

**RESOLUTION NO. 2024-08**

**A RESOLUTION AUTHORIZING THE ADOPTION OF A HOUSING ASSISTANCE PLAN IN CONJUNCTION WITH THE SUBMISSION OF AN APPLICATION FOR A SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT IN THE HOUSING REHABILITATION CATEGORY TO THE FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY FOR FEDERAL FISCAL YEAR 2019.**

**WHEREAS**, The City of New Port Richey desires to submit an application to the Florida Department of Economic Opportunity for a Small Cities Community Development Block Grant in the Housing Rehabilitation category to benefit persons of low and moderate income; and

**WHEREAS**, the Florida Department of Economic Opportunity requires a Housing Assistance Plan be developed by the City of New Port Richey to provide guidance to the City of New Port Richey in carrying out a Community Development Block Grant project in the Housing Rehabilitation category; and

**WHEREAS**, the Florida Department of Economic Opportunity requires the City of New Port Richey submit the approved Housing Assistance Plan with the Community Development Block Grant application in the Housing Rehabilitation category which must be submitted to the Florida Department of Economic Opportunity.

**NOW THEREFORE, BE IT RESOLVED** by the City Council of the City of New Port Richey as follows:

**SECTION I.** That the City of New Port Richey City Council hereby adopts the City’s Community Development Block Grant, Housing Assistance Plan hereto attached as Exhibit “A.”

**DONE AND RESOLVED** this 18<sup>th</sup> day of June, 2024.

**ATTEST:**

**CITY OF NEW PORT RICHEY, FLORIDA**

\_\_\_\_\_  
Judy Meyers, CMC, City Clerk

\_\_\_\_\_  
Alfred C. Davis, Mayor – Councilmember

(SEAL)

**APPROVED AS TO LEGAL FORM AND CONTENT**

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Timothy P. Driscoll, City Attorney

## **EXHIBIT “A”**

### **CITY OF NEW PORT RICHEY HOUSING ASSISTANCE PLAN REHABILITATION/REPLACEMENT/RELOCATION GUIDELINES AND GENERAL INFORMATION FOR PARTICIPANTS FFY 2019 CDBG PROGRAM**

#### **I. GENERAL**

This repository of information is to advise potential participants of the guidelines by which the City will operate its Community Development Block Grant (CDBG) program. These guidelines have been established to give a program overview and procedures to ensure compliance with the requirements established by the Florida Department of Economic Opportunity (DEO) and Federal Department of Housing and Urban Development (HUD). The information contained herein is subject to change upon action of DEO, HUD, or the City Council.

It is illegal to discriminate on the basis of an individual’s RACE, CREED, COLOR, SEX, RELIGION, ETHNICITY, HANDICAP, AGE, NATIONAL ORIGIN, OR FAMILY STATUS. Individuals in the City are also protected by the State’s Fair Housing Act, Sections 760.20, 760.22, 760.23, and any amendments thereto.

The City Council has established a Citizen’s Advisory Task Force (CATF) to serve as an oversight committee for the City’s CDBG program. This committee will meet as needed to ensure that the program is operating in accordance with all Local, State, and Federal requirements.

In order to qualify for the CDBG Housing program, the applicant must currently be the owner of the housing unit and occupy the housing unit proposed for rehabilitation or replacement as their primary residence.

The owner of the housing unit will be asked to give personal and financial information about themselves and their household to a representative of the City or the Housing Specialist in order to begin the application process. This information will be recorded and become a part of the applicant’s file. The information provided must be accurate and true. The Housing Specialist, upon advice from the Citizen’s Advisory Task Force, will use the information to ascertain if the applicant is eligible to participate in the CDBG Housing program.

The home of each applicant who qualifies for the CDBG housing program will be inspected by the Housing Specialist to determine the extent of rehabilitation that will be required to bring the residence within program guidelines. The applicant or their representative must be present while their home is being inspected and will be requested to provide input concerning their housing needs. The Housing Specialist will meet with a representative of the local Building Department to ensure the local building code and housing code requirements related to addressing each structure will be met. The Housing Specialist will develop an inspection report based on the housing needs and estimate the costs necessary to bring each of the housing units up to the required minimum property standards. Additional bedroom space can only be provided as needed to ensure those household members in permanent residence do not share a bedroom with a member of the opposite sex, except couples or husband and wife in addition no more than two individuals of the same sex can occupy the same bedroom. The construction work on a dwelling will be completed by a state registered or certified

contractor, under no circumstances may the contractor or his/her subcontractors be the owner of the residence, a relative of the owner of the residence or an occupant of the residence that is to be rehabilitated. Neither shall any of the aforementioned be paid for their own labor with CDBG funds for the rehabilitation of said residence.

