project(s).
- ❑ Proof of Insurance: Bidders shall submit Certificate of Insurance, naming the City of Jacksonville as Certificate Holder, showing the bidder has obtained and will continue to carry Workers Compensation, public and private liability, and property damage insurance during the life of the contract.
- ❑ Positive References: Bidders shall submit minimum three (3) references, <u>including phone and fax numbers, as well as e-mail addresses</u>, from companies or individuals for whom the bidder has performed work during the past 3 years, of a comparable size and nature as this project.

Section 3 Documents:
- ❑ Section 3 RFP Submittal Form
- ❑ Section 3 Resident Preference Claim
- ❑ Table A and Table B
- ❑ Section 3 Business Application Certification Form
- ❑ Conflict of Interest
- ❑ Letters of Intent
- ❑ Section 3 Economic Opportunities Plan
- ❑ List of Subcontractors and Shop Fabricators

The above requirements have been noted and are understood by the bidder. I understand that failure to submit an item listed above may result in rejection of this bid.

SIGNED:_____ PRINT:_____

COMPANY: _____ PHONE: _____

FAX: _____ E-MAIL:_____

DATE: _____

INVITATION TO BID
TO GENERAL CONTRACTING FIRMS
FOR GENERAL CONTRACTOR SERVICES
FIXED FEE - GUARANTEED MAXIMUM PRICE

Notice is hereby given that the City of Jacksonville, Housing and Community Development Division (HCDD), will receive sealed bids for the following Project(s):

Project(s) Name: _____

Address: _____

I. *GENERAL*

Award will be granted to the lowest responsive, responsible bidder. **ALL** awards are subject to the availability of funds. **If this RFP is for multiple Projects, the term Project(s) is applicable.** The minimum qualifications for consideration as a "responsible" bidder are:

1. Demonstrated capacity to complete the Project(s) on time and within budget. These criteria will be determined by the experience of the Bidder in completing any past Project(s) similar in size and nature, within budget and on time as reported by the owner(s) of the Project(s) listed under Section VII. F.
2. Bidder must demonstrate that it has the staff and resources available to complete the Project(s) on time and within budget as determined from the information provided under Section VII C and D.
3. If the RFP is for more than one project with multiple units, the Bidder must show simultaneous Construction/Rehabilitation and Certificate of Occupancy for a minimum of 4 single family in adjoining or adjacent proximity and/or 2 multi-family rehab or similar (dormitory, condominium, etc.) Construction Project(s) within the last five (5) years. If the RFP is for a single project simultaneous Construction/Rehabilitation is not required.
4. Must have experience in the renovations of building containing both Lead Based Paint (LBP) and asbestos within the last five (5) years.
5. Current State General Contractor License Certification or Registration, as required under Florida Statutes.
6. Must be listed on the City of Jacksonville's pre-qualified contractor's list maintained by the HCDD office or EBO in order to bid for the Project(s).
7. Must demonstrate financial capacity to ensure and complete the Project(s). The firm's financial capability is to be expressed in the financial statement, and should indicate the resources and the necessary working capital to assure financial stability through to the completion of the Project(s).
8. Must provide evidence of availability in Bidders work schedule as determined from information provided under Section VII F.

Failure to document these mandatory thresholds will result in the proposal not being reviewed. There will be a Pre-Bid meeting with the staff of HCDD that will include a Question and Answer session (refer to section III). HCDD reserves the right to accept or reject all proposals, in whole or in part, with or without cause, waive minor irregularities with any proposal, or make an award that is in the best interest of the Project(s). Any award is subject to approval by the HCDD. If there is not a bid proposal that is within the budget for the Project(s), HCDD reserves the right to reject all bids and re-issue the RFP.

Submission of a proposal indicates expressed agreement with all terms and conditions included in this RFP.

Any person, entity, or representative of any person or entity submitting a proposal in response to this RFP is strictly prohibited from contacting _____ and/or its representative, (other than the designated contact), City of Jacksonville employees or HCDD consultants regarding the contents of this RFP or any proposed Project(s) outside of any scheduled presentation time.

II. *NOTIFICATION*

Notification and advertisement for any NSP construction Project(s) is accomplished with a public notice in a locally distributed publication.

III. *SELECTION SCHEDULE*

- RFP Released: _____, 20__
- Pre-Bidders Meeting: _____, 20__, at _____ (**Mandatory**)
  Ed Ball Building, 214 N. Hogan St. Room #851
- Proposal Due: _____, 20__ (Noon).
- Bid Opening: _____, 20__, at 1:00 p.m.
  Ed Ball Building, 214 N. Hogan St. Room #851
- Notice of Award: _____, 20__

The property or properties will be available for inspection on the following dates and times:

Address	Date	Time

Please contact _____ via email: _____ to confirm attendance at the Site Inspection and/or the Pre-Bidders Meeting.

IV. *INQUIRES*

Any questions concerning this Request for Proposals should be directed to _____, via email at _____. All questions pertaining to this RFP must be submitted by _____ p.m. on _____, 20__. All questions relating to the Construction Documents or RFP format during the Bid Period shall be made via email to _____, and sent to _____.

V. *SCOPE OF PROJECT(S)*

This Project(s) are Single and Multi-Family Rehabilitations located in the _____ zip code. ***All bid proposals must include pricing for labor, materials, profit, overhead, supplies equipment, permits, fees, engineering and other components necessary for the successful and timely completion of the project.***

VI. *BIDDING DOCUMENTS*

A. Bidding Documents may be purchased from Florida Blueprint which is located at 542 South Edgewood Avenue, Jacksonville, FL 32205, (904)388-7686 or can be found online at **www.Flablueprint.com**. Bid packages can be picked up in person at Florida Blueprint or ordered online at **www.Flablueprint.com**. (Click on "Public Jobs" and then click on "Jacksonville Neighborhood Stabilization Program Projects" From here you can view & order the construction documents. No downloads are authorized.) Bid Packages will cost $20.00, and payment is required prior to receipt of the documents. Payment will be accepted by check only. **NO REFUND WILL BE MADE FOR THESE DOCUMENTS.**

B. Each Bid Proposal shall remain firm and binding for at least 90 days to allow time for evaluation of Bids and contract negotiations.

C. Contents of the Bid Proposal of the successful firm(s) will become part of the contractual obligations.

VII. *REQUIRED SUBMITTALS USED TO EVALUATE FIRMS*

A. Business Structure (Corporation, Joint Venture, Partnership): Proper incorporation by the Secretary of State and current Florida Professional Registration Certificate for contractor certification.

B. Financial Requirements: Evidence of the firm's financial capability, resources and the necessary working capital to assure financial stability through to the completion of the Project(s). All financial information should be sealed in a separate envelope and will remain confidential.

C. Total Staff and Firm's Experience Profile: This criterion identifies the relative size of the firm, including management, technical, and support staff.
D. A description of the firm's organizational structure, including resumes of the principals and professional staff who would work directly with the Project(s).
E. Current State General Contractor License Certification or Registration, as required under Florida Statutes.
F. A chronological description of the Firms work load schedule showing the names and size(s) of any projects which are currently under construction plus any projects estimated to be under construction within six months of the date of this RFP. Include the Projects anticipated start and stop dates plus any percentage of construction completed.
G. Related Building Experience: List the Project(s) that best illustrate the experience of the firm and current staff that are being assigned to the Project(s). List no more than 5 Project(s) and do not list Project(s) completed more than 5 years.

- Project(s) name and location
- The nature of the firm's responsibility on the Project(s)
- Project(s) owner's representative name, address and phone number
- Project(s) completion date or anticipated completion date
- Size of Project(s) (# of buildings, units and gross sq. ft. of construction)
- Project(s) construction cost
- Renovation experience with buildings containing Asbestos and/or Lead Based Paint within the last five years (must demonstrate at least one).
    i. Name and location of the Project(s)
    ii. The nature of the firm's responsibility on the Project(s)
    iii. Project(s) owner's representative name, address and phone number
    iv. Project(s) completion or its anticipated completion date
    v. Size of Project(s) (gross sq. ft. of construction)
    vi. Cost of Project(s) (construction cost)

H. Provide documentation on agency letterhead signed by authorized company representative stating that the firm either has the required insurance or that the firm is able and upon award of contract shall purchase the required insurance. Please provide name and contact information for all applicable insurance agents.

Provide the total estimated firm fee for completion of the Project(s), inclusive of but not limited to all General Conditions, NSP Technical Specifications, staffing, profit and all other related Project(s) cost(s).

Provide a completed Section 3 – RFP/Q Submittal, a detailed budget, and an estimated construction schedule for the full scope of work described in the plans and specifications as outlined in the contents of this RFP. Please note that for bidders to achieve full compliance of this RFP additional forms and information are required as outlined here in.

Provide other Work. If a Bidder has identified a scope of work not listed in the plans and specifications or in "Proposed Scope of Work" that the Bidder feels is required to complete the Project(s), then the bidder should assume that scope falls within the Bidder's responsibilities. Any work identified as such must be listed and described on the Bid Form under "Other" with estimates of costs provided.

Section 3 Requirements:
Bidders must submit the following forms with their sealed bids:

- Section 3 Proposal Form
- Table A (List of all Subcontractors and Ship Fabricators)
- Table B (Estimated Project(s) Work Force Utilization Breakdown)
- Section 3 Business Application Certification Form (To Be completed by both the Contractor and Sub-contractors)
- Conflict of Interest
- Letter(s) of Intent
- Section 3 Economic Opportunities Plan

(Points will be awarded as outlined in section XVI: Evaluation of Section 3 Proposals by Priority Ranking).

VIII. *BID SUBMISSION*

A. Bidders must submit their proposals in a sealed opaque envelope and marked "BID FOR (Project(s) Name or Address)" Mailed responses should be submitted in a separate mailing envelope addressed to:

Housing and Community Development Division
214 N. Hogan Street, Suite 800
Jacksonville, FL 32202
Attention: _____

B. An original and one copy of the response must be furnished on or before the deadline in a sealed envelope.
C. Response must contain a manual signature of an authorized representative of the responding firm.
D. Your response must arrive at the address in Item VIII A. no later than _____, 20__, at 12:00 p.m.
E. Responses received after the scheduled receipt time will be marked "TOO LATE" and will be returned unopened to the vendor.
F. Bids will be publicly opened, read aloud, and recorded on _____ at the HCDD, 214 N. Hogan Street, Suite 800, Room# 851, Jacksonville, Florida, 32202 at 1:00 p.m.
G. HCDD nor _____ is liable for any costs incurred by the Bidders prior to the issuance of an executed contract and written notice to proceed.
H. Proposals must be legible and or typed. All corrections made by the proposer prior to the opening must be initialed and dated by the proposer. No changes or corrections will be allowed after proposals are opened.

IX. *DEVIATIONS TO SPECIFICATIONS*

A. All deviations to the specifications must be noted in detail by the Bidder, in writing, at the time of the submittal of the formal bid.
B. Substitute products will be considered when a request is submitted as an attachment to the Bid Form. Substitute products should include technical descriptive data or catalog cuts attached to the original copy of the bid where applicable. Failure to submit the above information may be sufficient grounds for rejection of the bid.
C. In requesting of substitutions to Products specified, Bidders shall include in their bid, changes required in the Work, changes to Contract Time, and Contract sum to accommodate such approved substitutions. Later claims by the Bidder for an addition to the Contract Time and Contract sum because of changes in Work necessitated by use of substitutions will not be considered.
D. Provide complete information on required revisions to other Work to accommodate each substitution, the value of additions to or reductions from the Bid sum, including revisions to other Work.
E. Provide Products as specified unless substitutions are submitted in this manner and subsequently accepted.

