

Jenny Marshall

From: Bill Aldinger
Sent: Tuesday, February 1, 2022 2:58 PM
To: melanie.rowand-mills@ecrc.org
Cc: jmassey@washingtonfl.com; Robert Dearduff; Jenny Marshall; Cameka Gardner
Subject: Florida Housing Approval of Hurricane Housing Recovery Program Expenditure Extension Request

Dear Ms. Rowand,

Florida Housing is in receipt of Washington County's expenditure extension request for the 2019/2020 fiscal year allocation of Hurricane Housing Recovery Program (HHRP) funds dated January 31, 2022. Based on the information and reasons provided within your request, we find that the extension through June 30, 2024 is reasonable and will allow the county to complete all HHRP activities to the benefit of the county's residents. Therefore, the new expenditure deadline for the county's 2019/2020 HHRP allocation is June 30, 2024.

Please contact Robert Dearduff at Robert.Dearduff@floridahousing.org if you have any questions. I have also copied Mr. Massey. Thank you.

Sincerely,
Bill Aldinger
Managing Director of Policy and Special Programs
Florida Housing Finance Corporation
(850) 488-4197

**FIRST AMENDMENT
TO CONTRACT NUMBER 047-2019**

THIS FIRST AMENDMENT ("Amendment") to CONTRACT NUMBER 047-2019 is entered into and effective as of the date the last party signs, ("Effective Date") by and between FLORIDA HOUSING FINANCE CORPORATION, a public corporation and a public body corporate and politic ("Florida Housing"), and WASHINGTON COUNTY BOARD OF COUNTY COMMISSIONERS ("Service Provider").

RECITALS

- A. Florida Housing and Service Provider entered into Contract Number 047-2019, dated October 8, 2019, ("Contract") wherein Service Provider agreed to in the Hurricane Housing Recovery Program. As used herein, "Contract" shall include within its meaning any modification or amendment to the Contract.
- B. The initial term of the Contract began October 8, 2019 and ends September 15, 2022.
- C. Florida Housing and Service Provider wish to amend the Contract, subject to the terms and conditions set forth below.

AGREEMENT

NOW THEREFORE, in consideration of the terms and conditions contained in the Contract and this Amendment, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

A. Effective Date; Recitals. Upon its execution by both parties, this Amendment shall be effective as of the Effective Date. The above recitals are true and correct and form a part of this Amendment.

B. Amendment.

- 1. The Contract is amended by deleting Exhibits B and C thereof in their entirety and substituting in its place the following.

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EXHIBIT "B"
Non-LHAP Strategy Description

A. Replacement Housing	Code 4
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- a. **Summary:** To provide funds of constructing affordable replacement homes. These funds will provide for the demolition of uninhabitable or dilapidated houses and mobile homes. The construction of a replacement house must be owner occupied with clear title.

This program is intended to assist when the dwelling is beyond rehabilitation and/or repair. Assistance shall be tailored to the individual affordability and financing needs of the targeted family, however, each family shall only receive the minimum level of assistance required to enable the construction of a new home that meets the needs of the family. The HHRP Program Administrator has the right to deny enhancement or expansion of the existing footprint of the current dwelling unit on a case-by-case basis. The Administrator may also consider a modular home as an option for the replacement housing.

A new retrofit of the existing well, septic, driveway apron, electrical and demolition may be included as part of the construction costs. Applicants will be given a choice of up to three approved housing plans provided by the awarded contractor. Relocation costs and temporary housing expenses may be considered. Loans for assistance may include costs related to relocation, temporary housing, all eligible construction, inspections work write-ups and closing costs.

- b. **Fiscal Years Covered:** 2019-2022
- c. **Income Categories to be served:** very low and low income and moderate-income households
- d. **Maximum award:**
1. Household of 4 or less, up to \$175,000
 2. Household of 5 or more, up to \$195,000
- e. **Terms:**
1. Repayment loan/deferred loan/grant: Deferred Payment Loan
 2. Interest Rate: 0%
 3. Years in loan term: Fifteen (15) Years
 4. Forgiveness: Applicants will receive assistance in the form of a fifteen (15) year Deferred Payment Loan, which is secured by a forgivable first or second mortgage dependent upon if the applicants receives additional funding beyond the maximum HHRP award as specified above. The loan is provided at zero percent (0%) interest with no monthly payments and is forgivable at a rate of twenty percent (20%) per year starting in year eleven (11). At the end of fifteen (15) years, the loan is completely forgiven.

5. Repayment: Required in full when one of the following conditions is met during the term of the note only, whichever occurs first:
 - i. Sale
 - ii. Conversion to rental property
 - iii. Title Transfer – either voluntarily or by operation of law, including death of the surviving mortgage holder or foreclosure. A legal heir, certified as income eligible, may be approved for assumption of the existing mortgage.
 - iv. Refinance to access equity – The County may consider subordination if the first mortgage is being refinanced at a lower rate with no cash out and refinanced closing costs do not increase the loan balance beyond the original loan amount.
 - v. Homeowner(s) no longer reside(s) in the home

6. Default: If any of the above terms are violated during the fifteen (15) year period following the date of the signed mortgage agreement, the owner/mortgagor, or owner/mortgagor's estate shall repay to the County the outstanding balance.

- f. Recipient Selection Criteria: Assistance will be provided on a first qualified, first-served basis. Applicants must have owned and resided in the home as their primary residence a minimum of three (3) consecutive years before the date of application. The family must provide proof of property ownership (life estates are recognized as proof of ownership).

Qualified means that the applications are complete and approved by the HHRP Program Administrator, income certifications and award letters have been issued, property taxes are current, and if appropriate, the existing house is determined eligible for replacement.

The Home Care & Maintenance Class must be successfully completed unless the applicant is determined physically unable to attend the class, in which case the applicant will be provided the study materials. Certification is valid for a one (1) year period. Completion of the course is mandatory prior to receiving funding.