The owner(s) of the residence will be required to sign certain documents before the construction process begins. These documents will outline the work to be performed on their property. Construction will cause a certain amount of debris; however, every effort will be made by the contractor to leave the work site in a clean and orderly fashion. Work on the foundation and exterior of the dwelling may cause damage to shrubs and lawn ornaments around the dwelling. If possible, the owner of the property shall have all of these items moved prior to the time work is to begin. Although the contractor will be as careful as possible to protect the trees, shrubs and bushes located on the property, neither the City, Housing Specialist, nor the contractor will be responsible for any damage done to the trees, shrubs and bushes located on the property during the course of the construction, demolition or renovation.

## II. OBJECTS OF PROGRAM

A. To provide a Deferred Payment Loan (DPL) to very low income (up to 30% of Area Median Income), low income (up to 50% of Area Median Income) and low/moderate income (Up to 80% of Area Median Income) participants whose homes are in need of repair or replacement. Each housing unit considered for inclusion in the CDBG Housing program must contain a violation pertaining to building code or HUD Section 8 Housing standards. (DPL is explained further in the financing section). The purpose is to bring the residence up to Section 8 Minimum Property Standards and/or the standards set forth in the Florida Building Code or other ordinances (including CRA requirements) currently adopted by the City.

B. To improve the conditions of housing while maintaining housing costs at a level affordable to lower-income households; to provide a safe and sanitary dwelling.

C. To reverse the physical deterioration of the community by providing a mechanism to allow for the rehabilitation of existing housing stock in a community.

D. To eliminate slums and blight and provide a safer, more sanitary environment in which to live.

## III. FINANCING

A. The type of assistance which will be available to eligible applicants is known as a Deferred Payment Loan (DPL). A brief description of this program is presented below. Grants will not be utilized as a part of the CDBG Housing program.

Deferred Payment Loans: This type of loan will be available to eligible, approved homeowners. The DPL can be used in the owner-occupied rehabilitation program.

The DPL will be secured by a lien on the property. The DPL payments will be deferred for a period of 10 years. The DPL will depreciate at the rate of 10% per full year. The DPL will be forgiven at the end of the 10-year period. If the owner sells or rents the property or otherwise violates the terms of the mortgage at any time within the 10-year period, the remaining mortgage balance will be due and payable. This is done to assure that the applicant will occupy the residence and not sell or rent the property for 10 years after the rehabilitation of the dwelling has been completed.

#### IV. ELIGIBILITY

A. Only those properties containing owner occupied conventionally built structures, modular homes or mobile homes located within the incorporated area of the City of New Port Richey will be considered for participation in the CDBG Housing program. No rental properties will be addressed under this project. Mobile homes built before December 31, 1996 will only be considered for replacement under the CDBG program per the Department of Economic Opportunities.

Household income must be within the Section 8 income limit guidelines as published by the State of Florida and/or HUD for the region.

No member of the City Council, member of the CATF, employee of the City, or relatives of any of these as defined by HUD and Florida Statutes, shall be eligible for program participation. The prohibition shall continue for one year after an individual's relationship with the City is terminated.

All applicants will receive a conflict of interest affidavit that will include a list of the names of all local City Council members, CATF members and local government employees associated with decision making related to this program. The conflict of interest affidavit in addition will request if the applicant is related to any local government employees in general.

The City Council members, CATF members and local government employees involved with decision making related to this program will receive list of names of all eligible applicants to determine if a possible conflict of interest exists.

The name of all eligible homeowners will be read aloud at a CATF meeting and City Council meeting and all Board members shall publicly acknowledge any relationship that could be a possible conflict of interest. Acknowledgment shall include the applicants name and how they are related.

If a potential conflict of interest is noted for any eligible applicant, it will be presented to the Department of Economic Opportunity and a determination or waiver will be obtained prior to the applicant receiving final approval.

A final list of all eligible applicants and their ranking will be presented to the CATF and the City Council for final consideration and will be noted in the meeting minutes for public review.

D. For all eligible persons or applicants with a potential conflict of interest to be eligible to participate in the program, the following steps must be taken:

1. The person(s) must declare on the application form/conflict of interest affidavit that a conflict of interest may exist.
2. The potential conflict will be presented publicly to the CATF and the task force must decide whether to recommend to the City Council whether or not to proceed with requesting a waiver on the applicant despite the conflict of interest.
3. The potential conflict will be presented at a public meeting to the City Council and the City Council must decide whether to proceed with requesting a waiver on the applicant despite the conflict of interest.