X. *SELECTION PROCESS*

Award of any contract resulting from this solicitation will be made in accordance with Bid Specifications and HUD regulations. The committee will evaluate all responsive proposals received within the deadline specified in this Bid and will use the following procedure to award bids:

A. The Evaluation Committee will consist of a minimum of three persons including, but not limited to, the Developer's designee (if applicable), the City's Section 3 Coordinator and other appropriate HCDD program staff.
B. The responsive proposals received within the established deadline, which meet the submission requirements of the Bid, shall be evaluated by the Committee on the basis of the criteria set forth in the Bid. The Committee will evaluate each proposal in a fair and impartial manner, on its own merit.
C. The award will be to the lowest, responsive, responsible bidder from among qualified bidders.
D. Notification of award will be issued by the HCDD to the accepted Bidder by a written Letter of Intent to Contract.
E. If an executed contract with the selected firm is not completed within 15 calendar days of notification of award then HCDD reserves the right to award the Bid to the next lowest responsive, responsible Bidder.
F. Bidders desiring a copy of the tabulation sheet and the award recommendation must include a self-addressed, stamped envelope with their bid. Bid results will not be given by telephone. The successful bidder shall be required to comply with all applicable provisions of Section 3 of the Housing and Urban

Development Act of 1968, as amended, and the regulations issued pursuant thereto, as set forth in 24 CFR Part 135 Section 2, and all applicable rules, directives and orders issued by HUD there under. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment generated by a Section 3 covered contract be given to public housing residents and other low income persons residing in the metropolitan area, and subcontracts in connection with such contract be awarded to Section 3 covered business concerns which are located in, or owned in substantial part by persons residing in the areas of the Project(s) (For additional information refer the federal regulations).

The Committee will evaluate each proposal in a fair and impartial manner, on its own merit. The bid proposals received shall be evaluated by the Committee on the basis of the following criteria:

Evaluation and Scoring Matrix

Basis Of Award	**Possible Points**
Pricing (Lowest Responsible Bid)	50
Section 3 Economic Opportunities Plan (EOP)	5
Section 3 Contracting and Employment Opportunities (Table A & B)	
- Table A - Preference for Section 3 Business Concerns	
• **Category 1** - Section 3 businesses that provide jobs and training for local residents.	5
• **Category 2** – Businesses that provide hiring from identified partnering agencies or other approved apprenticeship or training programs. Ready 4Work; CRC Institute, Clara White Mission, FSCJ or YouthBuild.	2
• **Category 3** – Other Section 3 business concerns.	2
- Table B - Preference for Training and/or Employment	
• **Category 1** - Residents in the Service Area or Neighborhood o (1-2) Residents Hire - 3.0 Points o (3-4) Residents Hires - 6.0 Points o (5 or more) Resident Hires – 10.0 Points	10
• **Category 2** – Homeless persons in the service area	2
• **Category 3** – Other Section 3 Residents	2
Jacksonville Small and Emerging Business (JSEB) Program - Businesses providing hiring opportunities for residents in the project service area.	2
Experience and Past Performance - Proposers must submit evidence of previous experience with new construction or substantial rehabilitation of residential or commercial properties. Submit names of four (4) references.	10
Financial Capacity – Bidders shall submit copies of certified financial statements for the past two years; and provide evidence of the firm's financial capability, resources and the necessary working capital to assure financial stability through to the completion of the Project(s).	10
TOTAL	**100**

***See Section XVII for additional details.**

Pricing:
All bids will be evaluated based on the firm which submits the lowest responsible bid. Price proposal – the Guaranteed Maximum Price will be awarded fifty (50.0) points.
Each firm who submitted a higher bid (Price proposal – the Guaranteed Maximum Price) than the lowest bid will be awarded a reduced number of points relative to the ratio of the lowest bid to its higher bid multiplied by 50.
Example: If the lowest bid was $10,000.00 and the higher bid was $12,500.00, the firm which submitted the lowest bid would receive 50 points and the firm which submitted the higher bid will be awarded – ($10,000.00/$12,500.00) x 50 = 40 points.
Please see Section XVI for additional details pertaining to basis of award.

XI. *CONTRACT TERMS AND REQUIREMENTS*

The contents of the proposal prepared by a successful firm will become a part of the contract. The selected firm will be required to:

- Maintain accurate accounting records and other evidence pertaining to costs incurred in providing services, and upon request, to make such records available to the HCDD at all reasonable times during the contract period and for five (5) years after the date of the final payment to the firms under the contract.
- Assume sole responsibility for the complete effort as required by this RFP, and be the sole point of contact with regard to contractual matters.
- Refrain from assigning, transferring, conveying, sub-letting, or otherwise disposing of the contracts or its rights, titles, or interest therein or its power to execute such agreement to any other person, firm, partnership, company or corporation without the prior consent and approval in writing from the HCDD. General contractors, subcontractors, material men, laborers and other persons performing services relating to the Project(s) must hold all necessary licenses, permits and authorizations required by all applicable governmental agencies and authorities as a condition to conduct business in the State of Florida and to work on the Project(s). In conformity with the requirements of Section 126 Part 4, Jacksonville Ordinance Code, Recipient represents and warrants to The City of Jacksonville (COJ) that Recipient has adopted and will maintain a policy of nondiscrimination, as defined by such ordinance, throughout the term of this contract. Recipient agrees that, on written request, it will permit reasonable access to its records of employment, employment advertisement, application forms and other pertinent data and records for the purpose of investigation to ascertain compliance with the nondiscrimination provisions of this contract; provided, that Recipient shall not be required to produce for inspection records covering periods of time more than one (1) year prior to the date of this contract. Recipient agrees that, if any of the obligations of this contract are to be performed by a subcontractor, the provisions of subsections (a) and (b) of Section 126.404, Jacksonville Ordinance Code, shall be incorporated into and become a part of the subcontract. Agree that it will not engage or continue to employ any contractor, subcontractor or material man or any other third party who may be reasonably objectionable to COJ. If requested by COJ, Recipient shall deliver to COJ a fully executed copy of each of the agreements between Recipient and such third parties and between any such general contractor and any contractor, subcontractor or material man or any other third party, each of which shall be in form and substance reasonably satisfactory to COJ. COJ's approval of a construction contract is specifically conditioned upon the following: (a) the total contract price thereof does not exceed the fair and reasonable cost of the work to be performed thereunder and (b) the contractor or subcontractor is of recognized standing in the trade, has a reputation for complying with contractual obligations and is otherwise reasonably acceptable to COJ. COJ reserves the right to terminate any contract entered into as a result of this RFP at any time, provided that written notice has been given to the firm at least thirty (30) days prior to such proposed termination date. **All contractor/sub-contractor agreements and all sub-contractor/sub-contractor agreements must include the Section 3 Clause found in Section XV of this RFP.**

XII. *COMPLIANCE REQUIREMENTS*

COJ will renovate the property with HOME, CDBG or Neighborhood Stabilization Program (NSP) financing; therefore, additional levels of oversight and Project compliance will be required. The successful Bidder must comply with all requirements as set forth by the financing. We strongly suggest each Bidder to review the COJ website to ensure familiarity with Federal requirements.

http://www.coj.net/Departments/Housing+and+Neighborhoods/Neighborhood+Stabilization+Program+%28NSP%29+%28Stimulus%29.htm

During the performance of the contract, the selected Bidder shall follow the federally-required Employment and Contracting Rules and Neighborhood Standards. The requirements below are nonnegotiable:

- Pub. L 88-352 - Title VI of the Civil Rights Act of 1964
- Pub. L. 90-284 - Title VIII of the Civil Rights Act of 1968
- Executive Order 11063 as amended by Executive Order 12259
- Section 109 of the Act
- Labor Standards
- National Flood Insurance Program
- Relocation and Acquisition
- Immigration and Naturalization Act
- Fair Housing Act
- Employment and Contracting Opportunities:
    - Executive Order 11246 (41 CFR Chapter 60)
- Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u)10
- Lead-Based Paint
- Use of Debarred, Suspended or Ineligible Contractors or Sub-Contractors
- Displacement
- Nondiscrimination Based on Handicap
- Section 504 of the Rehabilitation Act of 1973
- Environmental Protection Agency Regulations
    - National Environmental Policy of 1969
- Code of Federal Regulation, Title 24, Volume 1, Part 135 (Section 3)
- Equal Employment Opportunity
- Copeland "Anti-Kickback" Act (18 U.S.C. 874 and 40 U.S.C. 276c)
- Davis-Bacon Act, as amended (40 U.S.C. 276a to a-7)
- Contract Work Hours and Safety Standards Act (40 U.S.C. 327 through 333)
- Rights to Inventions Made Under a Contract or Agreement
- Clean Air Act (42 U.S.C. 7401 et seq.)
- Byrd Anti-Lobbying Amendment (31 U.S.C. 1352)
- Debarment and Suspension (E.O.s 12549 and 12689)
- Drug-Free Workplace Requirements

SECTION 3 - RFP/Q SUBMITTAL

RFP/Q NUMBER:_____
RFP/Q DATE:_____

TO: City of Jacksonville, Housing and Community Development Division

FROM: _____

In accordance with the advertisement inviting Proposals for the Project(s) _____, subject to the specifications, standard specifications and details, and Addenda thereto, if any, all of which are made a part of this Proposal, the undersigned proposes to construct the specified schedule resulting in a total Bid as follows:

TOTAL BASE BID:

$_____ (Numerals)
$_____ (Written)

A. **PROPOSED SCHEDULE**

All entries in the entire Proposal must be made clearly in ink. Proposals in which the prices are obviously unbalanced will be rejected.
Preference in the award of Section 3 covered contracts are awarded under a sealed bid (RFP/Q) process. Bids will be solicited from both Section 3 and non-Section 3 businesses. Bids will be opened by the City of Jacksonville, Housing and Community Development Division and recorded. All bids will be evaluated by priority ranking according to the Evaluation of Section 3 Proposals by Priority Ranking.
The award will be made as outlined in the proposal.

In the event of mathematical errors in the extension of prices or in the addition total for any base bid, unit prices will prevail. The corrected base bid will be used to determine the low qualified Bidder. The award of this contract will establish the Contractor and the unit prices which are to be used for the life of the contract.

The award will not be made until all necessary investigations have been made as to whether the low bidder is qualified to do the work and has the necessary organization, capitol and equipment to carry out the provisions of the contract.

The undersigned Proposer certifies that no officer or agent of the City of Jacksonville or _____ will directly or indirectly benefit from this RFP/Q.

The undersigned Proposer states that this Proposal is made in conformity with the Contract Documents, and agrees that in case of any discrepancies or differences between its Proposal and the Contract Documents, the provisions of the latter shall prevail.

The undersigned Proposer certifies that it has carefully examined the foregoing Proposal after the same was completed and has verified every item placed thereon; and agrees to indemnify, defend and save harmless the City of Jacksonville or Wealth Watchers against any cost, damage or expense which may be incurred or caused by any error in the Proposer's preparation of same.

The undersigned Proposer agrees to keep its proposal in effect for 120 calendar days after the RFP/Q opening date to allow the City of Jacksonville, time to award, should it be awarded, and time to prepare and execute the contract. This time period begins at the time RFP/Q is closed and ends upon the issuance of Notice to Proceed (NTP) by the City of Jacksonville and Wealth Watchers. The proposer's

prices shall remain in effect throughout the life of the Contract. Failure of HCDD, to issue a NTP within the specified time period shall allow Proposer to withdraw its proposal and terminate its contract without penalty or forfeiture of Bid Bond (if applicable). Failure of HCDD, to issue NTP within the specified time period shall not entitle Proposer to an adjustment of its proposal prices, unless mutually agreeable by the Contractor and HCDD.

PRESIDENT	NAME OF PROPOSER
SECRETARY	SIGNATURE AND TITLE
TREASURER	BUSINESS PHONE/EMERGENCY PHONE
BUSINESS ADDRESS	CITY, STATE & ZIP

EVALUATION OF SECTION 3 PROPOSALS BY PRIORITY RANKING:

Bids will then be evaluated by the Evaluation Committee consisting of a minimum of three persons, including but not limited to: the Developer's designee (if applicable), the City's Section 3 Coordinator and other appropriate HCDD program staff. Responsive bids will be priority ranked based on a maximum cumulative points of 100. (50 points for Section 3 participation and 50.0 points based on lowest bid ranking).

