

SUBRECIPIENT AGREEMENT HIGHLIGHTS

- **Scope of Services:** The agency will only get paid for what is listed in the “Scope of services” section in your agreement.
- **Program Financial Controls:** The agency is responsible for auditing and other financial controls of OMB A-110 and other applicable requirements.
- **Length of Required Compliance:** The agency must meet one of the national objectives until five years after expiration of the agreement, or for such longer period of time as determined to be appropriate by the City.
- **Public Facility and Improvement Projects:** The agency shall pay the City an amount equal to the current market value of the property less any portion of the value attributable to expenditures on non-CDBG funds for the acquisition or improvement to the property, if the agency does not comply with the eligibility requirements for five years.
- **Record Keeping:** The agency is responsible for maintaining and storing all records pertinent to this agreement in an orderly fashion in a readily accessible, permanent and secured location for a period of five (5) years after expiration of this agreement.
- **Term of the Agreement:** The term of this agreement shall be from October 1, 2009 to September 30, 2010 and may be amended if both parties execute a written agreement.
- **Payment:** The City will provide payments as stated in the “Method of payment section” of the agreement in accordance with the stated services.
- **Reporting:** The agency shall submit monthly requests for payment for actual expenditures (or no expenditures during the month), including applicable back-up documentation, no later than the tenth (10th) day of the succeeding month.
- **Open Policy:** The agency shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, age, handicap, disability, sexual orientation, ancestry, national origin, marital status, familial status, or any other basis prohibited by applicable law.
- **Conflicts of Interest:** The agency must ensure that no person, under its employment who presently exercises any functions or responsibilities has personal financial interest, direct or indirect, in this award.
- **Liability Coverage:** The agency must maintain an amount of coverage of \$300,000.00.

FAIR HOUSING AND EQUAL OPPORTUNITY (FHEO) IN THE CDBG PROGRAM – April 8, 2004 CDBG Workshop

Applicable CDBG Regulation at 24 CFR Part 570.601, 570.602, 570.607 and 570.614.

FHEO MISSION:

To create equal housing opportunities for all persons living in America by administering laws that prohibits discrimination in housing on the basis of race, color, religion, sex, national origin, age, disability, and familial status.

WHAT WE DO:

HUD's office of Fair Housing and Equal Opportunity administers federal laws and establishes national policies that ensure all Americans have equal access to the housing of their choice. Particular activities carried out by the office include implementing and enforcing the Fair Housing Act of 1964, Section 109 of the Housing and Community Development Act of 1974, Section 504 of the Rehabilitation Act of 1973, Title II of the Americans with Disabilities Act of 1990, the Age Discrimination Act of 1975, Title IX of the Education Amendments Act of 1972, and the Architectural Barriers Act of 1968.

THE FAIR HOUSING LAWS:

Fair Housing Act: Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents of legal custodians, pregnant women, and people securing custody of children under the age of 18), and handicap (disability).

Title VI of the Civil Rights Act of 1964: Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973: Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

Section 109 of Title I of the Housing and Community Development Act of 1974: Section 109 prohibits discrimination on the basis of race, color, national origin, sex or religion in programs and activities receiving financial assistance from HUD's Community Development Block Grant Program.

Title II of the Americans with Disabilities Act of 1990: Title II Prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

Architectural Barriers Act of 1968: The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered or leased with certain federal funds after September 1969 must be accessible to and useable by handicapped persons.

Age Discrimination Act of 1975: The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

FAIR HOUSING-RELATED PRESIDENTIAL EXECUTIVE ORDERS:

Executive Order 11063: Executive Order 11063 prohibits discrimination in the sale, leasing, rental, or other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

Executive Order 11246: Executive Order 11246, as amended, bars discrimination in federal employment because of race, color, religion, sex, or national origin.

Executive Order 12892: Executive Order 12892, as amended, requires federal agencies to **affirmatively further fair housing** in their programs and activities, and provides that the Secretary of HUD will be responsible for coordinating the effort. The Order also establishes the President's Fair Housing Council, which will be chaired by the Secretary of HUD.

Executive Order 12898: Executive Order 12898 requires that each federal agency conduct its program, policies, and activities that substantially affect human health or the environment in a manner that does not exclude persons based on race, color, or national origin.

Executive Order 13166: Executive Order 13166 eliminates, to the extent possible, limited English proficiency as a barrier to full and meaningful participation by beneficiaries in all federally-assisted and federally conducted programs and activities.

FAIR HOUSING AND EQUAL OPPORTUNITY (FHEO) TECHNICAL ASSISTANCE:

FHEO Web Page: <http://hud.gov:80/offices/fheo/FHLaws/index.cfm>

Nancy Rivera-Wright, Lead Civil Rights Analyst, HUD
301 W Bay Street, Suite 2200, Jacksonville, FL 32202-5121
Telephone: (904) 232-1777, Extension 2138.
Email: Nancy_Rivera-Wright@hud.gov

LABOR STANDARDS IMPLEMENTATION AND AVAILABLE TECHNICAL ASSISTANCE RESOURCES:

Local contracting agencies participating in HUD programs, such as Community Development Block Grant Recipients, perform day-to-day labor standards administration and enforcement on their own

contracts under the general direction of HUD Labor Relations field staff. From time to time, the Office issues written guidance to assist its own field staff and local agency staff in this responsibility. This guidance includes Labor Relations Letters, the “On the Mark!” Series, and Desk Guides. More recent publications include a Contractor’s Guide to Davis-Bacon Wage Requirements and Semi-Annual Enforcement Report Instructions for local agencies.

DAVIS-Bacon Wage Rates:

Office of Labor Relations Davis-Bacon Enforcement

Website: <http://www.hud.gov/progdesc/old--db.cfm>

Summary: The office of Labor Relations (OLR) administers Federal Prevailing wage requirements in HUD-assisted housing and community development programs through staff in Field Offices. OLR is HUD’s primary contact with the Department of Labor (DOL) in enforcing labor standards mandated by the Davis-Bacon and Related Acts. **This program includes most recipients of HUD-funding assistance, including CDBG, involving construction work, who must ensure that they comply with Federal labor standards and prevailing wage requirements.**

APPLICABILITY: DAVIS-BACON AND OTHER LABOR LAWS.

- a. The Davis-Bacon Act (DBA).** The Davis-Bacon Act requires the payment of prevailing wage rates (which are determined by the U.S. Department of Labor) to all laborers and mechanics on Federal government construction projects **in excess of \$2,000. Construction includes alteration and/or repair, including painting and decorating, of public buildings or public works.**
- b. The Contract Work Hours and Safety Standards Act (CWHSSA).** CWHSSA requires time and one-half pay for overtime (O/T) hours (over 40 in any workweek) worked on the covered project. The CWHSSA applies to both direct Federal contracts and to indirect Federally assisted contracts except where the assistance is solely in the nature of a loan guarantee or insurance. CWHSSA violations carry liquidated damages penalty (\$10/day per violation). Intentional violations of CWHSSA standards are considered a Federal criminal misdemeanor.