- g. Sponsor Selection Criteria: N/A

- h. Additional Information:
 1. Units assisted must be within Washington County, Florida.
 2. Replacement of Manufactured/Mobile homes with a single-family residence.
 3. Applicants who receive awards are not eligible to apply for any additional HHRP assistance.
 4. Anyone who previously received prior HHRP or SHIP assistance is ineligible to apply.
 5. Property taxes must be paid and not delinquent.
 6. The property must be owner occupied.
 7. The owner must have legally owned and resided in the home continuously for a minimum of three years prior to applying for assistance and must be able to provide proof of ownership.
 8. The appraised value of the home may not exceed the current maximum sales price allowed in the Washington County HHRP Program.
 9. The applicant must be able to demonstrate the ability to pay property taxes,

homeowner's insurance, utilities and must also demonstrate the ability to maintain the property.

10. The applicant becomes the homeowner once the mortgage/note is signed at the final closing.
11. The homeowner is responsible for paying property taxes, and utilities.
12. The homeowner is responsible for all home maintenance and repairs.
13. The homeowner is required to carry homeowner's insurance on the new home through the duration/term of the loan in the amount of the HHRP principal balance, with Washington County Board of County Commissioners names as payee on the policy.
14. The homeowner must be discharged from any bankruptcy filing at least one year prior to the application.

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C. General Terms and Conditions.

1. This Amendment shall be construed and enforced according to the laws of the State of Florida and venue for any actions arising hereunder shall lie in Leon County, Florida.

2. This Amendment shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, successors and assigns.

3. This Amendment may be executed in counterpart originals, no one of which needs to contain the signatures of all parties hereto, but all of which together shall constitute one and the same instrument.

4. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any applicable law and are intended to be limited to the extent necessary so that they will not render this Amendment invalid, illegal, or unenforceable under any applicable law. If any term of this Amendment shall be held to be invalid, illegal or unenforceable, the validity of the other terms of this Amendment shall in no way be affected thereby.

5. Except as specifically modified by this Amendment, the Contract shall remain in full force and effect, and all of the terms and provisions thereof are hereby ratified and confirmed.

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IN WITNESS WHEREOF, the Parties have executed this FIRST AMENDMENT to Contract Number 047-2019, by a duly authorized representative, effective as of the Effective Date.

WASHINGTON COUNTY BOARD OF COUNTY COMMISSIONERS

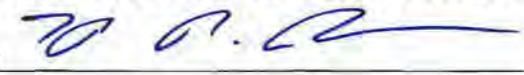
By: 

Name/Title: J.W. Hawkins III, Chairman

Date: 03/18/2021

FEIN: 59-6000899

FLORIDA HOUSING FINANCE CORPORATION

By: 

Name/Title: Hugh R. Brown/General Counsel

Date: 4-21-21

HURRICANE HOUSING RECOVERY PROGRAM
FUNDING AGREEMENT

(Local Government)

October 8, 2013
~~Aug 22~~

THIS FUNDING AGREEMENT ("Agreement") is entered into as of July 22, 2019 by and among Washington County Board ("Grantee"), a local government that meets the State Housing Initiatives Partnership ("SHIP") Program eligibility requirements, and, FLORIDA HOUSING FINANCE CORPORATION ("Florida Housing"), a public body corporate and politic duly created and existing under the laws of the State of Florida.

WITNESSETH:

WHEREAS, Hurricane Michael made landfall in Florida on October 10, 2018, leaving a path of destruction that affected a major portion of Florida's panhandle;

WHEREAS, The Florida Legislature passed legislation that will fund hurricane recovery activities for the Hurricane Housing Recovery Program (HHRP) under the following proviso language:

From the funds in Specific Appropriation 2316A, \$65,000,000 of nonrecurring funds from the Local Government Housing Trust Fund shall be used to fund the Hurricane Housing Recovery Program for eligible counties and municipalities based on Hurricane Michael Federal Emergency Management Agency damage assessment data and population. Hurricane recovery purposes may include, but are not limited to, repair and replacement of housing; assistance to homeowners to pay insurance deductibles; repair, replacement, and relocation assistance for manufactured homes; acquisition of building materials for home repair and construction; housing re-entry assistance, such as security deposits, utility deposits, and temporary storage of household furnishings; foreclosure eviction prevention, including monthly rental assistance for a limited period of time; or strategies in the approved local housing assistance plan;

WHEREAS, Florida Housing has determined that the existing administrative infrastructure of the SHIP program is well suited as a model to disburse and expend the funds for the HHRP efficiently;

WHEREAS, HHRP funds will be allocated to local governments that have the SHIP administrative infrastructure in place and that are designated as eligible for Individual Assistance pursuant to DR-4399; HHRP funds will be allocated to these local governments based on damage estimates as determined by FEMA;

WHEREAS, it is essential to expediently aid in housing recovery and rehabilitation for citizens displaced or affected by Hurricane Michael, Grantee may expend HHRP funds based on its existing approved SHIP local housing assistance plan inasmuch as it aligns with the goals of HHRP or may amend its existing approved SHIP local housing assistance plan as allowed under this Agreement to align with the goals of HHRP;

WHEREAS, the parties hereto desire to reach agreement to expedite the disbursement and expenditure of HHRP funds;

NOW, THEREFORE, in consideration of the foregoing, the parties hereto agree as follows:

1. **Recitals:** The recitals stated above are true and correct, are incorporated herein, and form an integral part of this Agreement.
2. **Definitions:**
 - i. "Administrative Expenditures" means funds, not to exceed 15% of the allocation, expended by Grantee to carry out the activities of HHRP. This expense may include salaries and benefits of staff, office supplies and equipment, required travel, advertising, recording costs. Other costs counted towards this expenditure must be reasonable and pertain to the management of HHRP.
 - ii. "Affordable" means that monthly rents or monthly mortgage payments including taxes and insurance do not exceed 30 percent of that amount which represents the percentage of the median annual gross income for Eligible Persons or Households. However, it is not the intent to limit an individual household's ability to devote more than 30 percent of its income for housing, and housing for which a household devotes more than 30 percent of its income shall be deemed affordable if the first institutional mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30 percent benchmark.
 - iii. "Eligible Housing" means any real and personal property located within the county or eligible municipality which is designed and intended for the primary purpose of providing decent, safe, and sanitary residential units that are designed to meet the standards of the Florida Building Code or previous building codes adopted under Chapter 553, Fla. Stat., or manufactured housing constructed after June 1994 and installed in accordance with the installation standards for mobile or manufactured homes contained in rules of the Department of Highway Safety and Motor Vehicles, for home ownership or rental for Eligible Persons as designated by Grantee.
 - iv. "Eligible Persons" or "Households" means one or more natural persons or a family determined by Grantee to be earning not more than 140% of the area median income according to the income limits adjusted to family size published annually by Florida Housing.
 - v. "Eligible Sponsor" means a person or a private or public for-profit or not-for-profit entity that applies for an award under HHRP for the purpose of providing Eligible Housing for Eligible Persons.
 - vi. "Expended" means the affordable housing activity is complete and funds have been paid for the activity. In addition, the assisted unit, or at least 50% of units in a multifamily development, must be occupied for funds to be considered as Expended.
 - vii. "Local Housing Assistance Plan" or "LHAP" means Grantee's approved local housing assistance plan for fiscal year 2019-2020 established in accordance with Grantee's eligibility and participation in SHIP pursuant to Sections 420.907-420.9079, Fla. Stat., and program rule, including any supplements or amendments thereto as allowed by this Agreement and reflected in Exhibit "A," HHRP Description and Certification of Program Activities, Exhibit "B," Non-LHAP Strategy Description, and Exhibit "C,"

Housing Delivery Goals Chart, all attached to and incorporated in this Agreement, and approved by Florida Housing.

- viii. "Program Income" means proceeds derived from interest earned on or investment of the funds, proceeds from loan repayments, recycled funds, and all other income derived from use of HHRP funds.
- ix. "Project Delivery Costs" means those costs related to the delivery of housing related services to an eligible applicant that are not included as part of Administrative Expenditures.
- x. "Recaptured Funds" means funds that are recouped by Grantee from Eligible Persons or Eligible Sponsors which were not used for assistance to an Eligible Household for an eligible activity, when there is a default on the terms of a grant award or loan award.
- xi. "Sub-Recipient" means a person or organization contracted by a Grantee that is compensated with HHRP funds to provide administration of any portion of the HHRP.

Allocation and Use of Funds

3. Allocation of Funds to Eligible Grantees: The parties agree that the allocation of funds has been determined and approved by Florida Housing's Board of Directors on June 21, 2019, based on housing impacts from Hurricane Michael using FEMA data. The allocation to Grantee is: \$ 1,885,000.
4. Disbursement of Funds to Eligible Grantees: HHRP funds will be disbursed to all Eligible Grantees as the funds become available to Florida Housing through the collection of Documentary Stamp Tax Funds that are deposited into the Local Government Housing Trust Fund. When funds are available to fund a portion of the total program, Florida Housing will disburse funds in an equitable manner to Eligible Grantees.
5. Establishment of HHRP Trust Fund: Grantee must establish and maintain a HHRP trust fund. All HHRP moneys Grantee receives from its share of the HHRP distribution, program income, recaptured funds, and other funds received or budgeted to implement HHRP must be deposited into the HHRP trust fund. Expenditures other than for the administration and implementation of HHRP may not be made from the fund. Grantee must invest amounts on deposit in its HHRP trust fund as permitted by any applicable law or regulation. Grantee must retain all investment earnings in its HHRP trust fund and such earnings must only be used for HHRP purposes. HHRP trust funds for all local governments including interlocal entities must be separately stated as a special revenue fund in a Grantee's audited financial statements. Electronic copies of such audited financial statements or a hyperlink to the website where the report is posted must be transmitted to Florida Housing no later than June 30th of the applicable state fiscal year. In addition to providing audited financial statements, Grantee must provide evidence of compliance with the Florida Single Audit Act, as referenced in Sections 215.97(7) and (8), Fla. Stat. All Expended funds reported on the HHRP Annual Report must be reconciled to the general ledger for each State fiscal year prior to submission of the HHRP Annual Report.

6. Expenditure of Funds by Grantee: HHRP funds shall be Expended by Grantee for the following:
 - i. HHRP Administrative Expenditures and Project Delivery Costs in an amount no more than a cumulative 15 percent of HHRP funds may be incurred by Grantee, a consultant to Grantee, or a Sub-Recipient. HHRP funds must not be used to pay for Administrative Expenditures incurred prior to July 1, 2019. In cases where costs are shared amongst multiple programs, only a prorated amount should be charged to HHRP.
 - ii. Housing counseling services, direct rental assistance, relocation costs and awards to assist Eligible Housing for Eligible Persons or Households or Eligible Sponsors.
 - iii. HHRP funds may be used for the following hurricane recovery purposes or activities, any of which are to be funded by HHRP funds must be included on Exhibit "A":
 - a. repair and replacement of housing;
 - b. assistance to homeowners to pay insurance deductibles;
 - c. repair, replacement, and relocation assistance for manufactured homes;
 - d. acquisition of building materials for home repair and construction;
 - e. housing re-entry assistance, such as security deposits, utility deposits, and temporary storage of household furnishings;
 - f. foreclosure eviction prevention, including monthly rental assistance for a limited period of time; and
 - g. strategies in the approved LHAP for fiscal year 2019-2020.
7. In executing this Agreement, Grantee is certifying that all HHRP funds will be Expended under the listed strategies in Exhibit "A" for fiscal year 2019-2020.
8. Advertisement of Availability of Funds: HHRP funding availability must be advertised by Grantee in both a newspaper of general circulation and, where available, periodicals serving racially, ethnically and income diverse neighborhoods, at least 30 days before the beginning of the application period. At a minimum, the advertisement shall contain:
 - i. The amount of funds projected to be received from the state for the fiscal year(s).
 - ii. The beginning and ending date of the application period;
 - iii. The name of the contact person and other pertinent information where applicants may apply for assistance (phone number, address, email, and hours of operation);
 - iv. Additional information may also be included in the advertisement, for example:
 - a. estimated amount of funds available per strategy;
 - b. the maximum per unit award amounts;
 - c. income set-asides for each strategy and local income limits;
 - d. the maximum unit value; and
 - e. description of the selection criteria.
9. Application for HHRP Eligible Person or Household Assistance: Grantee shall establish criteria for HHRP assistance and develop an application for HHRP eligibility.
 - i. The application for assistance should contain all the necessary information to determine whether an applicant household is potentially eligible for HHRP assistance. In accordance with the provisions of Sections 760.20-760.37, Fla. Stat., it