SECTION 3 EVALUATION CRITERIA: (30.0 – Points)

Section 3 Economic Opportunities Plan (EOP) for Low and Very Low Income Residents of the Project(s) area: (5) available points – Five points will be awarded to the Bidder who identifies on company letterhead a specific plan as outlined in the attached Appendix(s) to Part 135 – I. Examples of Efforts to Offer Training and Employment Opportunities to Section 3 Residents and II. Examples of Efforts to Award Contracts to Section 3 Business Concerns and who commit to start and use such a plan on the Project(s) (**See Contractor Section 3 Economic Opportunities Plan**)

Preference for Section 3 Business Concerns/Preference for Training and or employment: (25) available points – Twenty-five points will be awarded to the responsible bidder in our evaluation of Eligible Section 3 Bidders who hire subcontractors and residents from the service area to participate in the Project(s). Residents and contractors must submit evidence that they are a Section 3 resident or business in the Project(s) area or Section 3 Business Concerns as defined in Title 24 Part 135.5. Tables A & B must be completed and returned with the bid submittal.

EXPERIENCE and FINANCIAL CAPACITY: (20.0 – Points)

Experience and Past Performance (10) available points – Proposers must submit evidence of previous experience with new construction or substantial rehabilitation of residential or commercial properties. Submit names of four (4) references.

Financial Capacity (10) available points – Bidders shall submit copies of certified financial statements for the past two years; and provide evidence of the firm's financial capability, resources and the necessary working capital to assure financial stability through to the completion of the Project(s).

PRICING: (50.0 – Points)

All bids will be evaluated based on the firm which submits the lowest bid. The lowest Guaranteed Maximum Price - will be awarded fifty (50.0) points.

Each firm who submitted a higher bid (Price proposal – the Guaranteed Maximum Price) than the lowest bid will be awarded a reduced number of points relative to the ratio of the lowest bid to its higher bid multiplied by 50.

Example: If the lowest bid was $10,000.00 and the higher bid was $12,500.00, the firm which submitted the lowest bid would receive 50 points and the firm which submitted the higher bid will be awarded – ($10,000.00/$12,500.00) x 50 = 40 points.

The final score will be evaluated In a fair and impartial manner, on its own merit and rated according to the lowest Guaranteed Maximum Price (GMP), Section 3 compliance, experience and financial capacity to determine the lowest responsive responsible bidder. Each firm will be calculated on the sum of points received from pricing (50), Section 3 awarded points (30), experience (10) and financial capacity (10) for the maximum cumulative points of 100.0 points.

Basis Of Award	Possible Points
Pricing (Lowest Responsible Bid)	50
Section 3 Economic Opportunities Plan (EOP)	5
Section 3 Contracting and Employment Opportunities (Table A & B)	
- Table A - Preference for Section 3 Business Concerns	
• **Category 1** - Section 3 businesses that provide jobs and training for local residents.	5
• **Category 2** – Businesses that provide hiring from identified partnering agencies or other approved apprenticeship or training programs. Ready 4Work; CRC Institute, Clara White Mission, FSCJ or YouthBuild.	2
• **Category 3** – Other Section 3 business concerns.	2
- Table B - Preference for Training and/or Employment	
• **Category 1** - Residents in the Service Area or Neighborhood o (1-2) Resident Hires - 3.0 Points o (3-4) Residents Hires - 6.0 Points o (5 or more) Resident Hires – 10.0 Points	10
• **Category 2** – Homeless persons in the service area	2
• **Category 3** – Other Section 3 Residents	2
Jacksonville Small and Emerging Business (JSEB) Program - Businesses providing hiring opportunities for residents in the project service area.	2
Experience and Past Performance - Proposers must submit evidence of previous experience with new construction or substantial rehabilitation of residential or commercial properties. Submit names of four (4) references.	10
Financial Capacity – Bidders shall submit copies of certified financial statements for the past two years; and provide evidence of the firm's financial capability, resources and the necessary working capital to assure financial stability through to the completion of the Project(s).	10
TOTAL	**100**

Basis of Award:

All Bids will be reviewed by the City of Jacksonville to determine if all firms meet the qualifications for bidding for the City of Jacksonville and determined responsive. The review process will continue with the Section 3 Review Committee to determine which bidders are Section 3 Business Concerns based on the HUD definition as follows below: (a) 51% or more owned by Section 3 Residents;(b) 30% of permanent Fulltime Workforce of Section 3 Residents; (c) 25% of the dollar award to Section 3 business concerns or who meet the requirements of (a) or (b). An award shall be made to the qualified Section 3 business concern with the highest priority ranking and with the lowest responsive bid, if that bid is: (1) within the Guaranteed Maximum Price (GMP), established in the City's budget, and (2) not more than "X" higher than the total bid price of the lowest responsible bid. "X" is determined as follows:

Proposed Bid Amounts	
When the lowest responsive bid is less than $100,000.	10% of that bid or $9,000.
At least $100,000, but less than $200,000.	9% of that bid, or $16,000.
At least $200,000, but less than $300,000.	8% of that bid, or $21,000.
At least $300,000, but less than $400,000.	7% of that bid, or $24,000.
At least $400,000, but less than $500,000.	6% of that bid, or $25,000.
At least $500,000, but less than $1million.	5% of that bid, or $40,000.
At least $1 million, but less than $2 million.	4% of that bid, or $60,000.
At least $2 million, but less than $4 million.	3% of that bid, or $80,000.
At least $4 million, but less than $7 million.	2% of that bid, or $105,000.
$7 million or more.	1 ½ % of the lowest responsive bid, with no dollar limit.

If no responsive bid by a Section 3 business concern meets the requirements of this section, the contract shall be awarded to a responsible bidder with the lowest responsive bid.

XVII. *AWARD OF CONTRACT:*

Award of any contract resulting from this solicitation will be made in accordance with RFP/Q and HUD regulations and if it is awarded, shall be made to the lowest responsive-responsible Bidder, meeting or exceeding specifications, whose bid is in the best interest of the City of Jacksonville (COJ). However, until COJ and _____, issues a Notice to Proceed with a specific start date, COJ nor Wealth Watchers shall not be liable for any expenses incurred by the CONTRACTOR prior to such start date.

A. REVISIONS OF PROPOSAL FORM

Request for revision of the Bid Proposal Form must be made to the Architect and or Dayatra Coles (should the Project(s) not have an architect) at least (10) days prior to date of opening Bids. Revisions to the Bid Proposal by the Bidder will void the bid.

B. CONTRACT EXPIRATION DATE

The Contract expiration date shall be established as follows:
The notice to proceed date plus ten (10) calendar days for mobilization, plus the construction time established in the Proposal, plus time extensions pursuant to valid change orders (which shall establish the design completion date), plus 120 days to ensure a contract exists beyond the scheduled construction completion date.

C. BID CHANGES

No changes in the amount of the Bids appearing on the outside of the Bids will be considered. Only the amounts shown on bidding documents inside the envelope will be considered. All changes, corrections and erasures must be initialed by the person signing the bid.

D. CONSTRUCTION COMPLETION

The Contractor shall begin work within 10 calendar days after issuance of the Notice to Proceed from the Owner to begin work. All work shall be completed within 120 days of Notice to Proceed.

E. SUBMITTAL STATEMENT

The undersigned Proposer certifies that this proposal is made in good faith, without collusion or connection with any other entity bidding on this work. The undersigned Proposer has examined and read (cover to cover) all Drawings, Specifications, General and Special Conditions, other Contract Documents, and all Addenda thereto; and is acquainted with and fully understands the extent and character of the work covered by this Proposal and the specified requirements, for the proposed work.

ATTACHMENT G-6
Certification of Business Concerns Seeking
Section 3 Preference in Contracting

SECTION 3 BUSINESS APPLICATION

CERTIFICATION OF BUSINESS CONCERNS SEEKING

SECTION 3 PREFERENCE IN CONTRACTING

NAME OF BUSINESS _____

ADDRESS OF BUSINESS _____

CONTACT PERSON _____ TITLE _____

TELEPHONE #: (__)_____ CELL PHONE #: (__)_____

APPLICANT MUST PROVIDE EVIDENCE OF SECTION 3 STATUS WITH BID SUBMITTAL:

Type of Business Entity: Corporation □ Partnership □ Sole Proprietorship □ Joint Venture □

The Proposer certifies that it is a Section 3 Business Concern based on:

1. Business is owned, at least 51% by Section 3 Residents, or
2. Whose permanent, full time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents:
   - Provide copy of resident lease, evidence of participation in a public assistance or other evidence along with signed Certification for Section 3 Resident Preference Claim from Certification.
   - Provide business license number _____.
   - Provide List of Full-time Employees (Business Employee List).
   - Provide signed Certification for Section 3 Resident Preference Claim Form Certification.
3. Evidence of a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to business concerns that meet the qualification set forth in the requirements listed in 1 and 2 in this definition of "section 3 business concern."
   - Provide signed Section 3 Economic Opportunities Plan (Table A).
   - Section 3 certification Letters of Intent from subcontractors.

Contractors currently certified as Section 3 Business Concerns and or JSEB certified please provide a current copy of your certification.

Evidence of ability to perform successfully under the terms and conditions of the contract:

Bonding capability $ _____ Insurance Coverage $ _____

_____ _____

Owner Signature Date Witness Signature Date

Print _____ Print _____

BUSINESS EMPLOYEE LIST

COMPANY NAME _____
ADDRESS _____
TELEPHONE # (___) _____ FAX # (___) _____

*List all full-time employees of the company.

*Proof of program participation is required for all participants of Duval County Public Housing (PH) Section 8 (Sec 8) or other federal assistance (FA) Programs.

Employee Name	Address	Date of Hire	FT or PT	Trade	Section 3 (yes/no)	PH, S-8 or FA

Legend: FT = Full Time PT = Part Time Sec. 3 = Section 3 Resident
S-8 = Section 8 Resident PH = Public Housing Resident
FA = Federal Assistance Program Participant

TOTAL NUMBER OF EMPLOYEES: _____

SIGNATURE: _____ DATE: _____

TITLE: _____

(Attach additional sheets where needed)

SECTION 3 RESIDENT PREFERENCE CLAIM FORM

Eligibility for Preference

A Section 3 Resident seeking the preference in training and employment provided by this part shall certify, or submit evidence to the recipient, firm, or subcontractor, if requested, that the person is a Section 3 Resident, as defined in Section 135.5.

I _____, am a legal resident of Duval County and qualify as a Section 3 Resident because I am a public housing resident OR I meet the income guidelines as published at the bottom of this form. I have attached the following documentation as evidence of my status: *(Check One):*

☐ Driver's License or State ID with current address

☐ Proof of public housing residency

☐ Copy of Evidence of participation in a public assistance program

☐ Other Evidence

Name: _____ Telephone: _____

Address: _____

Company Name: _____

Project Name or address: _____

FY 2012 - FAMILY INCOME GUIDELINES $67,300 Median Family Income

Family Size	Extremely Low Income (30%)	Very Low Income (50%)	**Moderate Income (80%)**
1	$14,150	$23,600	**$37,300**
2	$16,200	26,950	**$43,100**
3	$118,200	30,300	**$48,500**
4	$20,200	33,650	**$53,850**
5	$21,850	36,350	**$58,200**
6	$23,450	39,050	**$62,500**
7	$225,050	41,750	**$66,800**
8	$26,700	44,450	**$71,100**

_____ _____
Signature Date

_____
Print Name

ATTACHMENT G-8
Sample Economic Opportunities Plan Letter

(Date)

City of Jacksonville
Housing and Community Development Division
Attn: Dayatra Coles
214 North Hogan Street, 8th Floor
Jacksonville, Florida 32202

City of Jacksonville:

Please accept our Contractor **(Section 3 Economic Opportunities Plan)** for the project known as, (Project Name and address). (Name of Contractor) agrees to utilize, and to implement the following specific steps directed at increasing the utilization of lower income residents and businesses within the Section 3 covered project area for this project as specified in these bid documents.