The CWHSSA does not apply to contracts of \$100,000 or less. In addition, some HUD projects are not covered by CWHSSA because some HUD programs only provide loan guarantee or insurance. **The CWHSSA also does not apply to construction or rehabilitation contracts that are not subject to Federal prevailing wage rates** (e.g., Davis-Bacon wage rates, or HUD-determined rates for operation of public housing and Indian block grant-assisted

housing). **However, even though CWHSSA overtime pay is not required, Fair Labor Standards Act (FLSA) overtime pay is probably still applicable.** (See also Labor Relations Letter SL-95-01, CWHSSA Coverage threshold for overtime, health, and safety provisions.)

- c. The Copeland Act (Anti-Kickback Act).** The Copeland Act makes it a crime for anyone to require any laborer or mechanic (employed on a Federal or Federally-assisted project) to kickback any part of his or her wages. The Copeland also requires every employer (contractors and subcontractors) to submit weekly payroll reports (CPRs).
- d. The Fair Labor Standards Act (FLSA).** The FLSA contains Federal minimum wage rates and overtime (O/T) requirements. These requirements generally apply to any labor performed and may be preempted by other Federal standards such as the DBRA prevailing wage requirements and CWHSSA O/T provisions. Only the DOL has the authority to administer and enforce FLSA. HUD will refer to the DOL any possible FLSA violations that are found on HUD projects.

DAVIS-BACON AND RELATED REGULATIONS

The Department of Labor has published rules and instructions concerning **Davis-Bacon and other labor laws** in the Code of Federal Regulations (CFR). **These regulations can be found in Title 29 CFR Parts 1, 3, 5, 6, and 7.** Part 1 explains how the DOL establishes and publishes **DBA** wage determinations and provides instructions on how to use the determinations. Part 3 describes **Copeland Act** requirements for payroll deductions and the submission of weekly-certified payroll reports. **Part 5 covers the labor standards provisions that are in your contract relating to Davis-Bacon Act wage rates and the responsibilities of contractors and contracting agencies to administer and enforce the provisions.** Part 6 provides for administrative proceedings enforcing Federal labor standards on construction and service contracts. Last, Part 7 sets parameters for practice before the Wage Appeals Board (renamed Administrative Review Board). These regulations are used as the basis for administering and enforcing the laws.

CONSTRUCTION CONTRACT PROVISIONS

Each contract subject to Davis-Bacon labor standards requirements must contain labor standards clauses and a Davis-Bacon wage decision. These documents are normally bound into the contract specifications.

The labor standards clauses. The labor standards clauses describe the responsibilities of the contractor concerning Davis-Bacon wages and obligate the contractor to comply with the labor requirements.

DOL Regulations are available online at
<http://www.dol.gov/dol/esa/public/regs/cfr/whdcm.htm>

HUD PREOCUREMENT AND CONTRACTING REQUIREMENTS FOR APRIL 8, 2004, CDBG WORKSHOP

The following information about procurements of construction contractors, small purchases, materials, products, and services by governmental agencies provided to a grantee that requested related advice and assistance, is reproduced for distribution at this workshop along with a list of required contract provisions and explanation of relationships between specific governing regulations and Office of Management and Budget guidelines.

HUD Procurements Requirements at 24 CFR 85.36 (Local Governments)

1. All transactions will be conducted in a manner providing full and open competition, without certain types of listed unreasonable restrictions.
2. Done under written selection procedures that include clear and accurate descriptions of all technical requirements that offerers must fulfill and factors used in evaluating bids or proposals.
3. Small purchase procurements (not more than \$100,000) for services, supplies, or other property shall include price or rate quotes from an adequate number of qualified sources.
4. Sealed bids for firm-fixed-price construction contracts which are awarded to the lowest responsible bidder consistent with all material terms and conditions of the publicly solicited invitations for bids which include specifications and attachments defining items or services for biffer response, with a firm fixed price contract awarded in writing to the lowest responsive and responsible bidder.
5. Competitive proposals (RFP process) for fixed price or cost reimbursement contracts when not suitable for sealed bids, based on technical evaluations of received proposals and clear selection criteria, including A & E professional services awarded for competitive qualifications subject to negotiations of fair and reasonable compensation where the price it not a selection factor.
6. Procurement by noncompetitive proposals when only one source is available, and/or contract award is not feasible under a small purchase, sealed bid, or competitive/RFP proposal.
7. A cost analysis/cost estimate must be completed and documents for each and every procurement action by a qualified party independent of any party making an offer or bidding prior to receiving bids or proposals,

including elements of estimated costs. Also see conflict of interest requirements in relation to required written code of related standards affecting employees, officers, agents, immediate family members, partners, and related organization which have a financial or other interest in any firm selected for a procurement award, including penalties, sanctions, or other disciplinary actions for real, apparent, or potential conflicts of interest (does not address identity of interest contractors allowed to receive awards for construction of property they own when limited to “out of pocket actual costs”, not including personal profit or overhead in relation to benefit which they receive for improvements as the owner, which could apply to the grantee acting as its own general contractor for its own property, for which there is a long well established HUD policy for programs and projects where we provided direct funding or financial assistance).

8. Contract costs and prices based on estimated costs will only be available consistent with OMB Circular A-87 cost reasonableness criteria for local government agencies.
9. Cost plus a percentage of cost and percentage of construction cost methods of contracting shall not be used.
10. Also see “Awarding Agency Review” requirements.
11. Also see “Bonding Requirements”, “Bid Guarantee”, “Performance Bond”, and “Contract Provisions (contents)” requirements that apply particularly to construction contracts.

24 CFR Part 85.36 (i) Required Contract Provisions (Local Governments)

Grantee and subgrantee’ contracts must contain the following provisions, although Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

- (1) **Administrative, contractual, or legal remedies** in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate. (Contracts more than the simplified acquisition thresholds).
- (2) **Termination for cause and for convenience** by the grantee or the subgrantee including the manner by which it will be effected and the basis for the settlement. (All contracts in excess of the \$10,000)
- (3) Compliance with **Executive Order 11246** of September 24, 1965, entitled, ‘Equal Employment Opportunity,’ as amended by **Executive Order 11375** of October 13, 1967, and as supplemented in Department of Labor Regulations

(41 CFR Chapter 60). (All construction contracts awarded in excess of \$10,000 by grantees and their contractors or subgrantees).

