

RESOLUTION NO. 2010-149

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA APPROVING THE HOUSING ASSISTANCE PLAN (HAP) FOR FFY 2009-2010 DEPARTMENT OF COMMUNITY AFFAIRS SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT.

RECITALS

WHEREAS, St. Johns County Resolution No. 2010-115 authorized submission of a Community Development Block Grant (CDBG) Small Cities program grant application for housing rehabilitation of owner occupied homes of households at or below 80% of Area Median Income within the unincorporated area of St. Johns County; and

WHEREAS, approval and adoption of a Housing Assistance Plan (HAP) is to advise potential participants of the guidelines by which the County will operate its Community Development Block Grant (CDBG) program; and

WHEREAS, the above-referenced guidelines have been established in order to give a program overview and procedures to ensure compliance with the requirements established by the Florida Department of Community Affairs (DCA) and Federal Department of Housing and Urban Development (HUD); and

WHEREAS, the information contained herein is subject to change upon action of DCA, HUD, or the Board of County Commissioners; and

WHEREAS, the County has determined that approval and adoption of the Housing Assistance Plan (HAP) will serve the overall interests of the County.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

Section 1. The above recitals are incorporated by reference into the body of this Resolution, and such recitals are adopted as Findings of Fact.

Section 2. The Board of County Commissioners of St. Johns County, Florida, approve the Housing Assistance Plan (HAP) for St. Johns County FFY 2009-2010 Department of Community Affairs Small Cities Community Development Block Grant.

Section 2. To the extent that there are typographical and/or administrative errors and/or omissions that do not change the tone, tenor, or context of this Resolution, then this Resolution may be revised without the subsequent approval of the Board of County Commissioners.

PASSED AND ADOPTED this 20th day of July 2010.

**BOARD OF COUNTY COMMISSIONERS
ST. JOHNS COUNTY, FLORIDA**

By: _____

Ron Sanchez
Ron Sanchez, Chair

ATTEST: Cheryl Strickland, Clerk

By: _____

Pam Halteman
Deputy Clerk

RENDITION DATE 7/21/10



ST JOHNS COUNTY
HOUSING ASSISTANCE PLAN
REHABILITATION/REPLACEMENT/RELOCATION GUIDELINES
AND
GENERAL INFORMATION FOR PARTICIPANTS
FFY 2009-2010 CDBG PROGRAM

I. GENERAL

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

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

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

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

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

The home of each applicant who qualifies for the CDBG housing program will be inspected by a representative of the Community Development Consultant (CDC)/ Housing Specialist (HS) to determine the extent of rehabilitation that will be required to bring the residence within program guidelines. The applicant or their representative must be present while their home is being inspected and will be requested to provide input concerning their housing needs. The Housing CDC or HS will meet with a representative of the local Building Department to insure the local building code and housing code requirements related to addressing each structure will be met. The Housing Specialist will develop an inspection report based on the housing needs and estimate the costs necessary to bring each of the housing units up to the required minimum property standards. Additional bedroom space can only be provided as needed to ensure those household

members in permanent residence do not share a bedroom with a member of the opposite sex, except husband and wife in addition no more than two individuals of the same sex can occupy the same bedroom. The construction work on a dwelling will be completed by a state registered or certified contractor, under no circumstances may the contractor or his/her subcontractors be the owner of the residence, a relative of the owner of the residence or an occupant of the residence that is to be rehabilitated. Neither shall any of the aforementioned be paid for their own labor with CDBG funds for the rehabilitation of said residence.

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

II. OBJECTS OF PROGRAM

- A. To provide a Deferred Payment Loan (DPL) to very low income (up to 30% of Median Income) and low/moderate income (Up to 80% of Median Income) participants whose homes are in need or repair or replacement. Each housing unit considered for inclusion in the CDBG Housing program must contain a minimum of two violations pertaining to building code or HUD Section 8 Housing Quality Standards (HQS). (DPL is explained further in the financing section). The purpose is to bring the residence up to Section 8 Minimum Property Standards and/or the standards set forth in the Standard Housing Code currently adopted by the County.
- B. To improve the conditions of housing while maintaining housing costs at a level affordable to lower-income households; to provide a safe and sanitary dwelling.
- C. To reverse the physical deterioration of the community by providing a mechanism to allow for the rehabilitation of existing housing stock in a community. In no case shall the amount spent on the rehabilitation of a residence exceed 50% of the assessed value of that residence when completed.
- D. To eliminate slums and blight and provide a safer, more sanitary environment in which to live.