is unlawful to discriminate on the basis of race, religion, color, sex, familial status, national origin, or handicap in the award application process for Eligible Housing.

- ii. At a minimum, an application for program assistance should contain the following items for each household members:
 - a. The number of people residing in the household including name, age, relationship to head of household, current address and home phone number;
 - b. Name and address of employer(s), work phone number(s), position title and number of years on job with employer;
 - c. Sources of annual income, including earned, unearned and asset income, and a statement signed by all of the adults who reside in the household consenting to the disclosure of information for the purpose of verifying income and assets for determining income eligibility for program assistance.
 - d. A signed statement indicating that the applicant understands that all information provided is subject to Florida's public records laws.
 - e. A statement that it is a first-degree misdemeanor to falsify information for the purpose of obtaining assistance.

10. Allowable Homeownership Activities (Direct Assistance to Homeowners): Awards of funds may be made directly to Eligible Persons of owner-occupied homes to rehabilitate, demolish and reconstruct, or build new (homes); purchase and install new mobile homes; emergency repairs; and hardening as described in Exhibit "A" of this document. Maximum awards will be adhered to as stated in Exhibit "C".

11. Allowable Homeownership Development: Awards of funds may be made directly to Eligible Sponsors to rehabilitate, demolish and reconstruct, build new (homes); purchase and install new mobile homes; emergency repairs; and hardening as described in Exhibit "A". The benefit of awards to Sponsors must accrue to an Eligible Person. Maximum awards will be adhered to as stated in Exhibit "C".

12. Allowable Rental Development (Awards to Sponsors): Awards of funds may be made directly to Eligible Sponsors to rehabilitate, demolish and reconstruct, build new or purchase and install new mobile homes, as described in Exhibit "A". Rental units produced through awards to Sponsors must be rented to Eligible Persons within rent limits set forth for the SHIP program. Maximum awards shall be adhered to as stated in Exhibit "C".

13. Allowable Rental Assistance (Subsidies): Assistance may be provided as direct rental assistance to Eligible Persons in any of the following manners:
 - i. Security and utility deposit assistance to secure temporary or permanent rental housing; or
 - ii. Eviction prevention not to exceed 6 months' rent; or
 - iii. A rent subsidy program for very-low-income households with at least one adult who is a person with special needs as defined in Section 420.0004, Fla. Stat., or homeless as defined in Section 420.621, Fla. Stat. The period of rental assistance may not exceed 12 months for any Eligible Household; or

- iv. A rent subsidy program for very-low- and low- income households that are displaced from rental units that are uninhabitable; or
 - v. A rent subsidy (temporary relocation) not to exceed six months for homeowners who have homes that are being rehabilitated or reconstructed. Payments should be made directly to the landlord, management company, or utility provider, as applicable.
14. Maximum Unit Value: The sales price or value of new or existing Eligible Housing may not exceed 90 percent of the average area purchase price in the statistical area in which the Eligible Housing is located. Such average area purchase price may be calculated for any 12-month period beginning not earlier than January 1, 2017, or as otherwise established by the United States Department of the Treasury.
15. Income Categories: Income categories (based on SHIP income limits chart for 2019) for Eligible Persons are defined as follows:
- i. Extremely Low Income does not exceed 30% of the area median income
 - ii. Very Low Income does not exceed 50% of the area median income
 - iii. Low Income does not exceed 80% of the area median income
 - iv. Moderate Income does not exceed 120% of the area median income
 - v. Maximum Allowable Income not to exceed 140% of the area median income
16. Required Expenditure Set-asides:
- i. At least 30 percent of Grantee's funds must be reserved for awards to very-low-income persons or Eligible Sponsors who will serve very-low-income persons and at least an additional 30 percent of the funds must be reserved for awards to low-income persons or Eligible Sponsors who will serve low-income persons.
 - ii. At least 65 percent of Grantee's funds must be reserved for homeownership for Eligible Persons.
 - iii. Not more than 20 percent of Grantee's funds may be used for manufactured housing unless otherwise proposed by Grantee and approved by Florida Housing in Exhibit A.
 - iv. At least 75 percent of Grantee's funds must be reserved for construction, rehabilitation, or emergency repair of affordable, Eligible Housing.
 - v. At least 20 percent of Grantee's funds must be made available to serve persons with special needs as defined in Section 420.0004, Fla. Stat.
17. HHRP Eligible Person Award Terms: HHRP funds awarded directly to Eligible Persons must be in the form of a grant, deferred or hard pay loan. Grants should be limited to activities such as emergency repairs, relocation costs, temporary repairs, housing re-entry (deposits, rent payments), and foreclosure or eviction prevention. Loans must be secured by a note and mortgage and may be forgiven over the course of the loan on a prorated basis, forgiven at the end of the term, or paid back at the end of the term. The terms for each award will be based on terms in the LHAP for applicable fiscal year unless otherwise stated in Exhibit "B."