OTHER FEDERAL ERQUIREMENTS

- In addition to the programmatic CDBG requirements noted earlier in this chapter, CDBG projects may also be subject to other federal requirements.
- These other federal requirements include”
 - **Fair Housing and Equal Opportunity:** Discrimination on the basis of race, color, national origin, religion, or sex is prohibited.
 - **Handicapped accessibility:** Federally-assisted buildings and facilities must be accessible.
 - **Employment and contracting:** Grantees may not discriminate in employment and must make efforts to provide training and employment opportunities to low income residents.
 - **Environmental Review:** Grantees must undertake environmental reviews in accordance with 24 CFR 58.5.
 - **Flood Insurance:** CDBG funds may not be provided in a FEMA designated special flood area unless specific precautions are undertaken.
 - **Lead-based paint:** CDBG rehabilitation and construction activities must comply with 24 CFR Part 35 and Section 401(b) of the Lead-Based Paint Poisoning Prevention Act.
 - **Labor Standards:** Construction activities may be required to comply with the Davis Bacon Act and the Safety Standards Act.
 - **Debarred, suspended, and ineligible contractors and subrecipients:** CDBG funds cannot be used by debarred, suspended, or ineligible contractors and subrecipients.
 - **Conflict of interest:** CDBG projects must comply with procurement requirements found at 24 CFR 85.36 and 85.42 and/or with other conflict of interest provisions (depending upon the type of activity).
 - **Acquisition and relocation:** Acquisition, rehabilitation, and/or demolition activities may be covered by the Uniform Relocation Act and/or Section 104(d) of the Housing and Community Development Act.
- The above-noted descriptions are very brief and do not give all of the information that grantees need to know about other federal requirements. Additional information may also be found in the subpart K of the CDBG regulations. Grantees should also contact their HUD field office for more information and/or available guidance on each of these other federal requirements.

Form Revised: 09/14/09



**City of Clearwater
Economic Development & Housing Department
Consolidated Action Plan Fiscal Year 2009-2010
Program Activity Report**

Name: _____

Program: _____

Month	Client Incomes as a % of Median				Client Racial Statistics												Head of Household		
	Below 50%	Between 50% & 80%	Between 80% & 120%	Total Clients Served	White	Black/ African/ American	Asian	American Indian/ Alaskan Native	Native Hawaiian/ Othr Pacific Islander	Am Indian/ Alaskan Native & White	Asian & White	Black/ African American & White	Am Indian/ Alaskan Native & Black/African American	Other Multi-Racial	Asian/ Pacific Islander	Hispanic	Total Clients Served	Female	Special Needs Elderly Handicapped
October				0													0		
November				0													0		
December				0													0		
January				0													0		
February				0													0		
March				0													0		
April				0													0		
May				0													0		
June				0													0		
July				0													0		
August				0													0		
September				0													0		
Totals	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

% of Goals	#DIV/0!
GOALS	

Comments:

Footnotes: Client statistics should only include head of household data for first time visits of fiscal year.
 Columns C thru E (Client Incomes) = Column F (Total Clients), which is formatted to total
 Columns G thru R (Client Racial Stats) = Column S (Total Clients), which is formatted to total
 Columns F & S (Total Clients Served) should match
 Columns T & U (Head of Household) may or may not individually equal Total Clients Served
 For Columns T & U (Head of Household), show zero for months not applicable

Cell F31: (GOALS) Insert figure from your agency's application (proposed # of program beneficiaries).
 If figure differs from application, provide explanation in comments box.

Form Revised: 09/14/09



City of Clearwater
Economic Development & Housing Department
Consolidated Action Plan Fiscal Year 2009-2010
Financial Report & Implementation Schedule

Name: _____

Program: _____

Month	Beginning Balance	Expended	Program Income	Encumbered	Ending Balance
October	\$ -				\$ -
November	\$ -				\$ -
December	\$ -				\$ -
January	\$ -				\$ -
February	\$ -				\$ -
March	\$ -				\$ -
April	\$ -				\$ -
May	\$ -				\$ -
June	\$ -				\$ -
July	\$ -				\$ -
August	\$ -				\$ -
September	\$ -				\$ -
Totals		\$ -	\$ -	\$ -	
Percentage Expended		#DIV/0!	Over or (Under) Target		#DIV/0!

Planned Implementation Steps	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Totals
1)													0
2)													0
3)													0
4)													0
5)													0
6)													0
Totals	0	0	0	0	0	0	0	0	0	0	0	0	0
Actual Implementation Steps	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Totals
1)													0
2)													0
3)													0
4)													0
5)													0
6)													0
Totals	0	0	0	0	0	0	0	0	0	0	0	0	0

Comments:

RECORD-KEEPING CHECKLIST FOR TRACKING ACTIVITIES

- Form should be initiated when grantee awards subgrant to recipient.
- Date at top should indicate last time when checklist was updated.
- Form should be updated after internal project review, monitoring visits by grantee, or when key documents are modified, or received from/sent to the grantee.

Date Checklist Last Updated: _____

DOCUMENTS TO BE MAINTAINED	Document Source		Status																							
	Source	Date	Complete	Location																						
<p>Project Application</p> <input type="checkbox"/> Original Application <input type="checkbox"/> Amendments to Application <input type="checkbox"/> Approval of Amendments <input type="checkbox"/> Notice of Award <input type="checkbox"/> Correspondence	<input type="checkbox"/> Subrecipient <input type="checkbox"/> Subrecipient/Grantee <input type="checkbox"/> Grantee <input type="checkbox"/> Grantee <input type="checkbox"/> Subrecipient/Grantee	 	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50px;">Y</th> <th style="width: 50px;">N</th> </tr> <tr><td> </td><td> </td></tr> </table>	Y	N											 										
Y	N																									
<p>Pre-Award Documentation</p> <input type="checkbox"/> Articles of Incorporation/Bylaws <input type="checkbox"/> Nonprofit Determination <input type="checkbox"/> List of Board of Directors <input type="checkbox"/> Authorization to Request Funds <input type="checkbox"/> Authorized Official <input type="checkbox"/> Organizational Chart <input type="checkbox"/> Resumes of Chief Admin/Fiscal Officers <input type="checkbox"/> Financial Statement and Audit <input type="checkbox"/> Conflict of Interest Statement <input type="checkbox"/> Plan for Compliance with National Objectives <input type="checkbox"/> Lobbying Statement	<input type="checkbox"/> Subrecipient <input type="checkbox"/> Subrecipient	 	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50px;">Y</th> <th style="width: 50px;">N</th> </tr> <tr><td> </td><td> </td></tr> </table>	Y	N																					
Y	N																									
<p>Subrecipient Agreement</p> <input type="checkbox"/> Subgrant Amount <input type="checkbox"/> Date of Subgrant <input type="checkbox"/> Statement of Work <input type="checkbox"/> Budget by Task/Activity <input type="checkbox"/> Schedule by Task/Activity <input type="checkbox"/> Standard Provisions Included <input type="checkbox"/> Amendments (Dates)	<input type="checkbox"/> Grantee <input type="checkbox"/> Grantee <input type="checkbox"/> Subrecipient <input type="checkbox"/> Subrecipient <input type="checkbox"/> Subrecipient <input type="checkbox"/> Grantee <input type="checkbox"/> Grantee	 	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50px;">Y</th> <th style="width: 50px;">N</th> </tr> <tr><td> </td><td> </td></tr> </table>	Y	N													 								
Y	N																									