If the person with whom the conflict of interest exists is a voting member of the City Council or CATF, that person must declare a conflict of interest and not vote on the applicant.

5. The City Attorney shall prepare a written document stating in his or her opinion proceeding with the rehabilitation or replacement of the applicant's residence would not violate any state or local law.

A written request for waiver is sent by the City Council to DEO for review and approval.

7. If a waiver is obtained, the applicant would be placed on the potential client list with the other applicants for ranking as outlined herein.

E. Priority will be given to applicants in the following order:

Very low income households (30% of Area Median Income or less) will be given priority over low income households (30.01% to 50% of Area Median Income) and moderate income households (50.01% to 80% of Area Median Income).

Low income households (30.01% to 50.00% of Area Median Income) will be given priority over moderate income households (50.01 to 80% of Area Median Income).

3. Disabled and/or handicapped head of household.
4. Head of Household is over 62 years of age.
5. Households with large families (five or more).
6. Households with small families (four or less).

F. The geographic distribution of funds shall not be considered.

G. To select participants in the Rehabilitation - Permanent Relocation Activity, the following steps will be taken:

1. A display ad will be placed in one or more local newspapers of general circulation advising local residents of the availability of grant funds and establishing a convenient time and place for interested residents to obtain information and pick up application forms to allow them to be considered for inclusion in the program. Applications will be accepted by the City for a minimum of thirty (30) calendar days after the display ad is placed in the newspaper.

2. Once a list of applicants is obtained, the Housing Specialist shall perform initial inspections on the housing units to determine which of the following categories each housing unit fall into:

For conventionally built structures, and modular homes:

a. Minor rehabilitation – the cost to correct all existing code and HQS violations is estimated at thirty thousand dollars (\$30,000.00) or less.

b. Moderate rehabilitation – the cost to correct all existing code and HQS violations is estimated between thirty thousand and one dollars (\$30,001.00) and forty-five thousand dollars (\$45,000.00).

c. Major rehabilitation – the cost to correct all existing code and HQS violations is estimated between forty-five thousand and one dollars (\$45,001.00) and eighty thousand dollars (\$80,000.00).

d. Replacement housing – the cost to correct all existing code violations is estimated to exceed eighty thousand dollars (\$80,000.00) or, the cost to correct all existing code and HQS violations exceeds fifty percent (50%) of the local Property Appraiser’s appraised value of the property and based upon the local Building Departments direction the dwelling must be brought up to the current building code, or the housing unit is deemed structurally unsound and not feasible for rehabilitation.

For single-wide mobile homes built after 1996:

a. Minor rehabilitation – the cost of correcting all existing code and HQS violations is estimated not to exceed ten thousand dollars (\$10,000.00)

b. Moderate rehabilitation – the cost to correct all existing code and HQS violations is estimated between ten thousand and one dollars (\$10,001.00) and fifteen thousand dollars (\$15,000.00).

c. Major rehabilitation – the cost to correct all existing code and HQS violations is estimated between fifteen thousand and one dollars (\$15,001.00) and twenty thousand dollars (\$20,000.00)

d. Replacement housing – the cost to correct all existing code violations exceeds twenty thousand dollars (\$20,000.00) or, the single-wide mobile home is deemed structurally unsound and not feasible for rehabilitation.

For double-wide mobile homes built after 1996:

a. Minor rehabilitation – the cost to correct all existing code and HQS violations is estimated not to exceed ten thousand dollars (\$10,000.00).

b. Moderate rehabilitation – the cost to correct all existing code and HQS violations is estimated between ten thousand and one dollars (\$10,001.00) and twenty thousand dollars (\$20,000.00).

c. Major rehabilitation – the cost to correct all existing code and HQS violations is estimated between twenty thousand and one dollars (\$20,001.00) and twenty-five thousand dollars (\$25,000.00).

d. Replacement housing – the cost to correct all existing code and HQS violations exceeds twenty-five thousand dollars (\$25,000.00), or the double-wide mobile home is deemed structurally unsound and not feasible for rehabilitation.

3. Applications containing information on the property owner and other household occupant shall then be processed by the CDBG Housing Specialist for all potential program participants. If the list of applicants exceeds the number of available units to be addressed in the Community Development Block Grant program, the applicant ranking order shall be recommended by the Housing Specialist utilizing the criteria in Section IV (E) & (G) of these Guidelines.

H. If changes in circumstances occur which are beyond the control of the City to cause beneficiaries or structures to no longer be eligible, the Housing Specialist may pick alternates and recommend them to the governing body to replace those selected under Section IV (E) & (G). In all cases, it is understood the financial limitations associated with a Community Development Block Grant Housing program specifically addressing the number of units required to be completed under the activity and program contract shall be an overriding factor in determining which units shall ultimately be addressed.