18. Encumbrance and Expenditure Deadlines: Grantee shall have two years to Encumber HHRP funds for their intended use, and an additional year to fully Expend HHRP funds. Grantee affirms that funds allocated for HHRP will meet the following deadlines:

Fiscal Year	Encumbered	Expended	1 st Year Annual Report	2 nd Year Annual Report	Closeout Annual Report
2019-2020	6/30/2021	6/30/2022	9/15/2020	9/15/2021	9/15/2022

If funds allocated for these fiscal years are not anticipated to meet any of the deadlines in the table above, Florida Housing will be notified according to the following chart:

Fiscal Year	Funds Not Encumbered	Funds Not Expended	1 st Year AR Not Submitted	2 nd Year AR Not Submitted	Closeout AR Not Submitted
2019-2020	3/30/2021	3/30/2022	6/15/2020	6/15/2021	6/15/2022

Encumbrances of HHRP funds must be evidenced and documented in the file by:

- i. a contract between Grantee and HHRP Eligible Person or Sponsor
- ii. an award letter to an Eligible Person or Sponsor;
- iii. a purchase order for or evidence of payment of the award; and
- iv. approval by the elected local government governing body.

Requests for Expenditure Extensions must be received by Florida Housing at least three months in advance of the deadline. The extension request shall be emailed to:

robert.dearduff@floridahousing.org and terry.auringer@floridahousing.org, or their respective successors, and include:

- i. A statement that city/county requests an extension to the expenditure deadline for fiscal year;
- ii. The amount of funds not Expended;
- iii. The amount of funds not encumbered or been recaptured; and
- iv. A detailed plan of how/when the money will be Expended.

Note: an extension to the expenditure deadline (June 30) does not relieve the requirement to submit the Closeout annual report detailing all funds that have been Expended and encumbered. Please email terry.auringer@floridahousing.org, or her successor, when you are ready to submit the annual report.

19. Closeout Annual Report Requirements: Grantee will submit a report of program activities completed in accordance with the expenditure deadline as outlined in Paragraph 18 above. The expenditure deadline will be June 30, 2022, unless otherwise agreed to or extended by Florida Housing in writing. The report will be due no later than September 15 of the year in which the expenditure deadline occurs. If an extension to the expenditure deadline is granted by Florida Housing, Grantee must still report on all completed activities as well as activities yet to be completed. Florida Housing, at its

discretion, may require interim reports of activities to provide information to the Executive Office of the Governor, the legislature, or to accumulate necessary data on hurricane recovery activities. Reports will be submitted electronically using web portal system maintained by Florida Housing at: <https://apps.floridahousing.org/StandAlone/Extranet/>.

Program Compliance

20. File Management and Record Retention relating to HHRP Eligible Persons or Sponsors: Grantee must maintain a separate file for every applicant, Eligible Person, sub-recipient or Sponsor, regardless of whether the request was approved or denied.
- i. **Contents of File:** Each file must contain sufficient and legible documentation. Documents must be secured within the file and must be organized systematically.
 - ii. **Record and File Retention:** Per the Florida Department of State, local governments are required to retain records and other relevant documentation for each applicant, Eligible Person, sub-recipient or Sponsor for (5) five fiscal years after funds have been expended or (5) five years after the expiration of a use restriction agreement, and accounted for and/or satisfaction of loans, whichever is later, provided applicable audits have been released.
 - a. For more information, see "The General Schedule for Local Governments GS1-L" located at the Florida Department of State's web site www.dos.state.fl.us Click on the link for "Library and Info. Services."
 - b. The minimum requirements for documentation of award depend upon the type of assistance awarded and the funding sources. Every file should contain a section of notes and a file checklist, which tracks the efforts and progress of obtaining necessary documents. The checklist is a useful tool for all persons who must have access to the file. However, this checklist may be modified to accommodate a local government's need for additional documentation.
 - c. Eligible Sponsors(developers) who are awarded funds have the responsibility for maintaining clear and accurate files on project recipients and activities. Grantee must monitor the Eligible Sponsors files on a regular basis to ensure that all information is collected that will be needed for reporting. Grantee's housing administrator must also review the file documentation to ensure that assistance is awarded to Eligible Persons and that all project activities conform to program requirements.
 - d. In cases where a Sub-Recipient is used to administer HHRP, Grantee is ultimately responsible for program compliance.
 - e. All other records that document the award or expenditure of HHRP funds must be retained for 5 fiscal years after the funds have been expended or (5) five years after the expiration of a use restriction agreement and accounted for and/or satisfaction of loans, whichever is later, provided applicable audits have been released. This means that for cases that were assisted Grantee must retain all records no less than 5 years after the loan has been satisfied, provided audits have been released, whichever is later. Housing records of this type include, but are not limited to:
 1. applications;