Record-Keeping Checklist (continued)

DOCUMENTS TO BE MAINTAINED	Document Source		Status	
	Source	Date	Complete	Location
Financial Records				
<input type="checkbox"/> Current Approved Budget	<input type="checkbox"/> Subrecipient/Grantee _____		Y N	_____
<input type="checkbox"/> Authorization Letter/Signatures	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Financial Management Systems	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Chart of Accounts	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> List of Source Documents to be Maintained	<input type="checkbox"/> Grantee _____		_____	_____
<input type="checkbox"/> Financial Status Report	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Drawdown request Forms	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Drawdown Request Reports	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Executed contracts/bid docs	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Board minutes for approval of contracts/bids	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Copy of most recent audit report	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Certification of insurance coverage/bonding	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> CDBG payrolls	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Certified Construction Payroll records	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Approved cost allocation plan	<input type="checkbox"/> Subrecipient/Grantee _____		_____	_____
<input type="checkbox"/> Relevant financial correspondence	<input type="checkbox"/> Subrecipient/Grantee _____		_____	_____
Project Monitoring & Control				
<input type="checkbox"/> Completed monitoring reports	<input type="checkbox"/> Grantee _____		_____	_____
<input type="checkbox"/> National Objective Documentation	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Eligible activities documentation	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Activity Status Report	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Drawdown Request/Reports	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Subrecipient staffing	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Meeting minutes	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Telephone Log/notes	<input type="checkbox"/> Subrecipient _____		_____	_____
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Subrecipient _____		_____	_____

RECORDKEEPING AND MONITORING

PART 1: RECORDKEEPING

OVERVIEW

- Accurate recordkeeping is crucial to the successful management of CDBG-funded activities. Insufficient documentation is likely to lead to monitoring findings, and these findings will be more difficult to resolve if records are missing, inadequate or inaccurate.
- To assess the strengths and weaknesses in this area, grantees should think about the following:
 - Is there a clearly defined process for acquiring, organizing, storing, retrieving, and reporting information about CDBG-funded activities?
 - How can the documentation and reporting systems be strengthened to meet the HUD requirements?
 - Who is responsible for the majority of the recordkeeping and reporting tasks, and are they properly trained and supported?
 - How can the recordkeeping and reporting process be streamlined by standardized procedures and the removal of duplicative records?
 - What types of records and reports could be automated (i.e., computerized) that are not now?

GENERAL ADMINISTRATIVE RECORDS

- Grantees must maintain files and records that relate to the overall administration of the CDBG program. These records will include the following:
 - Consolidated Plan submission to HUD, which includes the application, program descriptions, certifications, etc.;
 - Executed grant agreement;
 - Description, geographic location and budget of each funded activity;
 - Personnel files;
 - Property management files;
 - HUD monitoring correspondence;
 - Citizen participation compliance documentation;
 - Fair Housing and Equal Opportunity records;
 - Lump sum agreements;
 - Environmental review records; and
 - Documentation of compliance with other federal requirements (e.g., Davis-Bacon, Uniform Relocation Act and Lead-Based Paint).

FINANCIAL RECORDS

- Financial recordkeeping is one of the primary areas subject to HUD reviews and one in which inadequate recordkeeping can lead to serious problems.
- Financial records to be maintained include:
 - Chart of accounts;
 - Manual on accounting procedures;
 - Accounting journals and ledgers;
 - Source documentation (purchase orders, invoices, canceled checks, etc.);
 - Procurements files (including bids, contracts, etc.);
 - Real property inventory;
 - Bank account records (including revolving loan fund records, if applicable);
 - Drawdown requests;
 - Payroll records and reports;
 - Financial reports;
 - Audit files; and
 - Relevant financial correspondence.
- Oftentimes, the financial functions of grantee CDBG program operations are often handled by staff with accounting skills, but not necessarily with a CDBG program background, or are shared with staff from other departments outside of the administering agency. To ensure proper financial recordkeeping and reporting, grantees should help their financial understand:
 - What information needs to be kept and why;
 - When that information should be collected and how often;
 - How the information should be reported; and
 - How long the records must be kept

PROJECT/ACTIVITY RECORDS

- For each type of activity undertaken, the grantee should determine what data must be maintained in individual case files and establish a system for ensuring that every file contains the necessary information
- The list will vary from one activity to another, but each project/activity file should include the following documentation:
 - Eligibility of the activity;
 - Evidence of having met a national objective;
 - If applicable, subrecipient agreement;
 - Any bids or contracts;
 - Characteristics and location of the beneficiaries;
 - Compliance with special program requirements;

- Budget and expenditure information (including draw requests); and
- The status of the project/activity

RECORDS ON SUBRECIPIENTS

- As discussed previously, grantees are responsible for ensuring that subrecipient activities are carried out in compliance with all applicable program requirements and that performance of subrecipients is on track with objectives set forth by the grantee. The following is an overview of the types of records that must be maintained by grantees for each funded subrecipient activity:
 - Subrecipient application;
 - Written agreement;
 - Financial statements and records;
 - Audits
 - Progress reports;
 - Drawdown requests (with supporting documentation); and
 - Monitoring reports and correspondence
- While grantees maintain certain records pertaining to subrecipient activities, subrecipients must also maintain detailed records on its organization, financial and administrative systems and the specific CDBG-funded project or activity.

RECORD RETENTION PERIOD

- Under the uniform administrative requirements of the CDBG regulations, grantees and subrecipients are required to retain CDBG records for a period not less than four years.
- However, the Consolidated plan regulations that grantees maintain information and records relating to the jurisdiction's Consolidated Plan and the use of funds under the programs covered by the Consolidated Plan, including CDBG, for a period of not less than five years.
- Due to the Consolidated Plan requirement, grantees are advised to maintain all CDBG and related records for at least **five** years.

ACCESS TO RECORDS

- HUD and the Comptroller General of the United States, or their authorized representatives, have the right to access grantee and subrecipient program records. This right is not limited to the retention period (discussed above).
- Requirements regarding public access to records include:
 - CDBG grantees are required to provide citizens with reasonable access to records regarding the past use of CDBG funds,

consistent with applicable state and local laws regarding privacy and confidentiality.

- The Consolidated Plan regulations require that grantees provide citizens, public agencies and other interested parties with reasonable and timely access to information and records relating to the jurisdiction's Consolidated Plan and the use of assistance under the programs covered by the Consolidated Plan. (NOTE: This requirement must be made a part of the grantees' Citizen Participation Plans.)