V. ADMINISTRATIVE PROCEDURES FOR REHABILITATION/REPLACEMENT

A. The Housing Specialist will make initial contact with local city residents, to explain the program, and provide a copy of the program guidelines. Initial outreach shall be conducted via an advertised program orientation.

B. The Housing Specialist will take the information, in the form of a program application, necessary to begin the application process including household size, name of the property owner, ages of residents, and income, along with other additional information as may be required. The representative will verify all information including, but not limited to, the following:

1. assets/liabilities
2. mortgage
3. taxes
4. title search (O & E Report) – obtained from a licensed abstract company
5. household income
6. lot size
7. zoning

C. The Housing Specialist will provide their recommendation to the designated City Staff for their review. The Housing Specialist will include the following items and any other information that may be necessary along with their recommendation:

1. Assigned case number
2. Name and address of applicant
3. Estimated cost of rehabilitation
4. Description of rehabilitation work
5. Source of household income
6. Size and description of household
7. Property title information
8. Legal description of property

D. The Housing Specialist will review the aforementioned applicant data with City Staff and submit their recommendations to the City. If an applicant feels that his/her case has been rejected by the City's CDBG Staff, including the consultant for unjust reasons, the applicant may request that his/her case be submitted to the City Council for review. Any appeal must be received in writing (letter or email) from the applicant within 15 calendar days from the date the applicant is notified of their eligibility status.

The Housing Specialist will provide the City with the client's application data file.

E. Approval: In receiving the recommendation for approval from the Housing Specialist, the City will receive the following information:

1. Assigned case number
2. Name and address of applicant
3. Cost of rehabilitation
4. Size and description of household
5. Amount of the Deferred Payment Loan (DPL)
6. Legal description of property

7. Date the City Housing Specialist recommended the application
8. Additional information requested by the City Council

F. The City will, after review of the information, approve or deny the application and sign the appropriate documents.

## VI. REHABILITATION GUIDELINES EXTENT OF REHABILITATION

A. In order for the program to commit funds to the rehabilitation of a unit, the following must be met:

1. The units eligible for rehabilitation must have all local housing code and/or Section 8 Housing Quality Standards (HQS) violations corrected.
2. The following “green” elements will be implemented with CDBG funds for all Housing units addressed under the program:

Refrigerators that are replaced or installed shall be Energy Star rated. Gas water heaters that are replaced or installed shall be Energy Star rated.

All exterior doors and windows that are replaced or installed shall be Energy Star rated.

All lighting fixtures and ceiling fans that are replaced or installed shall be Energy Star rated.

All homes being rehabilitated with CDBG funds will receive at minimum the following Supplemental “Green Standards – Weatherization” items:

The installation of attic insulation with a factor of R-30 or greater.

Housing units containing first floor wood or metal floor framing will receive floor joist insulation if sufficient access is available within the crawl space for installation of the materials.

The installation of new weather stripping around all attic access panels and existing doors leading to unconditioned areas.

All exterior walls shall be properly sealed including cracks around windows, exterior faucets, plumbing, electrical boxes, settlement cracks and open joints.

All HVAC replacement units and new installations shall be Energy Star rated and have a minimum SEER rating of 14.

The installation of new thresholds and door sweeps on all doors leading to unconditioned areas.

4. The following components may be rehabilitated, replaced, or added as a part of the CDBG Housing program:

- a. Structural system
- b. Electrical system

- c. Plumbing system
- d. Heating system
- e. Windows
- f. Insulation
- g. Kitchen cabinets
- h. Stove and refrigerator
- i. Roofing system
- j. Extra bedrooms (if required due to family size)
- k. Handicap accessibility/ADA requirements
- l. Weatherization elements
- m. Green elements

## VII. SIZE OF UNITS

For owner-occupied structures: the final size of the housing unit will depend upon the size and condition of the existing structure and the size and makeup of the household. Those household members who are not the head of household or spouse and are over 18 years of age but under the age of 62 must provide documentation or written affidavit that they have occupied the residence for a minimum of 6 months prior to the submittal of an application for CDBG housing rehabilitation assistance to be counted as eligible for a bedroom unless they have been certified as mentally or physically handicapped. Proof of disability will be required from an appropriate physician.

## VIII. CONDITION OF REHABILITATION ASSISTANCE

Maximum amount: The maximum amount of funds available for the rehabilitation of an individual housing unit will be the amount required to eliminate all code violations giving consideration to the average amount per structure in the application. This amount must conform with the extent of rehabilitation section and shall be brought to the City Council for final approval. However, no rehabilitation shall exceed the amount of \$80,000 of CDBG funds unless specifically approved by the Housing Specialist and City Council as exceeding the limits set out herein.