III. FINANCING

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

Deferred Payment Loans: This type of loan will be available to eligible, approved applicants. The DPL can be used in the owner-occupied rehabilitation program. The DPL will be secured by a lien on the property. The DPL payments will be deferred for a

period of 10 years. The DPL will depreciation at 10% per full year. The DPL will be forgiven at the end of the 10 year period. If the owner sells or rents the property or otherwise violates the terms of the mortgage at any time within the 10 year period, the remaining mortgage balance will be due and payable. This is done to assure that the applicant will occupy the residence and not sell or rent the property for 10 years after the rehabilitation of the dwelling.

IV. ELIGIBILITY

- A. Only those properties containing owner occupied conventionally built structures and mobile homes located within the unincorporated areas of St Johns County will be considered for participation in the CDBG Housing program. No rental properties will be addressed under this project. Mobile homes built before December 31, 1996 will only be considered for replacement, not rehabilitation.
- B. Participants' income must be within the Section 8 income limit guidelines as published by the State of Florida for the region.
- C. No member of the County Commission, member of the CATF, employee of the County, or relatives of any of these as defined by HUD and Florida Statutes, shall be eligible for program participation unless they are granted a waiver by the Department of Community Affairs. The prohibition shall continue for one year after an individual's relationship with the County is terminated.

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

Members of the County Commission, CATF and local government employees associated with decision making related to this program will receive a conflict of interest affidavit with the list of names of all eligible applicants to determine if a possible conflict of interest exists.

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

A final list of all eligible applicants and their ranking will be presented to the County Commission for final consideration and will be noted in the minutes for public review.

- D. For a person with a potential conflict of interest to be eligible to participate in the program, the following steps must be taken:
 - 1. The person(s) must declare on the application form/conflict of interest affidavit that a conflict of interest may exist.

2. The potential conflict will be presented publically to the CATF and the board must decide whether to recommend to proceed with requesting a waiver on the potential participant despite the conflict of interest.
 3. The potential conflict will be presented publically to the County Commission and the board must decide whether to proceed with requesting a waiver on the potential participant despite the conflict of interest.
 4. If the person with whom the conflict of interest exists is a voting member of the County Commission or CATF, that person must declare a conflict of interest and not vote on the potential participant.
 5. The County Attorney shall prepare a written document stating in his opinion proceeding with the rehabilitation or replacement of the potential participant's residence would not violate any state or local law.
 6. A written request for waiver is sent by the County Commission to DCA for review and comment.
 7. If a waiver is obtained, the potential participant would be placed with other potential recipients as outlined herein.
- E. Priority will be given to participants in the following order:
1. Very low income (30% of Median income) homeowners will be given priority over low moderate income (80% of Median Income) homeowners.
 2. Disabled and/or handicapped head of household.
 3. Participant is over 62 years of age.
 4. Participants with large families (five or more).
 5. Participants with small families (four or less).
- F. No geographic distribution of funds shall be considered.
- G. To select participants in the Rehabilitation - Permanent Relocation Activity, the following steps will be taken:
1. A display ad will be placed in one or more local newspapers of general circulation advising local citizens of the availability of grant funds and establishing a convenient time and place for interested citizens to obtain information and pick up application forms to allow them to be considered for inclusion in the program. Applications will be accepted by the County for a minimum of twelve (12) calendar days after the display ad is placed in the newspaper.
 2. Local organizations who would normally work with clientele that could potentially qualify for the program shall be contacted and a list of possible applicants obtained from each organization. This list will then be reviewed and contacts made to help potential participants who qualify sign up for the program.

3. Applicants who submitted an initial intake application as part of a previous CDBG Housing project carried out by the County and did not received assistance will be contacted and asked to submit an application for the current program.
4. Once a list of potential participants is obtained, the local Community Development Department or Block Grant Consultant shall perform initial inspections on the housing units to determine which of the following categories each housing unit falls into:

For conventionally built structures and modular homes:

- a. Minor rehabilitation – the cost to correct all existing code/HQS violations is estimated at twenty thousand dollars (\$20,000.00) or less.
- b. Moderate rehabilitation – the cost to correct all existing code/HQS violations is estimated between twenty thousand and one dollars (\$20,001.00) and thirty-five thousand dollars (\$35,000.00).
- c. Major rehabilitation – the cost to correct all existing code/HQS violations is estimated between thirty-five thousand and one dollars (\$35,001.00) and fifty thousand dollars (\$50,000.00).
- d. Replacement housing – the cost to correct all existing code/HQS violations is estimated to exceed fifty thousand dollars (\$50,000.00) or, the cost to correct all existing code/HQS violations exceeds fifty percent (50%) of the assessed value of the property and based upon the local Building Departments direction the dwelling must be brought up to the current building code, or the housing unit is deemed structurally unsound and not feasible for rehabilitation.