Contractor will demonstrate according to Title 24, part 135.30 compliance with the "greatest extent feasible" requirement of section 3 by meeting the numerical goals set forth in this section for providing training, employment, and contracting opportunities to section 3 residents and section 3 business concerns. The numeric goals are as follows:

a. 30- Percent hiring goals of section 3 residents
b. 25-Percent of the dollar award to qualified Section 3 Business Concerns
c. Combination of a and b

Priority consideration for hiring shall be given where feasible, to:

(i) Section 3 residents residing in the service area or neighborhood in which the sectio 3 covered project is located (collectively, referred to as category 1 residents); and

(ii) Participants in HUD Youthbuild programs (category 2 residents).

(iii) Where the section 3 project is assisted under the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11301 *et seq.*), homeless persons residing in the service area or neighborhood in which the section 3 covered project is located shall be given the highest priority;

(iv) Other section 3 residents.

Contractor to include in this document as referenced in Appendix, Title 24 Part 135 I. Examples of Efforts To Offer Training and Employment Opportunities to Section 3 Residents and II. Examples of Efforts to Award Contracts to Section 3 Business Concerns.

The Contractor will include the Section 3 clause in all requests for subcontractor proposals and Contractor/Subcontractor Agreements and Subcontractor/Subcontractor Agreements.

Contractor will recruit from within the City of Jacksonville lower income residents and Section 3 Business Concerns through: Local advertising media, signs placed at the proposed site for the project, and community organizations and public or private institutions operating within or serving the project area. Contractor will make use of available databases and resources such as the City of Jacksonville and Partnering Agencies, (WorkSource, YouthBuild, EmployFlorida, Florida State City of Jacksonville, Operation New Hope, Community Rehabilitation Center, Clara White Mission and Urban League.

The Contractor will allow the City of Jacksonville to have access to all records, reports, and other documents or items of the contractor and subcontractor that are maintained to demonstrate compliance with the requirements of this project, or that are maintained in accordance with the regulations governing the specific HUD program under which section 3 covered assistance is provided or otherwise made available to the contractor or subcontractor.

_____
COMPANY NAME

_____
PROJECT NAME

_____
PROJECT NUMBER

_____
SIGNATURE OF PERSON COMPLETING FORM

_____
PRINT NAME

_____
DATE

SAMPLE

TABLE A
LIST OF ALL SUBCONTRACTORS AND SHOP FABRICATORS

General Contractor

Date:_____

Name: _____ Project: _____ Section 3 Business Concern: ___Yes ___No

Address:_____ Amount of Prime Contract $_____ Minority Owned: ___Yes ___No

Tax ID#_____ Amount of Section 3 Contract(s)$_____ Woman Owned: ___Yes ___No

Complete the following schedule of subcontractors by providing the name, ethnic, code/WBE, tax ID#, address and phone number of subcontractors you intend to utilize to perform the scopes of work listed below. **General contractors must obtain a Letter of Certification from all identified Section 3 subcontractors and must provide a Letter of Intent for all subcontractors listed.** Attach additional sheets if necessary.

	Type of Company	Subcontractor	Ethnic Code*	Woman Owned Yes/No	Tax ID #	Address/City/State/Zip	Section3 Yes/No	Contact Amount
1.								
2.								
3.								
4.								
5.								
6.								
7.								
8.								
9.								
10.								
11.								

Ethnic Codes: 1= White 2= Black American 3= Native American 4= Hispanic America 5= Asian American 6= Hasidic Jew

TABLE B
ESTIMATED PROJECT WORK FORCE UTILIZATION BREAKDOWN

Job Category	Total Estimated Positions Needed for Project	No. Positions Occupied by Permanent Employees	Number of Positions Not Occupied	Number of Positions to be Filled with Section 3 Resident
Officer/Supervisors				
Professionals				
Engineering Services				
Consultants Services				
Office/Clerical				
Architectural Services				
Other				
Construction Management Services				
Program Management Services				
Apprentices				
Trainees				
Others				
Extended Totals				

Company Name:_____

Project name:_____

Project Number:_____

Signature of Person Completing Form_____

Print Name_____

Date_____

Section 3 Resident Individual residing within the Section 3 area whose family income does not exceed 80% of the median income in the Metropolitan Statistical Area (MSA) or in the county if not within a MSA in which the Section 3 covered project is located.

SECTION 3 CLAUSE

The Recipient shall be subject to the following clause (referred to as the Section 3 clause):

A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The Recipient agrees to send to each professional organization or representative of workers with which the Recipient has a collective bargaining agreement or other understanding, if any, a notice advising the organization or worker's representative of the Recipient's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each, and the name and location of the person(s) taking applications for each of the positions, and the anticipated date the work shall begin.

D. The Recipient agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The Recipient will not subcontract with any subcontractor where the Recipient has notice of knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The Recipient will certify that any vacant employment positions, including training positions, that are filled (1) after the Recipient is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the Recipient's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian Housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (1) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

Appendix to Part 135

I. Examples of Efforts to Offer Training and Employment Opportunities to Section 3 Residents

(1) Entering into "first source" hiring agreements with organizations representing Section 3 residents.

(2) Sponsoring a HUD-certified "Step-Up" employment and training program for Section 3 residents.

(3) Establishing training programs, which are consistent with the requirements of the Department of Labor, for public and Indian housing residents and other Section 3 residents in the building trade.

(4) Advertising the training and employment positions by distributing flyers (which identify positions to be filled, the qualifications required, and where to obtain additional information about the application process) to every occupied dwelling unit in the housing development or developments where category 1 or category 2 persons (as these terms are defined in Sec. 135.34) reside.

(5) Advertising the training and employment positions by posting flyers (which identify positions to be filled, the qualifications required, and where to obtain additional information about the application process) in the common areas or other prominent area of the housing development or developments, For HA's post such advertising in the housing development or developments where category 1 or category 2 persons reside; for all other recipients, post such advertising in the housing development or developments and transitional housing in the neighborhood or service area of the Section 3 covered project.

(6) Contacting resident councils, resident management corporations or other resident organizations, where they exist, in the housing development or developments where category 1 or category 2 persons reside, and community organizations in HUD-assisted neighborhoods, to request the assistance of these organizations in notifying residents of the training and employment positions to be filled.

(7) Sponsoring (scheduling, advertising, financing or providing in-kind services) a job information meeting to be conducted by an HA or contractor representative or representatives at a location in the housing development or developments where category 1 or category 2 persons reside or in the neighborhood or service area of the Section 3 covered project.

(8) Arranging assistance in conducting job interviews and completing job applications for residents of housing development or developments where category 1 or category 2 persons reside and in the neighborhood or service area in which a Section 3 project is located.

(9) Arranging for a location in the housing development or developments where category 1 persons reside, or the neighborhood or service area of the project, where job applications may be delivered to and collected by a recipient or contractor representative or representatives.

(10) Conducting job interviews at the housing development or developments where category 1 or category 2 persons reside, or at a location within the neighborhood o service area of the Section 3 covered project.

(11) Contacting agencies administering HUD Youthbuild programs, and requesting their assistance in recruiting HUD Youthbuild program participants for the HA's or contractor's training and employment positions.

(12) Consulting with State and local agencies administering training programs funded through JTPA or JOBS, probation and parole agencies, unemployment compensation programs, community organizations and other officials or organizations to assist with recruiting Section 3 residents for the HA's or contractor's training and employment positions.

(13) Advertising the jobs to be filled though local media, such as community television networks, newspapers of general circulation, and radio advertising.

(14) Employing a job coordinator, or contracting with a business concern that is licensed in the field of job placement (preferably one of the Section 3 business concerns identified in part 135), that will undertake, on behalf of the HA, other recipient or contractor, the efforts to match eligible and qualified

Section 3 residents with the training and employment positions that the HA or contractor intends to fill.

(15) For an HA, employing Section 3 residents directly on either a permanent or a temporary basis to perform work generated by Section 3 assistance. (This type of employment is referred to as "force account labor" in HUD's Indian housing regulations. See 24 CFR 905.102, and Sec. 905.201(a)(6).)

(16) Where there are more qualified Section 3 residents than there are positions to be filled, maintaining a file of eligible qualified Section 3 residents for future employment positions.

(17) Undertaking job counseling, education and related programs in association with local educational institutions.

(18) Undertaking such continued job training efforts as may be necessary to ensure the continued employment of Section 3 residents previously hired for employment opportunities.

(19) After selection of proposers but prior to execution of contracts, incorporating into the contract a negotiated provision for a specific number of public housing or other Section 3 residents to be trained or employed on the Section 3 covered assistance.

(20) Coordinating plans and implementation of economic development (e.g., job training and preparation, business development assistance for residents) with the planning for housing and community development.

II. Examples of Efforts to Award Contracts to Section 3 Business Concerns

(1) Utilizing procurement procedures for Section 3 business concerns similar to those provided in 24 CFR part 905 for business concerns owned by Native Americans (see Section III of this Appendix).

(2) In determining the responsibility of potential contractors, consider their record of Section 3 compliance as evidenced by past action and their current plans for the pending contract.

(3) Contacting business assistance agencies, minority contractors associations and community organizations to inform them of contracting opportunities and requesting their assistance in identifying Section 3 businesses which may solicit bids or proposals for contracts for work in connection with Section 3 covered assistance.

(4) Advertising contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information, in the common areas or other prominent areas of the housing development or developments owned and managed by the HA.

(5) For HA's, contacting resident councils, resident management corporations, or other resident organizations, where they exist, and requesting their assistance in identifying category 1 and category 2 business concerns.

(6) Providing written notice to all known Section 3 business concerns of the contracting opportunities. This notice should be in sufficient time to allow the Section 3 business concerns to respond to the bid invitations or request for proposals.

(7) Following up with Section 3 business concerns that have expressed interest in the contracting opportunities by contacting them to provide additional information on the contracting opportunities.

(8) Coordinating pre-bid meetings at which Section 3 business concerns could be informed of upcoming contracting and subcontracting opportunities.

(9) Carrying out workshops on contracting procedures and specific contract opportunities in a timely manner so that Section 3 business concerns can take advantage of upcoming contracting opportunities, with such information being made available in languages other than English where appropriate.

(10) Advising Section 3 business concerns as to where they may seek assistance to overcome limitations such as inability to obtain bonding, lines of credit, financing, or insurance.

(11) Arranging solicitations, times for the presentation of bids, quantities, specifications, and delivery schedules in ways to facilitate the participation of Section 3 business concerns.

(12) Where appropriate, breaking out contract work items into economically feasible units to facilitate participation by Section 3 business concerns.

(13) Contacting agencies administering HUD Youthbuild programs, and notifying these agencies of the contracting opportunities.

(14) Advertising the contracting opportunities through trade association papers and newsletters, and through the local media, such as community television networks, newspapers of general circulation, and radio advertising.

(15) Developing a list of eligible Section 3 business concerns.

(16) For HA's, participating in the "Contracting with Resident-Owned Businesses" program provided under 23 CFR part 963.

(17) Establishing or sponsoring programs designed to assist resident of public or Indian housing in the creation and development of resident-owned businesses.

(18) Establishing numerical goals (number of awards and dollar amount of contracts) for award of contracts to Section 3 business concerns.

(19)Supporting businesses which provide economic opportunities to low income persons by linking them to the support services available through the Small Business Administration (SBA), the Department of Commerce and comparable agencies at the State and local levels.

(20) Encouraging financial institutions, in carrying out their responsibilities under the Community Reinvestment Act, to provide no or low interest loans for providing working capital and other financial business needs.

(21) Actively supporting joint ventures with Section 3 business concerns.

(22) Actively supporting the development or maintenance of business incubators which assist Section 3 business concerns.