B. Community Development funds are to be provided for the benefit of the owner(s) of the residential housing units to rehabilitate their homes. Prior to beginning work on the property, the owner(s) will be required to sign a mortgage and promissory note in an amount equal to the cost of the work. This is called a Deferred Payment Loan (DPL) and shall be forgiven in 10 years. If the property is sold within that 10-year period, the owners will be required to repay any unforgiven portion of that note. However, if the owner dies within the 10-year period, the City Council may forgive the remaining portion of the note. The City Council shall also retain the option to forgive the note in case of hardship.

C. The purchase of Comprehensive Homeowner's Insurance on the property will be required prior to the participant moving back into the residence. Comprehensive Homeowner's insurance must include fire, casualty and liability coverage. If the property is located in a designated flood zone, flood insurance for the property must also be obtained. All property insurance must be maintained until the Deferred Payment loan is satisfied. Homeowners who do not have homeowner's insurance in place at the time of application, may apply to the City for a waiver. To be eligible for the waiver the property owner will need to submit a request in writing to the City. The request should outline the basis of why the expense would create a financial hardship. The waiver will not be unreasonably withheld by the City.

IX. ELIGIBILITY CRITERIA FOR REPLACEMENT/RELOCATION

A. For a unit to be eligible, the following criteria must be met:

The estimated cost of rehabilitating the housing unit must exceed one or both of the following: \$80,000 to correct all code and HQS violations and/or fifty percent (50%) of the local Property Appraiser's assessed value of the property. The cost of Lead Based paint inspection and abatement shall be included in calculating the rehabilitation cost.

X. REPLACEMENT HOME CRITERIA

A. Once a participant has been deemed eligible for a Replacement Home, he/she may have a conventionally site-built home placed on the property where the house is currently located.

The construction of the new dwelling unit must meet all local building and zoning code requirements.

The Housing Specialist will develop bid specifications that meet program requirements included a recommended floor plan.

XI. SIZE OF UNITS

A. The size of each housing unit shall be determined based upon local zoning requirements and information provided by the permanent residents living in the existing housing unit based upon the following criteria:

No more than two (2) persons of the same sex may occupy the same bedroom.

Two (2) persons of the opposite sex may not occupy the same bedroom (excluding husband and wife or couples).

Only the husband, wife, dependent children (including those who are mentally and/or physically handicapped of any age), adults over the age of 18 with documentation that they are handicapped or have resided in the residence for a minimum of 6 months prior to the owner submitting an application for assistance, documented full time caregivers, family members 62 years of age or older and currently residing in the household will be counted in calculating family size and the minimum number of bedrooms and square footage allowance.

XII. REPLACEMENT HOME ALLOWANCE

A. A displaced family will be eligible for the following replacement housing payment allowance:

Number of Bedrooms	Payment	Est. Square Footage
2 bedrooms	\$100,000	1,000
3 bedrooms	\$115,000	1,000
4 or more bedrooms	\$130,000	1,150

Replacement home amounts may be increased based upon local deed restrictions, zoning requirements and bids received. The deed restricted or zoning requirement minimum square footages will be utilized if it exceeds the noted above square footage amount. New Home costs (excluding asbestos abatement cost, demolition cost and required change orders) shall not exceed the specified replacement home allowance unless specifically approved by the Housing Specialist and City Council as exceeding the limits set out herein.

### XIII. CONSTRUCTION IN A FLOOD PLAIN

The finished floor elevation of any housing unit located within a flood zone addressed with CDBG funds as part of the City of New Port Richey CDBG Housing program must be at a minimum two foot (2') above the established flood elevation for the property and must meet all local codes related to building or rehabilitating a home in a flood zone.

### XV. TEMPORARY RELOCATION ALLOWANCES

Temporary Relocation assistance will only be provided to families who are required to vacate the rehabilitated residence to facilitate the rehabilitation or replacement.

It is the homeowner's responsibility to find alternate housing for all occupants of the residence during the construction phase of the project. This procedure will take place, if required, as follows:

The City, at the direction of the Housing Specialist, will provide to the head of household moving expenses totaling two thousand dollars (\$2,000.00). One-thousand dollars (\$1,000.00) will be provided to the head of household when the household "moves out" of the existing dwellings to the provided onsite storage or central storage unit location, and One-thousand dollars (\$1,000.00) will be provided to the head of household when the household "moves back-in" to the housing unit that has been rehabilitated or replaced.

The head of household will certify they accept full responsibility for their belongings, the moving of their belongings and any storage trailer or unit that was procured and utilized.