For single-wide mobile homes built after 1996:

- a. Minor rehabilitation – the cost of correcting all existing code/HQS violations is estimated not to exceed five thousand five hundred dollars (\$5,000.00)
- b. Moderate rehabilitation – the cost to correct all existing code/HQS violations is estimated between five thousand and one dollars (\$5,001.00) and ten thousand dollars (\$10,000.00).
- c. Major rehabilitation – the cost to correct all existing code/HQS violations is estimated between ten thousand and one dollars (\$10,001.00) and fifteen thousand dollars (15,000.00)
- d. Replacement housing – the cost to correct all existing code/HQS violations exceeds fifteen thousand dollars (\$15,000.00) or, the single-wide mobile home is deemed structurally unsound and not feasible for rehabilitation.

For double-wide mobile homes built after 1996:

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

- b. Moderate rehabilitation – the cost to correct all existing code/HQS violations is estimated between ten thousand and one dollars (\$10,001.00) and twenty thousand dollars (\$20,000.00).
- c. Major rehabilitation – the cost to correct all existing code/HQS violations is estimated between twenty thousand and one dollars (\$20,001.00) and thirty thousand dollars (\$30,000.00).
- d. Replacement housing – the cost to correct all existing code/HQS violations exceeds thirty thousand dollars (\$30,000.00), or the double-wide mobile home is deemed structurally unsound and not feasible for rehabilitation.

5. Applications containing income and owner CDBG information shall then be taken by the Community Development Department or Block Grant Consultant on all potential participants. If the list of potential participants exceeds the number of available units in the Community Development Block Grant program, the participants shall be recommended by the County CDBG Coordinator and selected by the County Commission utilizing the criteria in Section IV (E) & (G) of these Guidelines.

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

V. ADMINISTRATIVE PROCEDURES FOR REHABILITATION/REPLACEMENT

A. The Community Development Consultant (CDC) representative will make initial contact with the resident, explain the program, and provide a copy of the program guidelines.

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

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

C. The Community Development Consultant will provide the following information to the County CDBG Coordinator for their review and recommendation, plus any other information that may be necessary:

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

- D. The County CDBG Coordinator will review the aforementioned with the consultant and make his recommendation to the County Commission. If an applicant feels that his/her case has been rejected by the County CDBG Coordinator for unjust reasons, the applicant may request that his/her case be submitted to the County Commission for review.

The Community Development Consultant (CDC) will provide the County Commission with the client's application data and the County's CDBG Coordinator's rationale to aid in a final decision.

- E. Approval: In receiving the recommendation for approval from the County CDBG Coordinator, the County Commission will receive the following information:

1. Assigned case number
2. Name and address of applicant
3. Cost of rehabilitation
4. Size and description of household
5. Amount of the Deferred Payment Loan (DPL)
6. Legal description of property
7. Lot size
8. Date the County's CDBG Coordinator recommended the application
9. Additional information requested by the Council

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

VI. REHABILITATION GUIDELINES EXTENT OF REHABILITATION

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

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

If available from a manufacturer, Energy Star rated appliances shall be used, when existing appliances are replaced or new appliances are installed.

All replacement and newly installed doors and windows shall be energy star rated.

All replacement and newly installed lighting fixtures will be energy star rated.

3. All homes being rehabilitated with CDBG funds will receive at minimum the following Weatherization items:

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

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

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

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

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

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

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

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

VII. SIZE OF UNITS

- A. For owner-occupied structures: the final size of the housing unit will depend upon the size and condition of the existing structure and the size and makeup of the household. Those household members who are not the head of household or spouse and are over 18 years of age but under the age of 62 will not be counted as eligible for a bedroom unless they have been certified as mentally or physically handicapped. Proof of disability will be required from an appropriate physician.

VIII. CONDITION OF REHABILITATION ASSISTANCE

- A. **Maximum amount:** The maximum amount of funds available for the rehabilitation of an individual housing unit will be the amount required to eliminate all code/HQS violations on the property, giving consideration to the average amount per structure in the application. This amount must conform with the extent of rehabilitation section and shall be brought to the CATF for its recommendation and to the County Commission for final approval. However, no rehabilitation shall exceed the amount of \$60,000 of CDBG funds unless specifically approved by the County CDBG Coordinator and County Commission as exceeding the limits set out herein.
- B. Community Development funds are to be provided to or for the benefit of the owner(s) of the residential housing units to rehabilitate their home. Prior to beginning work on the property, the owner(s) will be required to sign a mortgage and promissory note in an amount equal to the cost of the work. This is called a Deferred Payment Loan (DPL) and shall be forgiven in 10 years. If the property is sold within that 10 year period, the owners will be required to repay any unforgiven portion of that note. However, if the owner dies within the 10 year period, the County will forgive the remaining portion of the note. The County Commission shall also retain the option to forgive the note in case of hardship.
- C. The purchase of Comprehensive Home Owners Insurance on the property will be required prior to the participant moving back into the residence. This coverage must be maintained for the 10 year period of the deferred payment loan.