2. program and set-aside records;
 3. housing agreements;
 4. income verifications and
 5. other records as required by Florida Housing or federal, state and local law or regulations.
- f. Records must be retained in electronic form. The standards used must comply with the Florida Administrative Code. Local record retention requirements may be stricter than the State.
- iii. Access to Files: Florida Housing or any duly authorized representative shall be permitted to inspect any files relating to HHRP Eligible Person or Sponsors including but not limited to the LHAP, any supplement or amendments thereto, advertisements, applications, income verifications and certifications, plan participation contracts, financial records, tracking system records, construction cost verification including receipts and contracts, rental development annual reviews, Eligible Sponsor reviews, Eligible Sponsor award lists, HHRP fund recipient lists, and any other applicable documents at any reasonable time with or without notice. Such records shall be maintained within the participating county or eligible municipality at a place accessible to the Corporation staff or its designated monitoring agent.
21. Files Management and Record Retention relating to Grantee and Administration of this Agreement :
- i. Contents of the Files: Grantee must maintain files containing documentation to verify all compensation to Grantee in connection with this Agreement, as well as reports, records, documents, papers, letters, computer files, or other material received, generated, maintained or filed by Grantee in connection with this Agreement. Grantee must also keep files, records, computer files, and reports that reflect any compensation it receives or will receive in connection with this Agreement.
 - ii. Record and File Retention: Grantee must maintain these files for five years after the end of the applicable fiscal year, except that, if any litigation, claim or audit is commenced with respect to the transactions documented by such files before the end of the aforementioned five-year period and extends beyond the expiration of the five-year period, these files must be retained until all litigation, claims, or audit findings involving the files have been resolved.
 - iii. Access to the Files: Upon reasonable notice, Grantee and its employees shall allow Florida Housing or its agent(s) access to its files during normal business hours, 9:00 a.m. to 5:00 p.m., Monday through Friday, provided such day is not a holiday.
 - iv. Return of the Files: In the event this Agreement is terminated, all finished or unfinished documents, data, studies, computer files, correspondence, and other products prepared by or for Grantee under this Agreement must be submitted to Florida Housing within 15 days of such termination at the expense of Grantee.
22. Compliance Monitoring: Grantee must be subject to compliance monitoring during the years in which funds are expended and up to three years following the closeout of all funds. In order to assure that the program can be adequately monitored, the following is required of Grantee:

- i. Grantee must maintain a financial tracking system provided by Florida Housing that ensures that HHRP funds are Expended in accordance with the set-aside requirements, deadlines, and other requirements in this agreement.
 - ii. Grantee must maintain records on all awards to Eligible Persons or Sponsors. These records must include, but are not limited to:
 - a. Proof of income compliance;
 - b. Proof of homeownership;
 - c. Proof of use of insurance proceeds;
 - d. Proof of use of FEMA proceeds;
 - e. Documentation of all required inspections including mold remediation and wood destroying organisms;
 - f. Documentation of any required remediation;
 - g. Certificate of Occupancy;
 - h. Placed in Service documentation;
 - i. Proof of contract or eligibility;
 - j. Documentation of payments made on the award; and
 - k. Documentation of the value/sales price of the unit, as applicable.
23. Cooperation with Inspector General: Grantee understands its duty, pursuant to Section 20.055(5), Fla. Stat., to cooperate with Florida Housing's Inspector General in any investigation, audit, inspection, review, or hearing. Grantee will comply with this duty and ensure that any contracts issued under this Agreement impose this requirement, in writing, on its subcontractors.
24. Compliance Reports: If Florida Housing issues a written report finding that Grantee has violated HHRP criteria, Florida Housing may require Grantee to work with technical assistance provider through the Affordable Housing Catalyst Program (Catalyst), to develop a corrective action plan (CAP). The CAP must be submitted by Grantee to Florida Housing within 60 days of the date of the letter from Florida Housing notifying Grantee of the violation, and describe both the proposed corrective action for each violation and how the correction actions will be implemented within 3 months of an approval of the CAP. Florida Housing will have 30 days to review and approve or recommend changes to the CAP. Upon written approval of the CAP, any undisbursed funds due to Grantee will be distributed.
25. Rental Development Monitoring: Grantee is responsible for income compliance on all rental units funded with HHRP for a minimum of 15 years. If the rental development is receiving funds from other local, state, or Federal programs and those programs are requiring compliance with income guidelines that are sufficient to derive necessary confirmation of compliance for HHRP, then Grantee may rely on these reports. Grantee must have a written agreement with the developer/owner of the property to assure the reports will be made available.
26. Technical Assistance: Training and technical assistance is available to Grantee to assist in the development and implementation of the HHRP. This technical assistance shall be provided by Florida Housing staff and Florida Housing's Catalyst contractor.

27. Program Income: Program Income realized by Grantee prior to the final closeout of HHRP must be deposited and used for eligible HHRP activities. After final closeout of HHRP, funds realized as Program Income must be deposited to Grantee's SHIP program account to be used for eligible activities in the approved LHAP for the fiscal year in which the funds are realized.
28. Recaptured Funds: Recaptured Funds realized by Grantee prior to the final closeout of HHRP must be deposited and used for eligible HHRP activities. After final closeout of HHRP, Recaptured Funds must be deposited to Grantee's SHIP program account to be used for eligible activities in the approved LHAP for the fiscal year in which the funds are realized.

General Provisions

29. Compliance with all Applicable Laws and Regulations: Grantee must comply with all applicable federal, state and local laws, rules, regulations, and ordinances in administering HHRP under this Agreement. Grantee acknowledges that this requirement includes, but is not limited to, compliance with all applicable federal, state, and local health and safety rules and regulations. Grantee further agrees to include this provision in all contracts with Eligible Persons, Sub-Recipients, Sponsors or subcontracts issued as a result of this Agreement. Grantee's failure to comply with any part of this provision is material and must be grounds for termination of this Agreement for cause by Florida Housing.
30. Indemnification: Nothing contained in this Agreement shall be construed to be a waiver by either party of any protections under sovereign immunity, Section 768.28 Florida Statutes, or any other similar provision of law. Nothing contained herein must be construed to be a consent by either party to be sued by third parties in any matter arising out of this Agreement or any other contract.
31. Insurance: Grantee agrees to carry liability and other appropriate forms of insurance. Florida Housing shall have no liability except as specifically provided in this Agreement.
32. Severability: If a court deems any provision of this Agreement void or unenforceable, that provision shall be enforced only to the extent that it is not in violation of law or is not otherwise unenforceable and all other provisions shall remain in full force and effect.
33. Entire Agreement: This Agreement, and all exhibits annexed hereto which are incorporated herein by reference, collectively represent the entire agreement of the parties and the same supersedes any and all previous agreements of any kind. Any alterations, variations, changes, modifications, or waivers of provisions of this Agreement shall be valid only if reduced to writing, duly signed by all of the parties hereto, and attached to the original of this Agreement.
34. Lobbying: In accordance with Section 216.347, Fla. Stat., Grantee is hereby prohibited from using funds provided by this Agreement for the purpose of lobbying the Legislature, the judicial branch or a state agency. Further, in accordance with Section

11.062, Fla. Stat., no state funds, exclusive of salaries, travel expenses, and per diem, appropriated to, or otherwise available for use by, any executive, judicial, or quasi-judicial department shall be used by any state employee or other person for lobbying purposes.