SCHEDULE LIMITS

Workers Compensation Florida Statutory Coverage

- *Employer's Liability* $100,000 Each Accident (including appropriate Federal Acts)
- $500,000 Disease Policy Limit
- $100,000 Each Employee/Disease

Commercial General Liability (including premises operations and blanket contractual liability)

- $2,000,000 General Aggregate,
- $2,000,000 Products/Comp.Ops Agg.
- $1,000,000 Personal/Advertising Injury
- $1,000,000 Each Occurrence
- $ 50,000 Fire Damage
- $ 5,000 Medical Expenses

Automobile Liability

- $1,000,000 Combined Single Limit

Pollution Liability

- $1,000,000 per occurrence
- $2,000,000 aggregate

Professional Liability

- $1,000,000

_____ and the City of Jacksonville shall be named as an additional insured under all of the above Commercial General Liability coverage. Depending upon the nature of any aspect of the Project(s) and its accompanying exposures and liabilities, The City of Jacksonville and/or the Developer may, at its sole option, require an additional insurance coverage in amounts responsive to those liabilities which may or may not require that COJ and other authorized representatives also be named as an additional insured. The successful Bidder will also have responsibility for the purchase of adequate Builder's Risk Insurance for the duration of the construction of the Project(s) in an amount equal to the amount of the Construction Contract for the Project(s).

ATTACHMENT G-15
Section 3 Contractors Monthly Report Form

NEIGHBORHOODS DEPARTMENT-HOUSING AND COMMUNITY DEVELOPMENT DIVISION
SECTION 3 CONTRACTOR'S MONTHLY REPORT

Section 3 Contractor's Monthly Reporting is required and must be completed and submitted with all monthly pay requests and final payments.

Prime Contractor Name:_____ Request # _____
Project Name:_____ Report Period:_____
Total Prime Contract: _____ Date Submitted:_____
Total All Subcontracts:_____ _____Total Section 3 Subcontracts:_____

Section 3 Percentage (%) Goals Accomplished – Total Section 3 Contracts/Total Prime Contract_____

SECTION 3 EMPLOYMENT AND HIRING MONITORING: Please identify all subcontractors for this project below for purposes of monitoring Section 3 Business Concerns and Businesses who have proposed employment or training of Section 3 residents.

Subcontractor/Contractor Company Name	Section 3/ Yes or No	Trade	Subcontractor/Contractor Amount	Amount Requested	Balance Remaining	Total New Hires	Total Section 3 New Hires
General Contractor Name	Y or N	GC					
Subcontractor Name	Y or N	Hauler					
Extended Totals							

***Please attach an additional sheet if required.**

ATTACHMENT G-16
Letter of Intent

LETTER OF INTENT

TO PERFORM AS A SUBCONTRACTOR OR SUPPLIER

_____
(Name of Minority Subcontractor or a Supplier)

NAME OF PROJECT: _____ BID NO.: _____

MINORITY GROUP STATUS:

_____ African-American
_____ Woman Business Owner
_____ Section 3
_____ Hispanic, Asian or Native American
_____ JSEB

I, the undersigned, understand that the price below is representative of my intent to perform the scope of work stated below. I further understand that this price is subject to increase or decrease due to the City of Jacksonville Construction requirements. All work must meet the Architect's Specifications.
Scope of Work*

_____

_____

_____

Total Contract Price: $_____

Signature: _____ Title: _____ Date: _____

Scope of Work and Price are covered under Base Bid only. Where alternate bid items are involved an attachment will be necessary.

Total price must be filled in on this form in order for participation to be considered valid. This form must be used for Letter of Intent.

ATTACHMENT G-17
Conflict of Interest Certificate Form

Bid No. _____

CONFLICT OF INTEREST CERTIFICATE

Bidder must execute either Section I or Section II hereunder relative to Florida Statute 112.313(12). Failure to execute either Section may result in rejection of this bid proposal.

SECTION I

I hereby certify that no official or employee of the City or independent agency, requiring the goods or services described in these specifications has a material financial interest in this company.

_____ SIGNATURE

_____ COMPANY NAME

_____ NAME OF OFFICIAL (Type or Print)

_____ BUSINESS ADDRESS

_____ CITY, STATE, ZIP CODE

SECTION II

I hereby certify that the following named City official(s) and employee(s) having material financial interest(s) in excess of 5% in this company have filed Conflict of Interest Statements with the Supervisor of Elections, 105 East Monroe Street, Jacksonville, Duval County, Florida prior to bid opening.

Name	Title or Position	Date of Filing

PUBLIC OFFICIAL DISCLOSURE

The Owner requires that a public official who has a financial interest in a bid or contract make a disclosure at the time that the bid or contract is submitted or at the time that the public official acquires a financial interest in the bid or contract. Please provide disclosure, if applicable, with bid.

Public Official_____

Position Held_____

Position or Relationship with Bidder_____

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EQUAL EMPLOYMENT OPPORTUNITY
EXECUTIVE ORDER 11246, SECTION 202

A. Contractor will adhere to Executive Order 11246. During the performance of this contract, the Contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin. Such action will include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment, or recruitment advertising; layoff or termination, rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will in all solicitations or advertisements for employees placed by or on behalf of the contractor; state that all qualified applicants will receive consideration without regard to race, color, religion, sex, or national origin.

(3) The contractor will send to each labor union or representative or workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided by the Contract Compliance Officer advising the labor union or said workers representatives of the contractor's commitment under this section, and will post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant order of the Secretary of Labor.

(5) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the Department and the Secretary of labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24,

1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontractor or purchase order as the administering agency may direct as a .means of · enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event a contractor becomes involved in, or is threatened with litigation with a subcontractor or vendor as a result of such direction by the administering agency the contractor may request the United State to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that is, the applicant so participating is a state or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations and relevant orders of the Secretary of labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist such compliance, and that it will also assist the administering agency in the discharge of the agency's primary responsibility for securing compliance. The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency of the Secretary of Labor pursuant to Part II, Subpart D of the Executive order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION TO ENSURE EQUAL EMPLOYMENT OPPORTUNITY. EXECUTIVE ORDER 11246

A. The offertory's or Bidder's attention is called to the "Equal Opportunity Clause" and the "standard Federal Equal Employment. Opportunity Construction Contract Specification set forth herein.

B. The goals and timetables for minority and female participation, expressed in percentage terms for the contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

Goals for minority participation	Goals for female participation
21.8%	6.9%

These goals are applicable to all the contractor's construction work (whether or not it is Federal or Federally assisted) performed in the covered area. If the contractor performs

construction work in the geographic area located outside of the covered area, it will apply to the goals established from such geographic area where the work is actually performed. With regard to this second area, the contractor also is subject to the goals for both its Federally involved and non- Federally involved construction. The contractor's compliance with the Executive Order and the regulation in 41 CFR Part 60-4 will be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60-4.3(a), and its efforts to meet the goals established for the geographical area where the contract resulting from this solicitation is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the contactor will make a good faith effort to employ minorities and women evenly on each of its project. The transfer of minority or female employees or trainees from contractor to contractor or from project to project for the sole purpose of meeting the contractor's goals will be a violation of the contact, the Executive Order, and the regulations in 41 CFR Part 60-4. Compliance with the goals will be measured against the total work hours performed.

C. The contractor will provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of $10,000 at any tier of construction work under the contract resulting from this solicitation. The notification will list the name, address, and telephone number of the subcontractor, employer Identification number; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the contract is to be performed.

D. As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is the City of Jacksonville, Duval County, Florida.

STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY

CONSTRUCTION CONTRACT SPECIFICATION

EXECUTIVE ORDER 11246

A. As used in the specifications:

(1) "Covered area" means the geographical area described in the solicitation from which this contract resulted;

(2) Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;

(3) "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U. S. Treasury Department Form 941.

(4) "Minority" includes:

(a) Black (all persons having origins in any of the Black African racialgroups not of Hispanic origin);

(b) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish culture or origin, regardless of race);

(c) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands) and;

(d) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliation through membership and participation or community identification)

B. Whenever the contractor, or any subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically Include in each subcontract in excess of $10,000, the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

C. If the contractor is participating (pursuant to 41 CFR 60-4.5) in a Hometown Plan approved by the U. S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating In the plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each contractor or subcontractor participating in an approved plan is individually required to comply with its obligations under the EEO Clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other contractors or subcontractors

toward a goal in an approved plan does not excuse any covered contractor's or subcontractor's failure to make good faith efforts to achieve the plan goals and timetable.

D. The contractor will implement the specific affirmative action standards provided in paragraphs G (1) through (16) of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the contractor should reasonably be able to achieve in each construction trade in which it has employees in the Covered area. Cover construction contractors performing contracts in geographical areas where they do not have a Federal or Federally assisted construction contract will apply the minority and female goals established for the geographic area where the contract is being performed. Goals are published periodically in the Federal Register in notice form and such notices may be obtained from any Office of Federal Contract Compliance Program Office or from Federal procurement contracting officers. The contractor is expected to make substantially uniform progress in meeting its goals in each craft during the period specified.

E. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the contractor's obligations under these specifications of Executive Order 11246, or the regulations promulgated pursuant thereto.

F. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the contractor during the training period, and the contractor must have made a commitment to employ· the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U S. Department of Labor.

G. The contractor will take specific affirmative action to ensure equal employment opportunity. The evaluation of the contractor's compliance with these specifications will be based upon its effort to achieve maximum results from its actions. The contractor will document these efforts fully, and will implement affirmative action steps at least as extensive as the following:

(1) Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the contractor's employees are assigned to work. The contractor, where possible, will assign two or more women to each construction project. The contractor will specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

(2) Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the contractor or its unions have employment opportunities available, and maintain a record of the organizations responses.

(3) Maintain a current file of the names, address, and telephone numbers of each minority and female off-street-street applicant and minority or female referral from a union, a recruitment source, or community organization and of the action that was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the contractor by the union or, if referred, not employed by the contractor, this shall be documented in the file with the reason therefore, along with whatever additional actions the contractor may have taken.

(4) Provide immediate written notification to the Director when the union or unions with which the contractor has a collective bargaining agreement has not referred to the contractor, or when The contractor has other information that the union referral process has impeded the contractor's efforts to meet its obligations.

(5) Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the contractor's employment needs, especially those programs funded or approved by the Department of Labor. The contractor shall provide notice of these programs to the sources complied under 7b above.

(6) Disseminate the contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the contractor in meeting its EEO obligation; by including it in a policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

(7) Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees that have any responsibility for hiring, assignment, layoff, termination, or other employment decisions including specific review of these items with onsite supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record will be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

(8) Disseminate the contractor's EEO Policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the contractor's EEO policy with other contractors and subcontractors with whom the contractor does or anticipates doing business.

(9) Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the contractor's recruitment and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or

other training by any recruitment source, the contractor will send written notification to organizations such as the above, describing the openings, screening procedures, and written test to be used in the selection process.

(10) Encourage present minority and female employees to recruit other minority persons and women and where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a contractor's work force.

(11) Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

(12) Conduct at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

(13) Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activities to ensure that the EEO policy and the contractor's obligations under these specifications are being carried out.

(14) Ensure that all facilities and company activities are nonsegregated; except that separate or single-user toilet and necessary changing facilities will be provided to assure privacy between the sexes.

(15) Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

(16) Conduct a review, at least annually, of all supervisors' adherence to the performance under job contractor's EEO policies and affirmative action obligation.

H. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). The efforts of a contractor association, joint contractor-union contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures thatthe concrete benefits of the program are reflected in the contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the contractor. The obligation will not be a defense for the contractor's noncompliance.

I. A single goal for minorities and a separate single goal for women have been established. The contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women,

both minority, and non-minority. Consequently, the contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the contractor has achieved its goals for women generally, the contractor may be in violation of the Executive Order if a specific Minority group of women is underutilized).