**CITY OF CLEARWATER
HOUSING POOL
Underwriting Guidelines, Policies and Procedures for
Down Payment and Closing Costs Assistance**

SECTION A - PROGRAM OVERVIEW

I. PURPOSE AND GENERAL STRUCTURE OF THE PROGRAM

- A. The "City of Clearwater Housing Pool" program is a joint effort between City of Clearwater, local housing non-profits, local private sector businesses and lending institutions to provide residential property owners and homebuyers deferred payment loans and low interest loans and grants for the rehabilitation of deteriorating and reconstruction of sub-standard housing, the purchase (and rehabilitation of existing homes vacant lots), and for the new construction of homes.
- B. The funding for the Housing Pool loans come from the HOME Investment Partnership and State Housing Initiatives Partnership (SHIP) Programs. The HOME program is a federal program administered by the Department of Housing and Urban Development (HUD). The Florida Housing Finance Corporation (FHFC) administers the SHIP program.
- C. The City of Clearwater Economic Development and Housing Department (the Department) through the Housing Division Staff and approved non-profits will administer the program by providing planning, marketing, application processing, underwriting, and control of the construction management.
- D. All Housing Pool loans made under the program will be executed directly between the City of Clearwater and the pre-qualified applicants. Consequently, all mortgages and loan documents and all policies and procedures relative to the executed loan will be those normally utilized by the lending institution with the exception of those variations specified in this document.
- E. Prospective clients must have gone through an approved Home Buyer's Education course prior to entering into a real estate sales contract to purchase and/or, build a home, and before applying for City of Clearwater assistance.
- F. Priority will be given to very-low and low-income households over moderate-income households.

II. TERMS FOR LOANS

- A. The following terms will apply to "Housing Pool" loans for purchasing existing homes and the construction of new homes:
- 1) Loans will be provided for the purchase of an existing residential structure. Loans may also be provided for new construction, replacement housing and acquisition of vacant properties. Loans for the acquisition of vacant lots will have a timeframe for construction of a new dwelling to be completed.
 - a. Exception will be made in instances where additional bedrooms are being added to a home to meet Minimum Housing Code (MHC) requirements.
 - 2) All Housing Pool loans will be deferred payment on interest bearing loans.
 - 3) New construction loans used by Housing Pool participants may be deferred for up to twelve (12) months and an extension may be requested for up to an additional six (6) months. At the end of twelve (12) months, or up to a maximum of eighteen (18) months, if the home is not sold, or if the home does not have a contract, or if the Housing Pool Participant has not actively pursued the construction of the home, the entire loan will become due and payable to the City.
 - 4) The **loan terms** will be up to a maximum of 30 years.
 - 5) Loans under the Housing Pool program will be placed primarily in first, second or third position. Any exceptions to this rule will be subject to the existence of an acceptable loan-to-value ratio on the subject property.
 - 6) No Housing Pool loans will be provided for the construction of swimming pools, spas, saunas, tennis courts, electronic communication systems, freestanding appliances other than stoves and refrigerators, or other items considered as luxury improvements. The Department reserves the right to reject loans on any specific items.
 - 7) Housing Pool loans will only be available to purchasers of residential property located within the City limits of Clearwater and

whose annual family income does not exceed 120% of the area median (as specified by HUD and FHFC). **Housing Pool participants must obtain approval from the City prior to committing any funds to moderate-income households.**

8) When HOME funds are used, or when HOME and SHIP funds are used together as down payment/closing costs assistance, the following requirements must be met:

A. The homeowner must live in the dwelling as their principal residence, renting out is not permitted.

B. The minimum **period of affordability** for down payment and closing cost assistance will be as follows:

- i. Under \$15,000 – 5 Years
- ii. \$15,000 and under \$40,000 – 10 Years
- iii. \$40,000 and over – 15 Years

C. The homeowner rents out, refinances, sells or transfers the title of the house prior to the termination of the **period of affordability** requirement the loan must be paid off as follows:

- i. The loan must be paid at transfer of property to the new owner or when the property is no longer the principal residence, rented, refinanced or title is transferred.
- ii. If the property is sold and insufficient equity exists from the sale of the property to satisfy the loan, the CITY will follow the recapture calculations based on the most current HOME requirements and may forgive a portion of the loan. The recaptured funds may be used for any HOME eligible activity without the requirement of matching funds.

D. If HOME CHDO Funds that are being used in one of the City's Neighborhood Revitalization Target Areas shall be subject to the HOME Subsidy Layer Review requirements.

9) Households that have been assisted with City funds within the past five (5) years are ineligible to receive funding again through any of the Housing Division's programs unless there is some form of "hardship" as defined below, at which time they can apply again for assistance. This would be based upon a case-by-case basis

determined by the Assistant Director and/or Director of the Department.

- A. Examples of Hardships: Divorce, Permanent Layoff, Physical or Mental Disability, Fire, Flood or other Natural Disaster, Death of Family Member, Structural Condition, where left untreated will cause further damage to dwelling.

III. **UNDERWRITING CRITERIA**

Income eligibility of the household shall be established at the time of application. In those cases where an approved Housing Pool participant is processing the loan, the household income and assets must be verified and certified using the FHFC Income Certification Form prior to submission for City approval and reimbursement of any funds. The signatures on the Income Certification must occur after verification(s) of household income and assets have been obtained. The date that the SHIP Administrator, or their Representative, signs the Income Certification form must be on the same day as the client or after, but not before the client signs and must be after receipt of all verification(s) of employment and assets. Eligibility shall be determined based on total family gross annual anticipated income according to the family size.

Household Gross Annual Anticipated Income shall be calculated using the format described in the SHIP "Program Administration" Guidebook, as amended, which follows the HUD Handbook 4350.3.

Repayment/Forgiveness

Assistance shall be provided in the form of a deferred payment loan. In the case of the deferred payment loans, there will be no payments or interest provided that the home is not sold, refinance, rented, title is transferred or the property ceases to be the principal residence of the person obtaining assistance under the City's Housing Pool.

- i. Loans are secured by a subordinate mortgage placed on the subject property. Loans will allow for repayment of principal in full, or in part, at any time without penalty.
- ii. The City will not subordinate its loan except for those circumstances as outlined in the City's Loan Subordination Policy, as amended.

Loan-to-Value

The combined loan-to-value ratios for Down Payment and Closing Costs Assistance may not exceed 105%. If a case will be above 105%, the Housing Pool participant must obtain approval from the City prior to committing any funds.

Sales Price

The maximum sales price for new and existing homes (as per the sales contract) shall be those as established by the City of Clearwater, as amended from time to time.

First Mortgage Requirements

The City will not assist Borrowers who are being charged more than a combined 2% for loan discount origination fees by the first mortgage provider. The City will also not assist Borrowers who are obtaining adjustable rate first mortgages, mortgages financed by the owner/seller, or mortgages with above-market interest rates or excessive fees.

Debt-To-Income Ratio

It is not the intent to limit an individual's ability to devote more than 30% of his income for housing and a household that devotes more than 30% of its income for housing shall be deemed affordable if the first mortgage lender is satisfied that the household can afford mortgage payments in excess of the 30% benchmark.

The applicant's total monthly long-term debt payments shall not exceed 42% of their Annual Gross Income, unless the Housing Pool Participant provides documentation to the City supporting going above the 42% benchmark. The Department will generally count revolving debt, installment debt, medical and hospital bills, alimony payments, child support payments and student loan payments towards non-housing debt load. The City prior to committing any funds must approve exceptions to the above ratio.