35. Files Subject to Florida's Public Records Law: Any file, report, record, document, paper, letter, or other material received, generated, maintained or sent by Grantee in connection with this agreement is subject to the provisions of Section 119.01-.15, Fla. Stat., as may be amended from time to time (Florida's Public Records Law). Grantee represents and acknowledges that it has read and understands Florida's Public Records Law and agrees to comply with Florida's Public Records Law.

If Grantee has questions regarding the application of Chapter 119, Florida Statutes, to Grantee's duty to provide public records relating to this contract, contact the Corporation Clerk at:

Corporation Clerk
227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329
Phone: 850.488.4197
E-mail: Corporation.Clerk@floridahousing.org

36. Personally Identifiable Information (PII); Security:
- i. If Grantee or any of its subcontractors may or will create, receive, store or transmit PII under the terms of this Agreement, Grantee must provide for the security of such PII, in a form acceptable to Florida Housing, without limitation, non-disclosure, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections and audits. Grantee shall take full responsibility for the security of all data in its possession or in the possession of its subcontractors and shall hold Florida Housing harmless for any damages or liabilities resulting from the unauthorized disclosure of loss thereof.
 - ii. If Grantee or any of its subcontractors may or will create, receive, store or transmit PII under the terms of this Agreement, Grantee shall provide Florida Housing with insurance information for stand-alone cyber liability coverage, including the limits available and retention levels. If Grantee does not carry stand-alone cyber liability coverage, Grantee agrees to indemnify costs related to notification, legal fees, judgments, settlements, forensic experts, public relations efforts, and loss of any business income related to this Agreement.
 - iii. Grantee agrees to maintain written policies and procedures for PII and/or data classification. This plan must include disciplinary processes for employees that violate these guidelines.
 - iv. Grantee agrees at all times to maintain reasonable network security that, at a minimum, includes a network firewall.

- v. Grantee agrees to protect and maintain the security of data with protection security measures that include maintaining secure environments that are patched and up-to-date with all appropriate security updates as designated by a relevant authority (e.g. Microsoft notifications, Common Vulnerabilities and Exposures (CVE) database, etc.) Grantee agrees that PII shall be appropriately destroyed based on the format stored upon the expiration of any applicable retention schedules.
- vi. Grantee agrees that any and all transmission or exchange of system application data with Florida Housing and/or any other parties shall take place via secure Advanced Encryption Standards (AES), e.g. HTTPS, FTPS, SFTP or equivalent means. All data stored as a part of backup and recovery processes shall be encrypted, using AES.
- vii. If Grantee reasonably suspects that a cybersecurity event or breach of security has occurred, they must notify Florida Housing's Contract Administrator within 48 hours.
- viii. In the event of a breach of PII or other sensitive data, Grantee must abide by provisions set forth in Section 501.171, Fla. Stat. Additionally, Grantee must immediately notify Florida Housing in writing of the breach and any actions taken in response to such a breach. As the information becomes available the statement must include, at a minimum, the date(s) and number of records affected by unauthorized access, distribution, use, modification or disclosure of PII; Grantee's corrective action plan; and the timelines associated with the corrective action plan.

37. Other Provisions:

- i. This Agreement shall be construed under the laws of the State of Florida, and venue for any actions arising out of this Agreement shall lie in Leon County.
- ii. No waiver by Florida Housing of any right or remedy granted hereunder or failure to insist on strict performance by Grantee shall affect or extend or act as a waiver of any other right or remedy of Florida Housing hereunder or affect the subsequent exercise of the same right or remedy by Florida Housing for any further or subsequent default by Grantee. A waiver or release with reference to any one event shall not be construed as continuing or as constituting a course of dealing.
- iii. Any power of approval or disapproval granted to Florida Housing under the terms of this Agreement shall survive the terms and life of this Agreement as a whole.
- iv. The Agreement may be executed in any number of counterparts, any one of which may be taken as an original.

[SIGNATURE PAGES TO FOLLOW]

**COUNTERPART SIGNATURE PAGE FOR
HURRICANE HOUSING RECOVERY PROGRAM
FUNDING AGREEMENT**

(GRANTEE)

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and affixed their seals as of the day and year first written above.

WITNESSES:

Local Government: *[Signature]*
(Chief Elected Official)

[Signature]
Print: Karen Shaw

[Signature]
Print: Jessica Hawkins

By: _____
Print: J.W. Hawkins III
Title: Board Chairman

ATTEST (if necessary):

[SEAL]

By: _____

Title: _____

STATE OF FLORIDA

COUNTY OF Washington

The foregoing instrument was acknowledged before me this 22 day of August, 2019 by J.W. Hawkins III on behalf of _____ on behalf of Washington Co. Boer. Said person is personally known to me or has produced a valid driver's license as identification.



[Signature]
Notary Public State of Florida
Print Name: Karen Shaw
My Commission Expires: 3-24-23
My Commission No.: GG 279203

**COUNTERPART SIGNATURE PAGE FOR
HURRICANE HOUSING RECOVERY PROGRAM
FUNDING AGREEMENT**

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and affixed their seals as of the day and year first written above.