Where an on-site storage trailer or storage unit is needed, it shall be written into the final project scope of work. The head of household will be responsible for moving the furniture out of the existing dwelling into the storage unit; and moving their belongings from the storage unit back to the housing unit after the housing unit has been rehabilitated or replaced. In addition, the head of household will supply their own lock for the storage unit and shall remove all items from the storage unit and sweep out the storage unit at the conclusion of use.

It is the option and responsibility of the homeowner at their expense to obtain insurance on their personal items while in storage.

Neither the City nor the Housing Specialist will be responsible for any items lost, stolen, or damaged during the temporary relocation process. The applicants shall be encouraged to make satisfactory arrangements to secure family valuables.

## XVI. CONDITION OF REHABILITATION/REPLACEMENT ASSISTANCE

A. Maximum amount: The maximum amount of funds available for the replacement of a specific property will be the amount specified in Section XII of the Housing Assistance Plan, giving consideration to the average amount per structure in the application. This amount must be in compliance with the extent of rehabilitation section of the Housing Assistance Plan and shall be brought to the City Council for final approval. However, the cost of a replacement structure shall not exceed the amount specified in Section XII of the Housing Assistance Plan unless specifically recommended by the City Housing Specialist and approved by the City Council.

B. Community Development funds are to be provided to or for the benefit of the owner(s) of the residence to rehabilitate/replace their home. Prior to beginning work on the property, the owner(s) will be required to sign a mortgage and promissory note in an amount equal to the cost of the work. This is called a Deferred Payment Loan (DPL) and shall be forgiven in 10 years. If the property is sold within that 10-year period, the owners will be required to repay any unforgiven portion of that note. However, if the owner dies within the 10-year period, the City will forgive the remaining portion of the note. The City Council shall also retain the option to forgive the note in case of hardship.

C. The purchase of Comprehensive Home Owners Insurance and Flood Insurance, if the property is located in a designated flood zone, will be required prior to the conclusion of home rehabilitation and/or participant moving back into the residence. Comprehensive Home Owner's Insurance and Flood Insurance, if required, shall be maintained on the property, by the property owner, until the Deferred Payment Loan is satisfied.

## XVII. LEVERAGING CDBG FUNDS WITH OTHER FUNDS

Where feasible the program will combine the following funds sources:

Weatherization funds

SHIP funds

Available local funding designated for housing rehabilitation, hardening, or beautification.

## XVIII. OPERATIONAL PROCEDURES FOR THE REHABILITATION/REPLACEMENT PROGRAM

After verification of the participant's eligibility, the property will be inspected by both the Housing Specialist and the homeowner. Upon completion of the inspection, a rehabilitation work write-up or demolition/replacement bid specifications will be completed.

Before the work is advertised for bid (usually at the conclusion of the home inspection), the Housing Specialist and the participants will review all the information associated with the rehabilitation or replacement of their dwelling unit, to ensure the participant has a full understanding of the program and wants to participate.

The final scope of work documents will be provided to homeowners prior to but no later than the pre-bid meeting date and are then dated and signed by the homeowner(s) to demonstrate acceptance of the scope of work.

The work is then advertised for bid. Bidding is limited to pre-qualified contractors licensed by the State of Florida, Department of Business and Professional Regulation and who have pre-qualified in an opened, advertised prequalification process. Bidding of potential CDBG units is conducted by the HRS in conjunction with the City Procurement/Purchasing Department.

A notice is sent via email, fax or U.S. Mail to each pre-approved eligible bidder to inform them of the job. Bidding notices will be posted at applicable governmental websites and bulletin boards to the maximum practical extent. Advertising for individual jobs will be conducted as necessary but will not exempt contractors from the requirement that they must be pre-qualified.

Notification to Bidders (NTB): The HRS or assigned Housing Staff will notify previous program approved Contractors of the availability of rehabilitation projects and establish a date for the pre-bid conference and bid submission deadline. Bids are opened in the public at the designated time and bid tabulation is prepared.

Pre-Construction Meeting: An onsite meeting will be arranged between the homeowner, the approved Contractors and the HRS to review the scope of work and site considerations. This meeting will also serve to allow for Contractor and homeowner introductions and questions. Any questions that arise from the onsite meeting must be submitted in writing to the HRS who is required to answer the question in writing and submit it to all approved present Contractors. Questions may not be answered less than seventy-two (72) hours prior to the established bid submission date. Each contractor MUST attend this pre-bid conference. Failure to do so will result in automatic rejection of his/her bid(s) for the unit(s).