It is not the intent of the City to over subsidize a household where in the absence of the subsidy, a household would be able to afford the level of debt associated with the home that they are seeking to obtain, based on normal underwriting practices. The amount of subsidy should be the difference of what a household can afford in terms of first mortgage and the purchase price, less any borrower contribution, plus up to 3% of the purchase price for closing costs.

New Construction – Target Areas: PITI cannot be less than 25%. If it is less than 25%, then the amount of the subsidy will be reduced to an amount whereby the PITI is equal to or exceeds 25%.

New Construction – Non-Target Areas: PITI cannot be less than 27%. If it is less than 27%, then the amount of the subsidy will be reduced to an amount whereby the PITI is equal to or exceeds 27%

Purchase of Existing Properties:

- Ratios between 25.01 - 30% - Maximum financing that is needed (provided it does not reduce the PITI to below 25%)
- Ratios below 25% - no assistance provided

Borrower Funds

The Borrower's contribution must be equal to a minimum of two percent (2%) of the purchase price of the home or a combination of sweat equity. The City may waive the 2% requirement for certain types of mortgage, such as those through the Veterans Administration. The Borrower's contribution must be from their funds and cannot be a gift. The Lender's down payment and/or contribution requirement may exceed a requirement of the City. Cash back to a borrower at closing is not permitted.

Residency

The Borrower must be a U.S. Citizen or a Permanent Resident Alien (possessing a "Green Card")

Occupied Residences

The City cannot finance properties that are currently occupied by tenants who will be displaced/required to vacate the property so that the sale can be finalized.

Lead Based Paint

If the property was built prior to 1978 and there is evidence of peeling, chipping or chalking paint, the property will need to be tested for lead-based paint and may be ineligible for assistance.

File Maintenance

All required documentation in the client files should be organized, easily accessible and firmly attached. All files must also contain a "Note-to-File" sheet on the first page. This sheet should address any area(s) of the file that are unclear or when oral verification of information was obtained.

TITLE

Department Staff or designee will order and review title reports on home and rental property improvement projects to make certain home owners have clear title to their

property, and are not in jeopardy of losing title to their property. Liens that have been paid must be removed from the title. All Mortgages will be required to obtain title insurance policies, the cost of which may be added to the total loan proceeds. All purchase assistance loans of \$7,000 and under will not require a separate title policy but the owner's policy must list the City's loan in schedule "B" of the policy.

PROPERTY INSPECTIONS

The City and/or designee will prepare and/or review any specifications, plans and estimates to ensure that any properties being rehabilitated prior to purchase are brought into compliance with the City of Clearwater Minimum Housing Code (MHC) and must meet Section 8 Housing Quality Standards. All persons performing inspections on properties must be licensed or certified by at least one of the following:

- Standard Southern Building Code (SBCCI)
- National Building Code (BOCA)
- Uniform Building Code (ICBO)
- Council of American Building Officials (CABO)
- Minimum Property Standards (MPS)

A licensed/certified contractor(s) qualified by the State and selected by the owner must perform all work. The City's designee will monitor construction work and control the draw process. With each reimbursement request a signed lien release must be submitted. The final inspection will be done by the City's Building Department or by a licensed/certified inspector, as listed above. All Housing Pool Participants must have the Inspector complete the HUD Section 8 Inspection Checklist (Form#: HUD-52580).

PROPERTY INSURANCE

The borrower must have or be able to obtain a homeowner insurance policy for the amount value of the house. The lender and/or City must be listed as a loss payee during the term of the loan.

All homeowners with houses located in a designated flood zone must obtain and maintain a flood insurance policy for the term of the loan.

APPLICATION PROCESSING

Home Buyer training and education is offered at various times by the various Housing Pool participants. The attendees receive valuable training on homeowners insurance, home maintenance and repair, choosing a realtor, budget, credit management, loan application and closing. It is important that this training occur early in the application process.

An applicant enters the program either by contacting the City's Housing Division or one of the Housing Pool participating non-profits. The steps are as follows:

1. Pre-application and credit check
2. Determine eligibility for assistance and loan amount
3. Contact realtor or contractor (if new construction)
4. Have unit inspected for Minimum Housing Code and Section 8
HQS
5. Complete loan package
6. City of Clearwater Approval
7. Commit/Encumber Funds
8. Loan Closing

If new construction, the applicant will be responsible, with the assistance of the Housing Pool Participant if needed, for selecting a contractor and securing a construction bid which must be approved by the Department and/or their Representative. If the applicant is purchasing an existing home that needs rehabilitation, the City or Housing Pool participating non-profit will offer assistance in determining what needs to be done to bring the unit up to MHC/Section 8 HQS. If the case involves owner rehabilitation prior to sale then an inspection, by a licensed or certified inspector as listed above must be done. If minor rehabilitation has occurred on the home within the previous twelve (12) months prior to sale or just prior to sale, and is greater than **\$1,000.00**, the case will be classified as having "rehabilitation" if the work performed is clearly documented in the file and there is proof in the form of work orders and/or receipts. Rehabilitation must meet the SHIP Rule definition of "rehabilitation" as per Rule 67-37.002(12) Florida Administrative Code.

ALL Non-Rehab DPA funds must be requested and approved by the City prior to committing any funds.

For homes that have no documented rehabilitation the Housing Pool Participant must request approval from the City prior to committing any funds.

Eligible properties are classified as an existing property or newly constructed property that is publicly or privately held for sale to a potential homebuyer and meet the following requirements:

- Is a single-family residence
- Is a condominium unit
- Is a townhouse
- Is a cooperative unit
- Is a manufactured home (bearing a DCA approved insignia and meeting all requirements of Florida Statute Chapter 553)

- Is owner-occupied
- Meets the City's Minimum Housing Code (MHC) and Section 8 Housing Quality Standards (HQS)
- Is not occupied by a tenant
- Is built prior to 1978 with no evidence of chipping, peeling or chalking paint
- Does not exceed the maximum allowable sales price as established and approved by the City and FHFC.
- Must be located within the City limits of Clearwater

City Approval Process and Reimbursement of Funds

The following process will be followed by the participating non-profits for reimbursement of funds that they advance on behalf of their clients:

- Non-Profits will submit a Case Summary Form (CSF) to City just prior to approving the case
- City will encumber funds and file will be assigned a City case number and will fax back the CSF to the non-profit
- When loan closes, client file should be submitted to City within ten (10) business days, anything longer than ten (10) business days the Housing Pool Participant must provide an explanation for the delay
- Client file will be reviewed and if the file is not complete, it will be returned to non-profit for further processing. If the file is complete, it will be approved for reimbursement of funds
- Original recorded loan docs must be forwarded to City within seven days of receipt

Loan Closing and Escrow of Construction Funds and Nonprofit Fees

For new construction, the borrower/applicant and contractor must have a written agreement approved by the department or its designee. The construction contract must not be for a period longer than six (6) months. Upon satisfactory inspection by the Department staff, their designee or by a licensed inspector, the draw request will be processed and approved for payment. A copy of the lien release for each draw must be submitted with the request for reimbursement of funds. The owner, contractor and non-profit (if developer of property) must be present on the final inspection. All inspections required by the City of Clearwater Building Department must be completed prior to the final inspection and copies of the inspection reports must be in the case file. The City and Non Profit staff shall receive copies of all Release of Liens; the homeowner shall receive all warranties and owners operations manuals by final inspection.