IX. ELIGIBILITY CRITERIA FOR REPLACEMENT/RELOCATION

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

The estimated cost of rehabilitating the housing unit must exceed fifty percent (50%) of the assessed value of the property. The cost of Lead Based paint inspection and abatement shall be included in calculating the rehabilitation cost.

X. OPTIONS OF THE OWNER

- A. Once a participant has been deemed eligible for the Permanent Relocation program, he/she shall have the following options:
 - 1. To locate to an existing standard property adequately sized for the applicant's family and utilize the permanent relocation payment toward the purchase of the new residence.
 - 2. If the permanent relocation payment is not sufficient to purchase the desired property, the owner may utilize other means of financing to add to funds being provided by the St Johns County Community Development Block Grant in order to provide the balance of the purchase price.

3. Permanent Relocation Funds may be utilized to correct code/HQS deficiencies in the property being purchased in order to bring the property up to current code/HQS standards.
 4. All code/HQS violations must either be corrected or contracted for correction prior to any funds being disbursed.
 5. All units must be certified as meeting minimum property standards prior to occupancy.
- B. The participant may elect to have a conventionally built home placed on the property where the house is currently located.
1. The construction of the new dwelling unit must meet all local building and zoning code requirements.
 2. If the participant selects this option, the process will begin as follows:
 - a. The County Community Development Consultant will place a legal notice in a local newspaper to solicit interested contractors to participate in the program. (Contractors must either be State Certified or meet all local building department requirements to be eligible to obtain a building permit for the construction of the dwelling as a contractor).
 - b. The homeowner will choose a home layout as provided by the Community Development Department that meets the program requirements.
 - c. The CDC/HS will develop bid specifications that meet program requirements for the floor plan that was selected by the client.
 - d. The pool of pre-approved contractors will attend a mandatory pre-bid meeting and receive a bid package.
 - e. Sealed bids will be accepted from contractors until the bid deadline date and time.
 - f. A public bid opening will be held and amount of the bids received will be read aloud.
 - g. Bids will be reviewed for completeness by the CDC/HS and a recommendation of award will be presented to the Community Development Department. Recommended low bidder must be within fifteen percent (15%) of the CDC/HS cost estimate.
 - h. The St. Johns County Commission makes award for construction to the selected contractor.

XI. SIZE OF UNITS

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

- No more than two (2) persons of the same sex may occupy the same bedroom.
- Two (2) persons of the opposite sex may not occupy the same bedroom (excluding husband and wife).
- Only the husband, wife, dependent children (including those who are mentally and/or physically handicapped), and family members 62 years of age or older and currently residing in the household will be counted in calculating family size and the minimum number of bedrooms and square footage allowance.

XII. SQUARE FOOTAGE ALLOWANCE

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

Number of Bedrooms	Payment	Est. Square Footage
1 bedroom	\$60,000	800
2 bedrooms	\$67,000	900
3 bedrooms	\$75,000	1,000
4 or more bedrooms	\$86,000	1,150

XIII. CONSTRUCTION IN A FLOOD PLAIN

The finished floor elevation of any housing unit located within a flood zone addressed with CDBG funds as part of the St Johns County's CDBG Housing program must be at a minimum two feet (2') above the established flood elevation for the property.

XIV. MOVING EXPENSES

This procedure will take place, if required, as follows:

The Community Development Office (CDO) will provide to the head of household moving expenses totaling four hundred dollars (\$400.00). Two hundred dollars (\$200.00) will be provided to the head of household when the family moves their belongings from the existing dwellings to the central storage location, and two hundred dollars (\$200.00) will be provided to the head of household when the family moves their belongings from the central storage location back to the housing unit that has been rehabilitated or replaced.

The head of household will certify they accept full responsibility for moving all of their belongings.

The Community Development Office (CDO) will provide the head of household with off-site storage for the belongings and furnishings in the dwelling. The head of household will be responsible for moving the furniture out of the existing dwelling into the storage unit; and moving

their belongings from the storage unit back to the housing unit that has been rehabilitated or replaced. In addition the head of household will supply their own lock for the storage unit and shall remove all items from the storage unit and sweep out the storage unit prior to submitting for the moving expense for relocating into the rehabilitated or new housing unit. All of the items must be removed from the storage unit and the storage unit cleaned prior to the moving expense allowance for the second move being approved by the CDO.