J. The contractor will not use the goals and timetable or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.

K. The contractor will not enter into any subcontract with any person or firm debarred from Government contracts pursuant to Executive Order. 11246.

L. The contractor will carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Officer of Federal Contract Compliance Programs. A contractor who fails to carry out such sanctions and penalties will be in violation of these specifications and Executive Order 11246, as amended.

M. The contractor, in fulfilling its obligations under these specifications, will implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts, to ensure equal employment opportunity. If the contractor fails to comply with the requirements of the Executive Order, the implementing regulations, or these specifications, the Director will proceed in accordance with 41 CFR 60-4.8.

N. The contractor will designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provision hereof as may be required by the Government and to keep records. Records shall at least Include for each employee, the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number where assigned, social security number, race, sex, status (e.g., mechanic, apprentice trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and location at which the work was performed. Records will be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors will not be required to maintain separate records.

O. Nothing herein provided will be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

CIVIL RIGHTS ACT OF 1964

TITLE VI

Under Title VI of the Civil Rights Act of 1964, no person will, on the grounds of race, color or national origin, exclude from participation in, be denied the benefits or, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1974 SECTION 109

No person in the United States will on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in Part with- funds made available under this title.

CIVIL RIGHTS ACT OF 1968 FAIR HOUSING TITLE III

The contractor will comply with Title VIII of the Civil Rights Act of 1968 (the Fair .Housing Act) which. requires that no person will discriminate in the sale or rental of housing, in the financing of housing or in the provision of brokerage services, by in any way making unavailable or denying a dwelling to any person because of race, color, religion, sex, or national origin.

NONDISCRIMINATION AND EQUAL OPPORTUNITY IN HOUSING EXECUTIVE ORDER 11063

The contractor will adhere to Executive Order 11063 which requires that all action necessary and appropriate be taken to prevent discrimination because of race, color, religion, sex, or national origin in the sale, rental, leasing . or other disposition of residential property or facilities or in the use or occupancy thereof, where such property or facilities are owned or operated by the· Federal Government or provided with Federal assistance by the Department of Housing and Urban Development. This requirement also applies to lending practices with respect to residential property and related facilities of lending institutions insofar as such practices relate to loans insured, guaranteed or purchased by the Department. Benefits under program and activities of the Department of Housing and Urban Development which provide financial assistance, directly or indirectly, for the provision, rehabilitation, or operation of housing and related facilities are to be made available without discrimination based on race, color, religion, sex, or national origin.

SECTION 504 REHABILITATION ACT OF1973 AFFIRMATIVE ACTION FOR HANDICAPPED WORKERS

A. The contractor will not discriminate against any employee or applicant for Employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: Employment upgrading, demotion or transfer, recruitment, advertising, layoff compensation, and selection for training, including apprenticeship.

B. The contractor agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the act.

C. This clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of secretary of Labor issued pursuant to the Act.

D. The contractor agrees to post, in conspicuous places, available to employees, applications for employment notices in a form to be prescribed by the Director, provided by or through contracting office. Such notices will state the contractor's obligation under the law to take affirmative action to employ and advance. In employment qualified handicapped employees and applicants for employment, and the

rights of applicants and employed.

E. The contractor will notify each labor union or representative or workers with which it has a collective bargaining agreement or other contract understanding, that the contractor is bound by the terms of section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

F. The contractor will include the provisions of this clause in every subcontract or purchase order of $2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Director of the office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

BONDING AND INSURANCE

OMB CIRCULAR A-102, ATTACHMENT B

A. This attachment sets forth bonding and insurance requirements for grants. No other bonding and insurance requirements will be imposed other than those normally required by the grantee

B. Except as otherwise required by law, a grant that requires the contracting (or subcontracting) for construction or facility improvements relating to bid guarantees, performance bonds, and payment bonds unless the construction contract or subcontract exceeds, $100,000, the Federal agency may accept the bonding policy and requirements of the grantee provided the Federal agency has made a determination that the Governments' interest is adequately protected. If such a determination has not been made, the minimum requirements shall be as follows:

(1) A bid guarantee from bidder equivalent to five percent of the bid price. The "bid guarantee" will consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of his bid, execute such contractual documents as may be required within the time specified.

(2) A performance bond on the part of the contractor for 100 percent of the contract price. A " performance bond" is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(3) A payment bond on the part of the contractor for 100 percent of the contract price. A "payment bond" is one executed in connection with a contract to assure payment as required by all of all persons supplying labor and material in the execution of the work provided for in the contract.

C. Where the Federal Government guarantees or insures the repayment of money borrowed by the grantee, the Federal agency, at its discretion, may require adequate bonding and insurance if the bonding and insurance requirements of the grantee are not deemed adequate to protect the interest of the Federal Government.

D. Where Bonds are required in the situation described above, the bonds will be obtained from companies holding certificates of authority as acceptable sureties (31 CFR 223).

OTHER PROVISIONS

The contractor will comply with all applicable standards, orders, or requirements issued under Section 306 of the Clean Air Act (42 USC 1857 (h), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR), which prohibit the use under non- exempt Federal contracts, grants or loans of facilities included on the EPR List of Violating Facilities. The local contracting authority will report all violations of this provision to the grantor agency and to the U. S. EPA Assistant Administrator for Enforcement.

ARCHITECTURAL BARRIERS ACT OF 1968

The contractor will certify, on a form provided by the local authority, pursuant to the requirements of the Architectural Barriers Act of 1968, 42 USC 4151, and the regulations issued subsequent thereto, that the design of the project Is in conformance with the minimum standards contained in the American Standard Specification for making building and facilities accessible to and usable by the physically handicapped, number A117.1R-1971(as modified by 41 CFR 101-19.603).

RETENTION OF RECORDS

The contractor will maintain books, documents, papers financial records, payrolls, supporting documentation, correspondence, and all other records pertinent to the implementation of this project for a period of three (3) years after final payments and all other pending matters are closed.

ACCESS TO RECORDS

The local authority, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives, will have access to all books, accounts, records, reports, files, and other papers maintained by the contractor and pertaining to this project for the purpose of making audits, examinations, excerpts, and transcripts.

CONFLICT OF INTEREST

A. INTEREST OF CERTAIN FEDERAL OFFICIALS. No member of or delegate of the Congress of the United State, and no Resident Commissioner, will be permitted to any share of part of this agreement or to any benefit to arise from the same.

B. BONUS COMMISSION OR FEE. The contractor will not pay any bonus, commission, or fee for the purpose of obtaining the Government's approval or concurrence required by the Government or its designee to complete the project.

C. INTEREST OF PUBLIC BODY PERSONNEL. No member of the governing body of the Public Body who exercises any functions or responsibilities in connection with the contract and no other officer or employee of the Public Body who exercises such functions or responsibilities, will have any interest, direct or indirect, in this contract, or in any contract entered into by the contractor for the performance of work financed in whole or in part with the proceeds of this contract.

INTEREST OF OTHER LOCAL-PUBLIC OFFICIALS. No member of the governing body of the locality in which the project Is situated, and no other public official of the locality who exercises any functions or responsibilities in connection with the contract will have any interest, direct or indirect, in this contract, or in any contract entered Into by the contractor for the performance of work financed in whole or in part With the proceeds of this contract.

FLOOD DISASTER PROTECTION ACT OF 1973

REQUIREMENT TO PURCHASE FLOOD INSURANCE

A. No federal financial assistance will be made available for acquisition or construction purposes for use in any area that has been identified by the Secretary· as an area having special flood hazards and in which the sale of flood insurance has been made available under the National flood Insurance Act of 1968, unless the building or mobile home and any personal property to which such financial assistance relates is, during the anticipated economic or useful life of the project, covered by flood insurance In an amount at least equal to its development or project cost (less estimated land cost) or to the maximum limit of coverage made available with respect to the particular type of property under the National Flood Insurance Act of 1968, whichever is less. If the financial assistance provided is in the form of a loan or an insurance or guaranty or a loan, the amount of f lood insurance required need not exceed the outstanding principal balance of the loan and need not be required beyond the term of the loan.

LEAD BASE PAINT HAZARD ACT

A. The contractor agrees that no Lead based paints or substances containing lead will be used in any part of this project. Treatment necessary to eliminate immediate hazards will, at a minimum, consists of the following:

(1) All surface conditions identified as immediate hazards will be thoroughly cleaned (washed, sanded, scraped, wire brushed or otherwise cleaned) so as to remove all cracking, scaling, peeling, chipping and loose paint on applicable surfaces. Such surfaces that have been so treated will then be repainted with two coats of a suitable non-leaded paint.

(2) Where the paint film integrity of the applicable surface cannot be maintained, the paint will be completely removed or the surface covered with a suitable material such as gypsum wallboard, plywood or plaster, before any repainting is done.

Applicability
The Project or Program to which the construction work covered by this contract pertains is being assisted by the United States of America and the following Federal Labor Standards Provisions are included in this Contract pursuant to the provisions applicable to such Federal assistance.

A. 1. (i) Minimum Wages. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR Part 3), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under Section l(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of 29 CFR 5.5(a)(1)(iv); also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs, which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under 29 CFR 5.5(a)(1)(ii) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible, place where it can be easily seen by the workers. **(ii) (a)** Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate and fringe benefits therefor only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.
(b) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and HUD or its designee agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by HUD or its designee to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, D.C. 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is

necessary. (Approved by the Office of Management and Budget under OMB control number 1215-0140.)

(c) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and HUD or its designee do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), HUD or its designee shall refer the questions, including the views of all interested parties and the recommendation of HUD or its designee, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise HUD or its designee or will notify HUD or its designee within the 30-day period that additional time is necessary. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

(d) The wage rate (including fringe benefits where appropriate) determined pursuant to subparagraphs (1)(ii)(b) or (c) of this paragraph, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof. **(iv)** If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program. (Approved by the Office of Management and Budget under OMB Control Number 1215-0140.)

2. Withholding. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other Federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract In the event of failure to pay any laborer or mechanic, including any apprentice, trainee or helper, employed or working on the site of the work, all or part of the wages required by the contract, HUD or its designee may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased. HUD or its designee may, after written notice to the contractor, disburse such amounts withheld for and on account of the contractor or subcontractor to the respective employees to whom they are due. The Comptroller General shall make such disbursements in the case of direct Davis-Bacon Act contracts.

3. (i) Payrolls and basic records. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in Section l(b)(2)(B) of the Davis-bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5 (a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably

anticipated in providing benefits under a plan or program described in Section I(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (Approved by the Office of Management and Budget under OMB Control Numbers 1215-0140 and 1215-0017.) **(ii) (a)** The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i) except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at *http://www.dol.gov/esa/whd/forms/wh347instr.htm* or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to HUD or its designee if the agency is a party to the contract, but if the agency is not such a party, the contractor will submit the payrolls to the applicant sponsor, or owner, as the case may be, for transmission to HUD or its designee, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this subparagraph for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to HUD or its designee. (Approved by the Office of Management and Budget under OMB Control Number 1215-0149.)

(b) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under 29 CFR 5.5 (a)(3)(ii), the appropriate information is being maintained under 29 CFR 5.5(a)(3)(i), and that such information is correct and complete; **(2)** That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in 29 CFR Part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(c) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by subparagraph A.3.(ii)(b).

(d) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under Section 1001 of Title 18 and Section 231 of Title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under subparagraph A.3.(i) available for inspection, copying, or transcription by authorized representatives of HUD or its

designee or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, HUD or its designee may, after written notice to the contractor, sponsor, applicant or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

4. Apprentices and Trainees.

(i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant ',to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated

with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.
(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under 29 CFR Part 5 shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR Part 30.

5. Compliance with Copeland Act requirements. The contractor shall comply with the requirements of 29 CFR Part 3 which are incorporated by reference in this contract

6. Subcontracts. The contractor or subcontractor will insert in any subcontracts the clauses contained in subparagraphs 1 through 11 in this paragraph A and such other clauses as HUD or its designee may by appropriate instructions require, and a copy of the applicable prevailing wage decision, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in this paragraph.