Contractors must be licensed by the State of Florida, Department of Business and Professional regulations and must either be State Certified, or state Registered and meet all local building department requirements. The contractor must be properly licensed to obtain a permit from the local building department to either construct a new residence or rehabilitate an existing residence.

The HRS will make maximum effort to ensure participation by minority and/or Section 3 owned contracting firms.

No housing unit owner, occupant, or immediate relative of the same, either personally or corporately, shall serve as a contractor or sub-contractor to be paid with CDBG funds for the rehabilitation of said building, nor shall they be paid for their own labor with CDBG funds for the rehabilitation of said building.

All pre-qualified bidders will be notified of pertinent bid activity dates, including the bid submission date/time/location.

Bid Submission and Award Recommendations: Bids will be submitted on the date and time established in the Notification to Bidders advertisement and awarded in compliance with the HAP requirements and the terms set forth in the NTB advertisements. Sealed bids will be opened at a public bid opening. The HRS will generally recommend that the contract be awarded to the lowest responsible bidder within plus or minus fifteen percent (15 %) of the cost estimate. Bidding

procedures will adhere to City purchasing policy. Bids below the fifteen percent (15%) threshold will be reviewed and are not automatically disqualified.

A minus ten percent (10%) contingency will be assessed for all Section 3 and/or W/MBE firms at the bid opening to provide incentive, opportunity and encourage the participation of such established business types in accordance with HUD requirements. All bid awards will be made available to the participating Contractors and homeowners.

The City reserves the right to reject any and all bids and to award in the best interest of the Applicant and the Program. The Applicant must approve the bid award prior to signing contracts.

No contractor will be allowed to have more than three (3) jobs per bid round, with a maximum award of Five (5) jobs under construction at one time without consent of the HRS unless:

The anticipated date of commencement is after the scheduled and estimated date of completion of current jobs; or

The contractor has demonstrated, through past performance, his/her ability to satisfactorily complete multiple contracts in a timely manner thereby causing no impact on project and program completions.

This rule may be waived by the City Commission if it is determined that there is an inadequate pool of qualified bidders, if the other bids are excessive, or if other extenuating circumstances arise.

Should the bid be higher than the acceptable range, the homeowner shall accept a reduced scope of work and/or the residence will be re-bid with a reduced scope of work.

The contract will be awarded to the lowest acceptable bidder.

The successful contractor will have 72 hours from the date of notification to produce all necessary licenses and insurances. Should the contractor fail to perform in accordance with the bid or be unable to produce the necessary licenses and insurances, the City Council will, at its discretion, award the contract to the next lowest bidder or have the work re-bid.

Contracts: Preparation of Contract Documents: The HRS or approved staff prepares Applicant homeowner/City and Applicant homeowner/contractor agreements and sets a time to meet with the Applicant homeowner and contractor to execute the documents and mark the start of construction.

These agreements at a minimum should consist of the following:

Voluntary Participation and Final SOW Approval.

Final Income Certification and Affidavit.

Truth in Lending Statement.

Program Mortgage/DPL and Note.

Rehabilitation Agreement/Rehabilitation Contract.

Notice to Proceed.

Notice of Commencement.

Color/Style Selection Sheet.

Temporary Relocation Statement (where applicable).

Three (3) Day Recession Notification.

When the contract has been successfully awarded, the contract/DPL executed, NTP issued, and the three day rescission has expired, in some cases, the participant may be required to temporarily relocate out of their residence.

As applicable the participant will move and store their belongings. (See Temporary Relocation Guidelines for details.)

The house is then rehabilitated in accordance with the rehabilitation standard specifications, the Florida Building Code, and the work write-up. At each draw request, a partial waiver, final waiver, or release of liens is required prior to payment.

The Housing Specialist in cooperation with the local building department will inspect the residence at various times during the project, particularly at the time of each draw request.

The Housing Specialist does not have the authority to supersede any local building inspector or building department findings but may require stricter compliance in some areas. As a rule, the most stringent requirement will prevail.

Upon completion of the project, the local building inspector will issue a Certificate of Occupancy or similar document verifying that the housing unit meets applicable local codes. The contractor is required to submit to the Housing Specialist a request for final payment including the following information:

- (1) a waiver or release of liens from the prime contractor
- (2) a waiver or release of liens from all material suppliers, subcontractors, persons, or organizations that may have supplied material or labor to carry out the job or have an investment in the job as a result of the work performed
- (3) a statement from the contractor that all items in the initial work write-up as modified through the approved change order(s) has been completed.

The applicant inspects the work and is requested to sign a work acceptance statement. The work acceptance statement shall include language that the work write-up has been completed based upon the work write-up and approved change orders. Should all requirements be fulfilled and the homeowner or their representative refuse to acknowledge completion of the work, the housing unit case file shall contain a statement detailing the stated reason for said refusal.