REHAB FILE ORDER SIDE "A"

DEMOGRAPHIC INFORMATION

CASE SUMMARY FORM

WORK SHEET

LEAD BASED PAINT NOTICE

AUTHORIZATION TO RELEASE INFORMATION

INCOME CERTIFICATION

SOCIAL SECURITY VERIFICATION

INCOME VERIFICATION

ASSET VERIFICATION

TITLE COMMITMENT

WARRANTY DEED/QUIT CLAIM DEED

OWNER'S TITLE POLICY

TAX ASSESSORS NOTICE

CURRENT MORTGAGE STATEMENT

APPRAISAL

HAZARD/FLOOD INSURANCE

APPLICATION FOR PROGRAM ASSISTANCE

CONFIDENTIAL ENVELOPE:

Drivers License

Personal Tax Return

Credit Report from Equifax

Social Security Card and Birth Certificate

Bank statements

Miscellaneous documents

DOWN PAYMENT ASSISTANCE PROGRAM

NAME: _____

Section 1

- Request for Payment
(Draw Memo & Copy of Closing Check)
- Income Certification Fee Refund
- Copy of Check to Borrower

Section 2

- Case Summary Form
- Award/Commitment Letter
- Conditional Letter of Qualification
- Underwriting Sheet
- 4-Page Income Certification
- Income Verification(s)
- Asset Verification(s)
- Sales Contract
- Notice to Seller
- Appraisal (w/ VC Sheets)
- Application
- Lender 1003 Application
- Credit Report (Confidential Envelope)
- Tax Returns
- Identification

Section 3

- HUD-1 Settlement Statement
- Subordinate Mortgage
- Original Note
- First Mortgage/Note
- Title Commitment/Policy
- Good Faith Estimate
- Truth-In-Lending Statement

Section 4

- Insurance (w/ Mtgee Clause)
- Flood Certification Form

Section 5

- Prior Assistance Form
- Class Certificate

Section 6

- Home Inspection Report
- Receipts for Repairs (if applicable)
- Hold Harmless Statement
- Lead-Based Paint Form

Reviewed By: _____

Reviewed By: _____

REHAB FILE

SIDE "B" CLOSING

_____	COMMITMENT LETTER
_____	CLOSING STATEMENT
_____	RECORDED MORTGAGE TO SECURE A LOAN
_____	NOTE
_____	SIGNED LOAN SUBORDINATION POLICY
_____	RECORDED NOTICE OF COMMENCEMENT
_____	AFFIDAVIT OF NO LIEN
_____	OCCUPANCY STATEMENT
_____	AFFIDAVIT OF VALUE
_____	NOTICE OF RIGHT TO RESCIND (CANCEL)
_____	FINAL TRUTH IN LENDING DISCLOSURE (TIL)
_____	TITLE POLICY INSURANCE
_____	ANTI-COERCION LETTER INSURANCE REQUIREMENTS
_____	ENVIRONMENTAL PERMISSION/CHECKLIST
_____	REQUEST FOR TEMPORARY RELOCATION BENEFITS
_____	WAIVER OF RELOCATION
_____	HISTORIC QUALIFICATION
_____	CLOSING CORRESPONDENCE

REHAB FILE

SIDE "C"

CONSTRUCTION

PROPERTY INSPECTION TO DETERMINE SCOPE OF WORK

Work write-up describing specific activities to be bid or Proposed with an estimate on the cost of the work to be Performed.

Contractor Bids (can be presented from homeowner)

Documentation of contractor eligibility or licensure

Construction contract between contractor and homeowner

Work Inspection Reports

Construction Payment Requests

Final inspection report of completion and work quality

Release of lien waivers from Contractors

Final Payment Release

Documentation of Contractor Warranty notice has been Provided to owner, as well as any factory warranties for Appliances or machinery.

**CITY OF CLEARWATER
HOUSING POOL**

**UNDERWRITING GUIDELINES, POLICES AND PROCEDURES FOR
DOWN PAYMENT AND CLOSING COSTS ASSISTANCE
FY2009-2010**

**Housing Education, Counseling and Foreclosure Prevention/Counseling
Fee Schedule**

The City of Clearwater will reimburse approved Housing Pool participants at the rates set forth below for housing education and counseling and foreclosure prevention and counseling. The rates below may be amended from time to time. Participants will be provided at least thirty (30) days advanced notice of any changes. All reimbursement requests must be supported by proper and adequate documentation. Reimbursements will only be made for clients assisted during the current fiscal year. All clients assisted must reside in the city limits of Clearwater. Reimbursement request must be submitted monthly.

Housing/Home Buyer Education

Home Buyer Education classes are appropriate for individuals/households who are interested in purchasing a home. The classes cover the entire process from initial search for an appropriate home, to issues of affordability, processing of loan applications, ability to obtain a loan, closing costs, responsibilities of home ownership, and prevention of foreclosure.

Copies of completion certificates for Home Buyer Education classes, enrollment verification and household income (in AMI% format to one decimal - e.g. 78.5%) for classes must be submitted to the City in order to justify payment.

- \$60.00 Per Household/Per Class, for households at or below 120% AMI, with documented intake form showing household income. Classes must be a minimum of four hours.
- \$30.00 Per Household for Post Education Seminar/Purchase Counseling (one time fee). Must be documented on what type of counseling was done, date, format (e.g., telephone, office, etc.) and length of counseling session.

Housing Counseling (Home Buyer's Club, etc.):

- Intake - Plan Development = \$250.00
- Pre-Approved Qualification = \$250.00
- Home Purchased in Clearwater = \$500.00

The above Fees are per Household at or below 120% AMI, with sufficient documentation substantiating household income.

Request for reimbursement for any of the items above under "Housing Counseling" must be accompanied with the applicable documentation below:

- Date of Initial Intake
- Number of hours spent and dates of meetings
- Date of purchase
- Copy of sales contract
- First three pages of the appraisal
- Household income
- Proof that home is in the City limits

Foreclosure & Budgeting Counseling

The curriculum for budgeting classes/sessions covers topics such as basic budgeting; review of household income and expenses; costs of food, energy, housing and home maintenance; landscaping; transportation costs; discussion of credit problems; costs of insurance; and of resources to assist in emergencies.

Foreclosure Intervention Services covers such things as determining causes for potential/pending foreclosure and the producing of a memo/letter back to the City explaining the details of the case with any recommendation(s) of future action(s). If foreclosure intervention is needed for a client, the agency must submit a budget with their memo/letter with any recommendations to the City.