7. Contract termination; debarment. A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

8. Compliance with Davis-Bacon and Related Act Requirements. All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR Parts 1, 3, and 5 are herein incorporated by reference in this contract

9. Disputes concerning labor standards. Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR Parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and HUD or its designee, the U.S. Department of Labor, or the employees or their representatives.

10. (i) Certification of Eligibility. By entering into this contract the contractor certifies that neither it (nor he or
she) nor any person or firm who has an interest in the
contractor's firm is a person or firm ineligible to be
awarded Government contracts by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.
(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of Section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1) or to be awarded HUD contracts or participate in HUD programs pursuant to 24 CFR Part 24.
(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001. Additionally, U.S. Criminal Code, Section 1 01 0, Title 18, U.S.C., "Federal Housing Administration transactions", provides in part: "Whoever, for the purpose of . . . influencing in any way the action of such Administration... makes, utters or publishes any statement knowing

the same to be false.....shall be fined not more than $5,000 or imprisoned not more than two years, or both."

11. Complaints, Proceedings, or Testimony by Employees. No laborer or mechanic to whom the wage, salary, or other labor standards provisions of this Contract are applicable shall be discharged or in any other manner discriminated against by the Contractor or any subcontractor because such employee has filed any complaint or instituted or caused to be instituted any proceeding or has testified or is about to testify in any proceeding under or relating to the labor standards applicable under this Contract to his employer.

B. Contract Work Hours and Safety Standards Act. The provisions of this paragraph B are applicable where the amount of the prime contract exceeds $100,000. As used in this paragraph, the terms "laborers" and "mechanics" include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which the individual is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in subparagraph (1) of this paragraph, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in subparagraph (1) of this paragraph, in the sum of $10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by the clause set forth in sub paragraph (1) of this paragraph.

(3) Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contract or any other Federally-assisted contract subject to the Contract Work Hours and Safety Standards Act which is held by the same prime contractor such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in subparagraph (2) of this paragraph.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in subparagraph (1) through (4) of this paragraph and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in subparagraphs (1) through (4) of this paragraph.

C. Health and Safety. The provisions of this paragraph C are applicable where the amount of the prime contract exceeds $100,000.

(1) No laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous to his health and safety as determined under construction safety and health standards promulgated by the Secretary of Labor by regulation.

(2) The Contractor shall comply with all regulations issued by the Secretary of Labor pursuant to Title 29 Part 1926 and failure to comply may result in imposition of sanctions pursuant to the

Contract Work Hours and Safety Standards Act, (Public Law 91-54, 83 Stat 96). 40 USC 3701 et seq.(3) The contractor shall include the provisions of this paragraph in every subcontract so that such provisions will be binding on each subcontractor. The contractor shall take such action with respect to any subcontractor as the Secretary of Housing and Urban Development or the Secretary of Labor shall direct as a means of enforcing such provisions.

ATTACHMENT G-20
Owner/Contractor Rehabilitation Agreement Form

OWNER / CONTRACTOR REHABILITATION AGREEMENT

THIS ATREEMENT dated this the ___ day of _____, 20__, is between _____ ("Contractor") located at _____ and _____ ("Owner"), for the construction of property improvements at _____Jacksonville, Florida 322__.

WHEREAS, the Contractor is in the business of residential construction and is willing to provide such services to the Owner; and

WHEREAS, the Owner desires to use those services.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties hereto agree as follows:

1. **SCOPE OF WORK.** Contractor acknowledges that he/she has prepared the Contractor's Proposal (attached to and made a part of this agreement) and that such proposal is accurate and consistent as to the name of Contractor, scope of work that the Contractor will undertake, and price. Contractor acknowledges the performance requirement established in the write-up and warrants that all work undertaken will conform to said specifications.

2. **PROJECT DESCRIPTION.** Contractor agrees to furnish all labor, materials, equipment, permits, licenses and services for the proper completion of the Project in accordance with the attached work write-up and specifications. Contractor guarantees that materials supplied will be as specified in the attached specifications and all work performed will be completed in a workmanlike manner according to standard trade practices. The contractor will post at the job site all permits required to renovate the project.

4. **HOLD HARMLESS.** Contractor shall agree to defend, indemnify, and hold harmless the Owner the CITY OF JACKSONVILLE and THE NEIGHHBORHODS DEPARTMENT, HOUSING AND COMMUNITY DEVELOPMENT DIVISION from liability and claim for damages because of bodily injury, death, property damage, sickness, disease or loss and expense arising from Contractor's performance under this agreement to install or construct home improvements to be paid for out of the proceeds of the Owner's rehabilitation loan. Contractor is acting in the capacity of an independent Contractor with respect to the Owner.

4. **LIEN WAIVERS.** Contractor agrees to protect, defend and indemnify Owner from any claims for unpaid work, labor, or materials with respect to Contractor's performance. Final payment shall not be due until the contractor has delivered to the Owner complete release of all liens for work completed arising out of contractor's performance or a receipt in full covering all labor and materials for which a lien could be filed or receipt of a bond satisfactory to the Owner indemnifying him against any lien.

5. **CONTRACT AMOUNT.** The Contractor shall be paid for the performance of the rehabilitation work, subject to additions and deductions by approved Change Order, the contract sum of _____ ($____), with an additional $_____ allocated for a contingency. The total amount of the contract plus contingency is _____ ($____).

6. **PAYMENT SCHEDULE.** Payment will be made as follows subject to the Owner's acceptance of work completed:

(a) Contractor shall submit a Contractors Payment Request form signed by the Owner. Upon completion of 100% of the work, all funds will be disbursed.

Draw #	% of Project Completed	Amount Disbursed per Draw*	Cumulative Total Disbursed per Draw	Date Funds are to be Expended
1				
2				
3				
4				
	Contingency			

(b) Prior to issuing any payment, all work in place will be verified and approved as completed in accordance with all codes and program standards by the City. A partial and/or full release of lien must be submitted with each draw request.

7. **CONDITIONS OF PAYMENT.** The contractor acknowledges and agrees that the City will not be obligated to make disbursements unless and until the following conditions are satisfied:

(a) There is no default under this Contract, the Loan Agreement, the notes, or the Mortgages (as defined in the Construction Loan Agreement).

(b) The City, or its designated agent, has received a completed request for disbursement in the form to be approved by the City. Such request may, at the City's option, be required to be accompanied by any one or all the following:

(1) Proof of paid and unpaid construction bills for materialmen and subcontractors which show full payment (except for holdbacks) of such bills then due and payable, except those covered under the current draw request.

(2) Lien waivers for all work and materials as required by the title insurance company for the issuance of endorsements, except those covered by the current request.

(3) Any inspection reports, architectural certificates with respect to the stage of completion of the Project, and such other proof as the City may reasonably require to establish that construction progress has been made in compliance with the plans and specifications.

(4) The current status of accounts of Contractor and its subcontractors, materialmen, and laborers furnishing labor, materials, or services in the construction of the Project.

(5) Advice from the City or its agent that all construction work already performed on the Project is in full compliance with the plans and specifications.

(6) Advice from the title insurance company that a search of the public records discloses no change in the condition of the title to the Property which is unacceptable to the City.

c) The City will not be obligated to make the last disbursement unless and until it has received the following documentation:

(1) Approval by local governmental authorities having jurisdiction of the Property or the Project that the Project has been completed in accordance with all applicable laws, rules, ordinances, and regulations. All permits must be final by the Building Inspection Division.

(2) Advice from the City, the lending institution or its agent that the Project has been completed in accordance with the plans and specifications.

(3) Final lien waivers, owner's and contractor's affidavits required under the Florida Construction Lien Law.

(4) A complete release of all liens arising out of the Contract or receipts in full covering all labor, materials, and equipment for which a lien could be filed, or a bond satisfactorily to the City indemnifying the City against any lien arising under the Florida Construction Lien Law in connection with the Project.

(5) If applicable, a satisfactory Wood Destroying Organism (WDO) Report from a licensed pest control agency.

8. **TIME OF PERFORMANCE.** Owner shall provide written authorization to contractor to commence work. Contractor agrees to start work within ____ calendar days after receipt of a written Notice to Proceed. If Contractor fails to commence work within twenty (20) days of the date of the Owner's notification to commence, Owner shall have the right to terminate this Agreement. Such notice of termination shall be in writing.

Contractor agrees to satisfactorily complete all work on or before _____, 20__, (not to exceed 120 days from the date work commences). If completion is delayed for reasons beyond Contractor's control, Contractor shall provide timely notice to the Owner of the reasons for such delay. If such good cause is claimed by the Contractor, it shall be Contractor's obligation to substantiate his claim by adequate documentation.

If Contractor fails to satisfactorily complete the work by the Completion Date (as extended, if applicable), Contractor shall pay to the Neighborhoods Department - Housing and Community Development Division as agreed upon, liquidated damages the sum of Fifteen 00/100 dollars ($15.00) per day from and after the Completion Date until the work is completed.

In the event Contractor shall fail to complete work within the agreed upon period and fails to provide evidence of good cause for such delay, or abandons the Project, Owner shall have the right to declare Contractor in default. In such event, Owner shall be responsible for providing written notice to Contractor by registered mail of such default. If contractor fails to remedy such default within 15 calendar days of such notice, Owner shall have the right to select a substitute Contractor. If the expense of finishing the work exceeds the unpaid balance of this Contract, the Contractor shall pay the difference to the Housing Services Division.

9. **SUBCONTRACTORS.** Contractor agrees that all subcontractors will be bound by the terms and conditions of this contract insofar as it applies to their work and that all the warranties contained herein shall apply to all work performed under the Contract, including that performed by Subcontractors. Contractor will furnish in writing to the City a list of all subcontractors proposed for the principal portions of the Project. Contractor will not employ any subcontractor to whom the City may have a reasonable objection, nor will Contractor assign this Contract to any other contractor without the written consent of the City.

10. **RESPONSIBILITIES OF CONTRACTOR AND SUBCONTRACTORS.**

(a) Contractor will supervise and direct the construction of the Project using his best skills and attention.

(b) Contractor will provide Owner with evidence that it has secured and paid for all licenses and permits necessary for the proper execution of the Project, and upon completion of the Project will provide evidence that all the work has been inspected and approved by the appropriate building officials.

(c) Contractor agrees that ALL work shall be completed in a professional manner and shall be carefully inspected by him/her for completeness prior to requesting a final inspection. Contractor acknowledges that the **Neighborhoods Department - Housing and Community Development Division** shall conduct one "final inspection" to create a short punch list, if required, and one follow-up inspection. A twenty-five ($25.00) dollar fee will be assessed on each subsequent re-inspection.

(d) Contractor will not employ any person(s) on the Project who are unqualified or unskilled in their assigned tasks or duties. Contractor will not allow any employee to work upon the job site who cannot perform his assigned tasks and duties in a professional manner.

(e) Contractor will be responsible for the acts and omissions of all its employees, and all subcontractors, their agents and employees, and all other persons performing any work on the Project.

(f) Contractor at all times will keep the Property free from accumulation of waste materials or rubbish caused by his work.

(g) Contractor will permit the City to examine and inspect the construction work performed under this Contract at any reasonable time.

(h) Contractor will furnish Owner with the names, addresses and telephone numbers of the firms to be contacted for service to any appliances or other equipment installed or repaired on the Property, and guarantees and warranties covering appliances and equipment installed or repaired under this Contract.

(i) Contractor will be responsible for the protection of all supplies, materials, equipment, completed work, and incomplete work at the job site during the Contract period.

11. **RESPONSIBILITIES OF OWNER.**

(a) Owner will permit contractor the reasonable use of existing utilities such as electricity, heat, water and sewage necessary for the proper execution and satisfactory completion of the Project.

(b) Owner will cooperate with Contractor to facilitate the performance of the work including the removal and replacement of rugs, coverings, furniture and clothing, if necessary. Contractor will not be held responsible for damages caused by Owner or any occupants.