Copies of the applicant's work acceptance or detailed explanation for refusal of the acceptance shall be included in the administrative closeout package submitted to the state at the conclusion of the project.

Note: In the event of any disputes between the participants and the contractor concerning the completion of the rehabilitation work, the Housing Specialist shall work with both parties in an attempt to negotiate a satisfactory solution. If a solution cannot be arrived at, the "Termination of Owner" section of the construction contract shall be invoked.

The Housing Specialist shall indicate in writing (via the final executed certificate of inspection) that the completed housing unit meets the applicable local code and Section 8 Housing Quality Standards.

The participant is given notice to move back to their residence.

The Housing Specialist will conduct a sixty (60) day follow-up or inspection of the residence to ensure that all improvements are still in good working order.

#### XIX. PARTICIPANT NOTIFICATION PROCEDURES

When a previously approved housing unit is deleted by the Housing Specialist or the City from the list of proposed homes for rehabilitation or replacement, the City shall notify the owner of said housing unit by certified mail that their unit is being deleted and the specific reason for this deletion.

#### XX. COMPLAINT PROCEDURES

A. Complaints concerning the Community Development Block Grant Program shall be submitted in writing and addressed to the City Program Administrator, 63 Ridge Road, Port Richey, FL 34668. The City Program Administrator will have fifteen (15) business days to respond. Additional information is available in the Grievance Procedure for the City's CDBG Grant program.

#### XXI. PERMANENT RELOCATION

With the exception of the demolition/relocation program, where the owner of a dilapidated structure received a payment for a replacement structure and the existing structure is removed, no existing housing units that have the potential to be occupied by low and moderate income households will be demolished or converted to non-low moderate income housing as a part of this project.

#### XXII. LOCAL TRASH NUISANCE, ENVIRONMENTAL OR HEALTH CODE ORDINANCES

Prior to approval of any residential dwelling unit for final inclusion in the program all local trash, nuisance, environmental, or health code violations that will not be addressed as part of the Community Development Block Grant or CDBG programs must be eliminated.

#### XXIII. LEAD BASED PAINT POISONING

IN NO INSTANCE, SHALL LEAD BASED PAINT BE UTILIZED IN THE REHABILITATION OF A STRUCTURE. If a dwelling was constructed before 1978, there is a possibility it may contain lead-based paint. All properties built before 1978, not being replaced, will be tested for lead-based paint by a certified lead testing organization prior to bidding the rehabilitation of the dwelling. Where lead-based paint is found, removal and/or abatement procedures by a licensed lead abatement contractor will be included in the rehabilitation bid specifications for the housing unit based upon the lead-based paint inspection report and required abatement procedures. If the rehabilitation of the dwelling is found to be feasible after bidding out the work to be addressed, a clearance test will be performed by the licensed lead-based paint inspector prior to final acceptance of the rehabilitation. No owner will be approved for occupancy of any lead abated home rehabilitated with CDBG funds until a clearance has been obtained from the pre-approved lead inspector. The housing unit owner will be provided literature pertaining to lead-based paint poisoning and the dangers of lead by the Housing Specialist

#### XIV. HISTORICAL STRUCTURES

The Housing Specialist will utilize the local City Property Appraisers Records to determine the age of the home. Information on all structures being considered for inclusion in the CDBG Rehabilitation or Demolition Replacement Activities that are 50 yrs of age or older will be supplied to the Department of State, Division of Historical Resources for review and comment prior to approval by the City.

#### XV. SITE SPECIFIC ENVIRONMENTAL REVIEWS

A Site-Specific Environmental Review will be developed by the Housing Specialist for each property being considered for inclusion in the CDBG Housing Program. The Site-Specific Environmental Review shall be submitted to DEO for review and approved by DEO prior to the execution of the contract for the rehabilitation or replacement of the residence.

#### XVI. REHABILITATION RECORDS

Note: Housing rehabilitation documentation will be completed prior to grant ending date and submittal of closeout. The following data will be provided by housing unit and summarized by activity as part of the administrative closeout for each activity providing direct benefit:

- a. Address of each housing unit rehabilitated with CDBG funds, the date the construction was completed on the housing unit, and the amount of CDBG funds spent on that housing unit.
- b. If the housing unit has a female head of household, the number of handicap people occupying the household, the number of elderly people occupying the household and the household income status - VLI, LI or LMI
- c. The number of occupants in the household, categorized by sex
- d. The racial demographics of the household by number (White, Black, Hispanic, Asian/Pacific Islander, or American Indian/Alaskan Native).
- e. If the head of Household is Hispanic.