FLORIDA HOUSING FINANCE CORPORATION:

WITNESSES:

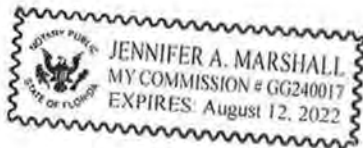
Anna F. McGlathory
Print: Anna F. McGlathory
Jennifer A. Marshall
Print: Jennifer A. Marshall

By: *[Signature]*
Print: Hugh R. Brown
Title: General Counsel

Address: 227 N. Bronough Street, Suite 5000
Tallahassee, Florida 32301-1329

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 8th day of October, 2019 by Hugh R. Brown on behalf of FLORIDA HOUSING FINANCE CORPORATION, a public body corporate and politic duly created and existing under the laws of the State of Florida, on behalf of Florida Housing. Said person is personally known to me or has produced a valid driver's license as identification.



Jennifer A. Marshall
Notary Public State of Florida
Print Name: Jennifer A. Marshall
My Commission Expires: August 12, 2022
My Commission No.: GG 240017

EXHIBIT "A"

**HHRP Program
Description and Certification of Program Activities**

- In the following table, list all housing strategies that will be used by Grantee for HHRP.
- If a strategy which is not currently in the approved LHAP is included in the list below, a separate strategy form (Exhibit B) will be required.
- The strategy may also be added to the approved LHAP for the 2019-2020 fiscal year as an amendment submitted to and approved by Florida Housing.

Housing Strategies	Code	In LHAP (Yes/No)
Housing Rehabilitation	3	Yes
Replacement Housing	4	No

EXHIBIT "B"
Non-LHAP Strategy Description

A. Replacement Housing	Code 4
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- a. Summary: To provide funds of constructing affordable replacement homes. These funds will provide for the demolition of uninhabitable or dilapidated houses and mobile homes. The construction of a replacement house (site built only) must be owner occupied with clear title.

This program is intended to assist when the dwelling is beyond rehabilitation and/or repair. Assistance shall be tailored to the individual affordability and financing needs of the targeted family, however, each family shall only receive the minimum level of assistance required to enable the construction of a new home that meets the needs of the family. The HHRP Program Administrator has the right to deny enhancement or expansion of the existing footprint of the current dwelling unit on a case-by-case basis.

A new retrofit of the existing well, septic, driveway apron, electrical and demolition may be included as part of the construction costs. Applicants will be given a choice of up to three approved housing plans provided by the awarded contractor. Relocation costs and temporary housing expenses may be considered. Loans for assistance may include costs related to relocation, temporary housing, all eligible construction, inspections work write-ups and closing costs.

- b. Fiscal Years Covered: 2019-2020
- c. Income Categories to be served: very low and low income.
- d. Maximum award: Up to \$150,000
- e. Terms:
1. Repayment loan/deferred loan/grant: Deferred Payment Loan
 2. Interest Rate: %0
 3. Years in loan term: Fifteen (15) Years
 4. Forgiveness: Applicants will receive assistance in the form of a fifteen (15) year Deferred Payment Loan, which is secured by a forgivable first or second mortgage dependent upon if the applicants receives additional funding beyond the maximum HHRP award as specified above. The loan is provided at zero percent (0%) interest with no monthly payments and is forgivable at a rate of twenty percent (20%) per year starting in year eleven (11). At the end of fifteen (15) years, the loan is completely forgiven.
 5. Repayment: Required in full when one of the following conditions is met during the term of the note only, whichever occurs first:

- a. Sale
 - b. Conversion to rental property
 - c. Title Transfer – either voluntarily or by operation of law, including death of the surviving mortgage holder or foreclosure. A legal heir, certified as income eligible may be approved for assumption of the existing mortgage.
 - d. Refinance to access equity – The County may consider subordination if the first mortgage is being refinanced at a lower rate with no cash out and refinanced closing costs do not increase the loan balance beyond the original loan amount.
 - e. Homeowner(s) no longer reside(s) in the home
6. Default: If any of the above terms are violated during the fifteen (15) year period following the date of the signed mortgage agreement, the owner/mortgagor, or owner/mortgagor's estate shall repay to the County the outstanding balance.
- f. Recipient Selection Criteria: Assistance will be provided on a first qualified, first-served basis. Applicants must have owned and resided in the home as their primary residence a minimum of three (3) consecutive years before the date of application. The family must provide proof of property ownership (life estates are recognized as proof of ownership).
- Qualified means that the applications are complete and approved by the HHRP Program Administrator, income certifications and award letters have been issued, property taxes are current, and if appropriate, the existing house is determined eligible for replacement.
- The Home Care & Maintenance Class must be successfully completed unless the applicant is determined physically unable to attend the class, in which case the applicant will be provided the study materials. Certification is valid for a one (1) year period. Completion of the course is mandatory prior to receiving funding.
- g. Sponsor Selection Criteria: N/A
- h. Additional Information:
1. Units assisted must be within Washington County, Florida.
 2. Replacement of Manufactured/Mobile homes with a single family residence
 3. Applicants who receive awards are not eligible to apply for any additional HHRP assistance.
 4. Anyone who previously received prior HHRP or SHIP assistance is ineligible to apply.
 5. Property taxes must be paid and not delinquent.
 6. The property must be owner occupied.
 7. The owner must have legally owned and resided in the home continuously for a minimum of three years prior to applying for assistance and must be able to provide proof of ownership.
 8. The appraised value of the home may not exceed the current maximum sales price allowed in the Washington County HHRP Program.
 9. The applicant must be able to demonstrate the ability to pay property taxes, homeowner's insurance, utilities and must also demonstrate the ability to maintain the property.
 10. The applicant becomes the homeowner once the mortgage/note is signed at the final closing.
 11. The homeowner is responsible for paying property taxes, and utilities.
 12. The homeowner is responsible for all home maintenance and repairs.

EXHIBIT "C"
Housing Delivery Goals Chart