(c) Owner will be responsible for the proper use and care of the Property, including all equipment and appliances.

(d) Owner will confer with the City's authorized representatives prior to issuing instructions to Contractor concerning the work or changes to the work.

(e) Owner will allow Contractor access to the Property during usual working hours on regular workdays (i.e., Monday through Friday, 7:00 a.m. to 6:00 p.m., and Saturday, 8:00 a.m. to 5:00 p.m.). No work will be performed on Sundays unless agreed to by the Owner and Contractor.

12. **RIGHTS OF THE CITY UNDER THE REHABILITATION PROGRAM.**

(a) Contractor will allow the City's authorized representatives to perform periodic inspections of the work while it is in progress to determine if it is proceeding in accordance with this contract.

(b) Contractor understands and agrees that the City has the authority to reject work, which does not conform to this Contract, local municipal codes, or adopted program or rehabilitation standards.

(c) The participation of the City hereunder will in no way alter, amend, or impair the rights, duties and obligations of the Owner and Contractor to each other under this Contract. The assumption of any responsibility by the City in no way releases Owner of its responsibilities under this Contract, or transfers any responsibility to the City for the performance of the services to be performed under this Contract.

(d) In consideration of the City agreeing to assist in financing the Project, the Owner and Contractor agree to indemnify, hold harmless and defend the City and its officials, agents and employees from and against all claims, actions, losses, damages, injuries, liabilities, costs, and expenses based upon injury or death to persons or damage to property arising out of, resulting from, or incident to this Contract, unless the same is occasioned by the sole negligence of the City.

13. **CHANGE ORDERS.** Except in an emergency endangering life or property, Owner and Contractor expressly agree that no material changes or alterations in the description of work or price provided above shall be made without a prior written order signed by an authorized representative of the City. The Contract Sum and the Contract Time may be changed only by a Change Order approved by the City. No extra costs will be paid to Contractor if it has neglected to evaluate properly the extent of the rehabilitation work.

14. **PERMITS AND CODES.** Contractor agrees to secure and pay for all necessary permits and licenses required for Contractor's performance and to adhere to applicable local codes and requirements whether or not covered by the specifications and drawings for the work, including any Contractor registration requirements.

15. **INSURANCE.** The Contractor and subcontractors will at their sole expense maintain adequate insurance coverage for liability and workers compensation as required by state law. Proof of such insurance coverage must be provided to the Owner and the Housing Services Division Program Administrator.

16. **WARRANTY.** For goods and valuable consideration, Contractor hereby agrees to provide a full one-year warranty to the Owner, which shall extend to subsequent owners of the property to be improved. The warranty shall provide that improvements, hardware and fixtures of whatever kind or nature installed or constructed on said property by the Contractor are of good quality, and free from defects in workmanship or materials or deficiencies subject to the warranty contained in this paragraph provided. Contractor and Owner agree, however, the warranty set forth in this paragraph shall apply only to such deficiencies and defects as to which Owner or subsequent owners shall have given written notice to the Contractor, at his principal place of business, within one (1) year from the date of Contractor's request for final payment. A five -year warranty will be provided on the labor on all shingle roofs installed, with 20-year manufactures guarantee on the shingles. A five-year warranty will be provided on the labor on all bitumen roofs installed, with a minimum 10-year manufacturer's guarantee on materials.

17. **REMOVAL OF DEBRIS.** Upon completion of work, contractor agrees to remove all construction debris and surplus material from the property and leave the property in a neat and broom clean condition.

18. **RESOLUTION OF DISPUTES.** All claims or disputes between the Owners and Contractor arising out of or related to the work shall be decided by arbitration in accordance with the construction industry arbitration rules of the American Arbitration Association than obtaining, unless the parties mutually agree otherwise. The Owner and Contractor shall submit all disputes or claims, regardless of the extent of the work's progress, to the American Arbitration Association/Better Business Bureau unless the parties mutually agree otherwise. Notice of the demand for arbitration shall be filed in writing with the other party to this Agreement, and shall be made within a reasonable time after the dispute has risen. The decision rendered by the arbitrator shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. If the arbitrator's award is in a sum which is less than that which was offered in settlement by the Contractor, the arbitrator may award costs and attorney's fees in favor of the Contractor. If the award of the arbitrator is in a sum greater than that which was offered in settlement by the Owner, the arbitrator may award costs and attorney's fees in favor of the Owner.

19. **PROHIBITION OF KICKBACKS.** Neither the Contractor nor any of its officers, partners, owners, agents, representatives, employees or parties in interest has in any way colluded, conspired, connived or agreed, directly or indirectly with any other Bidder, firm or person to submit a collusive or sham Bid in connection with the Contractor for which the attached Bid has been submitted or to refrain from bidding in connection with such Contract, or has in any manner, directly or indirectly, sought by agreement or collusion or communication or conference with any other Bidder, firm or person to fix any overhead, profit or cost element of the Bid price or the Bid price of any other Bidder, or to secure through any collusion, conspiracy, connivance or unlawful agreement, any

advantage against the Neighborhoods Department - Housing and Community Development Division or any person interested in the proposed Contract; and the price or prices quoted are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Bidder or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

20. **INTEREST OF MEMBERS, OFFICERS, EMPLOYEES OR PUBLIC BODY MEMBERS OF LOCAL GOVERNING BODY, OR OTHER PUBLIC OFFICIALS.** No member, officer, employee of the Public Body, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract to subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under the Agreement.

21. **PROHIBITION OF BONUS OR COMMISSION.** The assistance provided under this Agreement shall not be used in the payment of any bonus or commission for the purpose of obtaining city or county approval of the application for such assistance.

22. **ACKNOWLEDGMENT.** The above warranties are in addition to, and not in limitation of, any and all other rights and remedies to which the Owner, or subsequent owners, may be entitled, at law or in equity, and shall survive the conveyance of title, delivery of possession of the property, or other final settlement made by the Owner and shall be binding and on undersigned notwithstanding any provision to the contrary contained in any instrument heretofore or hereafter executed by the Owner.

23. **ACCESS TO RECORDS.** Contractor will allow the United States Government or its designee to examine and inspect the rehabilitation work performed on the Property. The federal grantor agency, the Comptroller General of the United States, or any of their authorized representatives will have access to the books, documents, papers, and records of Contractor which are directly pertinent to a specific grant or loan program for the purpose of making audits, examinations, excerpts and transcriptions. All such records will be maintained for a period of three (3) years from the completion of the Project.

24. **FEDERAL LAWS and REGULATIONS.** Contractor warrants and represents that it has read and fully understands the provisions of the Contract and Contract General Conditions. Contractor further acknowledges its understanding that the work to be performed must be completed in compliance with all the terms and provisions of each of the following laws and regulations marked as applicable (copies of all applicable regulations are attached to this Contract and constitute provisions hereof):

CONTRACTOR AND OWNER HEREBY ACKNOWLEDGE ACCEPTANCE OF THIS AGREEMENT:

X_____ _____
Owner Date

X_____ _____
Owner Date

Address of property to be improved: _____

_____ _____
Contractor Date

_____
Address

Leases to be maintained:

The Recipient shall, for each household that is leased an unit at the Project, maintain a file that, at minimum, contains the following:

(i) An application for lease, signed and dated by the applicant(s), identifying the household members that intend to occupy the unit, the household characteristics, and the household income they have disclosed,

(v) Source documentation evidencing the Recipient's verification of the applicant's household income and a computation sheet demonstrating the Recipient's determination of the applicant's income eligibility to occupy the unit. Household income computation shall follow the HUD Section 8 method (24 CFR 5.609),

(vi) For HOME Units, source documentation evidencing the Recipient's annual re-verification of the tenant's household income and a computation sheet demonstrating the Recipient's determination of the tenant's income eligibility to continue occupancy of the unit. Household income computation shall follow the HUD Section 8 method (24 CFR 5.609),

(vii) A copy of the HUD income levels in effect at the time the initial lease is signed,

(viii) (iv) A computation sheet and supporting documentation demonstrating that the rent charged by the Recipient is at the applicable rental rate specified herein,

(v) An original of all executed leases with the applicant/tenant identifying the unit number and the rental rate,

(vi) A copy of the below described criminal and credit background check, and

(vii) Any other documentation evidencing the Recipient's compliance with this Agreement.

Background Check, Tenant Selection, and Lease Requirements:

The Recipient shall conduct a criminal and credit background check on all adult members of households prior to occupancy.

The Recipient shall comply with the following tenant selection and lease requirements:

(vii) The Recipient shall adopt written tenant selection policies and criteria that:

- Are consistent with the purpose of providing housing for very low-income and low-income families;
- Are reasonably related to program eligibility and the applicants' ability to perform the obligations of the lease;
- Provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as is practicable; and
- Give prompt written notification to any rejected applicant of the grounds for any rejection.

(viii) The Recipient shall submit a copy of its proposed Lease Agreement for approval by the City. In the event that future revisions may occur, Recipient shall submit an updated Lease Agreement for approval as revisions occur.

(ix) The lease between a tenant and the Recipient must be for not less than one (1) year, unless by mutual agreement between the tenant and the Recipient, and as referenced at 24 CFR 92.253.

(x) The Recipient shall utilize leases which require parents to be held legally and financially liable for the acts of their children in the unit complex, and which allow management to terminate the lease where a household member is engaged in illegal or criminal activity or where a household member is engaged in anti-social behavior which denies the Project or area residents the right to quiet and peaceful enjoyment of their homes or businesses.

(xi) The Recipient may not terminate the tenancy or refuse to renew the lease of a tenant at the Project, **except for** serious or repeated violation of the terms and conditions of the lease; violation of applicable Federal, State, or local law; or for other good cause.

(xii) The Recipient is prohibited, pursuant to 24 CFR 92.253(b)(1-8), from including any of the following lease terms in the Lease Agreement at the Project:

- Agreement to be Sued: Agreement by the tenant to be sued, to admit guilt, or to a judgment in favor of the Recipient in a lawsuit brought in connection with the lease;
- Treatment of Property: Agreement by the tenant that the Recipient may take, hold, or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The Recipient may dispose of this personal property in accordance with State law;
- Excusing Owner from Responsibility: Agreement by the tenant not to hold the Recipient or the Recipient's agents legally responsible for any action or failure to act, whether intentional or negligent;
- Waiver of Notice: Agreement of the tenant that the Recipient may institute a lawsuit without notice to the tenant;
- Waiver of Legal Proceedings: Agreement by the tenant that the Recipient may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;
- Waiver of a Jury Trial: Agreement by the tenant to waive any right to a trial by jury;
- Waiver of Right to Appeal Court Decision: Agreement by the tenant to waive the tenant's right to appeal, or to otherwise challenge in court, a court decision in connection with the lease; and
- Tenant Chargeable with Cost of Legal Actions Regardless of Outcome: Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the Recipient against the tenant. The tenant, however, may be obligated to pay costs if the tenant loses.

Financial Statements to be furnished:

The Recipient shall furnish to the City:

(i) Upon the City's request, a complete and current financial statement of all assets and liabilities, contingent or otherwise, prepared in accordance with generally accepted accounting principles and verified by affidavit of Recipient and, at the request of the City, certified (in form satisfactory to the City) by an independent certified public accountant acceptable to the City.

(ii) Within ninety (90) days after the end of each fiscal year of Recipient, a balance sheet and statements of income, surplus, and cash flow, together with schedules, all compiled and presented by an independent accounting firm in accordance with standard and uniform accounting practices showing the financial condition of Borrower at the close of each year and the results of operations of Recipient during each year.

(iii) With the statements submitted under (ii) above, a certificate signed by the principal financial officer of Recipient to the effect that no Event of Default specified herein, nor any event which upon notice or lapse of time or both, would constitute such an Event of Default has occurred which has not been cured or otherwise waived in writing by the Lender.

(iv) Other information regarding the operations, business, affairs, and financial condition of Recipient as the City may reasonably request.