- General Foreclosure Intervention Services to a past City of Clearwater Housing Loan Borrower who is at Risk of Foreclosure = \$200.00 first session and then \$50.00 for each follow-up session, up to a maximum of \$350.00 (three (3) follow-up sessions)
- General Foreclosure Intervention Services to a City of Clearwater Resident = \$200.00 first session and then \$50.00 for each follow-up session, up to a maximum of \$250.00 (one (1) follow-up session)
- Budgeting Counseling = \$50.00 per initial session and up to a maximum of \$150.00 for follow-up sessions at \$50.00 each. (maximum of three (3) follow up sessions).

All of the above fees are per Household at or below 120% AMI, with documented intake form showing household income

Websites for looking up Property Addresses:

<http://pinellascounty.org/> - Go under "About My Property"

<http://pao.co.pinellas.fl.us/search2.html> - Pinellas County Property Appraiser

<http://www.visualgov.com/pinellascounty/> - Pinellas County Tax Collector

All households assisted through the City's Housing and Education programs, must reside in the city limits Clearwater. Please pay close attention because some properties in South Clearwater may have a Clearwater address, but actually be in the unincorporated County.

CITY OF CLEARWATER

FORECLOSURE PREVENTION PROGRAM

September 2008

Funds will be provided to assist households who have been previously assisted with City of Clearwater SHIP funds in order to prevent foreclosure. The City will provide funds only one time to bring a household current with their existing first mortgage, up to a maximum of six (6) payments or the maximum allowable subsidy under this strategy. The household must have been assisted with City of Clearwater SHIP, Community Development Block Grant (CDBG) and/or HOME Investment Partnership (HOME) funds within the past five (5) years and in order to provide assistance to bring current, must be very-low, low or moderate income at the time the Foreclosure Prevention assistance is provided. The amount of the assistance will be added to the borrower's existing City of Clearwater loan through a modification of mortgage note. The household must commit to enroll in a credit counseling/budgeting course offered by an approved local provider.

Assistance will only be provided where a valid (documented) hardship exist that is the cause for the delinquency on their first mortgage payments. Such examples of hardship include, but not limited to:

- Loss of Employment, through no fault of borrower(s)
- Substantial Decrease in Household Income, through no fault of borrower(s)
- Death of Spouse
- Temporary or Permanent Disability that Reduces Income
- Recent Divorce that Reduces Income
- Natural Disaster
- Fire

Borrowers must contribute at least two (2) monthly Principal, Interest, Taxes and Insurance (PITI) mortgage payments, in the amount necessary to bring their mortgage current. Failure to provide at least two (2) payments will make borrowers ineligible for the program.

In certain cases where foreclosure on the first mortgage is inevitable, the City may use SHIP funds to pay off the first mortgage and restructure the loan and/or acquire the dwelling and sell the property to an income eligible household.

CITY OF CLEAWATER Reimbursement Guidelines & Checklist

All Reimbursement Requests must be supported by back-up documentation. Failure to provide back-up documentation will result in the request being delayed. It is the City's goal to process all reimbursement requests within twenty (20) business days.

Reimbursement Requests must be submitted monthly by the fifteenth (15th) of each month.

Required Documentation on ALL Reimbursements:

- Original signed City of Clearwater "Request for Payment" Form referencing Invoice signed by the proper authorized representative
- Original signed Agency Invoice/Letter referencing pay request.
- Copy of Articles of Incorporation/Minutes showing signature authority, if not included in the agency's application.
- Provided methodology for amount(s) being requested

Documentation required for Public Services, in addition to the above:

- Single Program Payment Request Method
 - Verification of Eligibility (Clearwater resident, income, etc.)
 - Methodology detailing payment request.
 - Copy of paycheck and/or payment ledger from check processing server.
 - Copy of approved project budget with applicable funding sources. This is submitted once, if there are no modifications during the year.
 - Copy of monthly program participants, if requesting payments based upon number of clients served.
 - Job and program descriptions of applicable personnel, if not submitted with the agency's application.

- Indirect Cost Approach
 - Copy of approved project budget.
 - Copy of approved indirect cost method approved by funding source.
 - Copy of applicable documentation based upon approved cost method.
 - Methodology detailing pay request.

- If for Salary Support – A Summary of how funds were expended (e.g., chart/table), by personnel.
- If City is only paying for a portion, please show other funding sources and list what percentage the City is paying. The City's portion must correspond proportionally to the number of Clearwater residents assisted
 - Payroll Documentation
 - Time Sheets (signed by employee & supervisor) or ADP Type Payroll Summary Report
 - Methodology, Spreadsheet or Table showing breakdown

Documentation required for Construction/Rehabilitation, in addition to the above:

- Copy of Eligibility per the Federal Debarred Contractor's list (www.epls.gov)
- Copy of Draw Schedule (1st Draw Request)
- Copy of Construction Contract and work write-up/Spec's (1st Draw Request)
- List of Subcontractors
Copy of Contractors/Subcontractors licenses, insurance, and etc.
- Copy of Bids submitted
- Signed Owner Acceptance of Contractor Selected
- Copy of Inspection Report (if HOME Project – Emailed reports from City's Construction Consultant will be sufficient to process requests)
- Inspection Reports from Nonprofit for Funding being requested
- Signed Invoice from Contractor (Original)
- Original Signed Change Orders (if applicable and revised Draw Schedule)
 - Approved by Nonprofit (or City's Representative), Contractor and Homeowner
- Original Progress Payment Affidavit (Final Payment Affidavit if completed), signed by Owner, Contractor, Subcontractor (and City's Representative if applicable)
- Copies of Cancelled Checks if agency has reimbursed funds prior to reimbursement requests
- AIA Certification (if applicable)
- Copy of all Warranties prior to Final Release of Lien.
- Review of Davis Bacon/Federal Labor documentation (if applicable)

Public Facility/Infrastructure

- All activities must be coordinated through City prior to bids and contract

Downpayment/Closing Cost Assistance (Prior to Closing)

- Completed File, less the signed City Loan Documents. City will not reimburse funds without evidence of completed file.

Housing Education Pool - Fee for Service Method

- Original Invoice/Letter (dated/numbered)
- City Payment Request Form
- Signed Application/Registration Form
- Verifications of Residency, Income, and etc.
- Program Verification (Pre/Post Homebuyer's Counseling, Foreclosure Prevention Counseling, Housing Counseling, etc.
- Program eligibility verifications.

Monthly Reports:

- Program Activity Report – by the 15th of each month
- Public Service subrecipients shall report when a service is provided to a client only once. Please make sure that you are not duplicating numbers.

If an agency is unable to provide an “original” invoice from a vendor that they are dealing with due to an internal auditing requirement that they maintain the original, the agency must submit a copy marked “Copy in Lieu of Original”.

The City reserves the right to request additional back-up documentation if it deems necessary.