XV. TEMPORARY RELOCATION ALLOWANCES

Temporary Relocation assistance will only be provided to families who must vacate the rehabilitated residence to facilitate the rehabilitation.

1. Method One: The Community Development Office (CDO) will offer monthly allowances of one hundred dollars (\$100.00) for families of one or two persons who find their own living accommodations (i.e. friends, private homes, other family members, etc.) and monthly allowances of one hundred fifty dollars (\$150.00) for families with three or more members that find their own temporary living accommodations. These funds will be provided by the Community Development Office (CDO) to the participant to offset the increase in utilities, at the temporary relocation unit.

Due to the limited amount of funding available for the project, Method One is the preferred method of temporary relocation.

2. Method Two: If the participant is unable to find temporary living accommodations as set forth in Method One above, the Community Development Office (CDO) will work with the participant to find acceptable vacant housing to temporarily house the family. It is the applicant's responsibility to locate affordable temporary relocation units. The Community Development Office (CDO) will have final approval of the client obtaining temporary replacement housing. The Community Development Office will pay the following costs associated with the rental of the temporary relocation housing unit:

- a. The rental of the unit
- b. The cost of the following normal utilities:
 1. Water and sewer
 2. Electricity
 3. Heating fuel
 4. Garbage collection
- c. Deposits on the rental unit and/or the utilities. Any deposits that are lost due to the actions of the client shall be the responsibility of the client to repay.

Whether the participant relocates to a private residence or has the Community Development Office provide a temporary housing unit, the participating family will be responsible for packing and unpacking all of their belongings.

The Community Development Office and the County will not be responsible for any items lost, stolen, or damaged during the temporary relocation process. The applicants shall be encouraged to make satisfactory arrangements to secure family valuables.

In the event the participant is evicted from the temporary relocation unit due to his or her families' behavior, the CDBG Program will not be responsible for finding other housing for the client's family or for payment of any further costs associated with the relocation (i.e. rents, utilities, moving expenses associated with the eviction). The only expense that will be allowed will be relocating the client back into their residence at the completion of his or her dwelling.

XVI. CONDITION OF REHABILITATION ASSISTANCE

- A. **Maximum amount:** The maximum amount of funds available for the rehabilitation of a specific housing unit will be the amount required to eliminate all code violations giving consideration to the average amount per structure in the application. This amount must be in conformance with the extent of rehabilitation section of the Housing Assistance Plan and shall be brought to the CATF for its recommendation and to the Council for final approval. However, no rehabilitation shall exceed the amount of \$60,000 of CDBG funds unless specifically approved by the County CDBG Coordinator and County Commission as exceeding the limits set out herein.
- B. Community Development funds are to be provided to or for the benefit of the owner(s) of the residence to rehabilitate their home. Prior to the beginning work on the property, the owner(s) will be required to sign a mortgage and promissory note in an amount equal to the cost of the work. This is called a Deferred Payment Loan (DPL) and shall be forgiven in 10 years. If the property is sold within that 10 year period, the owners will be required to repay any unforgiven portion of that note. However, if the owner dies within the 10 year period, the County will forgive the remaining portion of the note. The County Commission shall also retain the option to forgive the note in case of hardship.
- C. The purchase of Comprehensive Home Owners Insurance on the property will be required prior to the participant moving back into the residence.

XVII. LEVERAGING CDBG FUNDS WITH OTHER FUNDS

Where feasible the program will combine the following funds sources:

- A. Local CDBG funds
- B. Weatherization funds
- C. Rural Development 502 funds
- D. SHIP funds
- E. Owners additional funds from a bank loan. The County Commission will subordinate its lien position to enable to participants to receive a loan from a lending institution to have additional work completed on the residence.

- F. Owner's additional funds in the form of cash. The County goes on record encouraging home owners or a member of the owner's family to have additional work completed on their dwelling utilizing equity participation.

XVIII. OPERATIONAL PROCEDURES FOR THE REHABILITATION PROGRAM

- A. The County Community Development Consultant will place a legal notice in a local newspaper to solicit interested contractors to participate in the program. (Contractors must be licensed by the State of Florida, Department of Business and Professional Regulations and must either be State Certified or meet all local building department requirements to be eligible to obtain a building permit).
- B. After verification of the participant's eligibility, the property will be inspected by both the Community Development Office (CDO) estimator and the home owner. Upon completion of the inspection, a work write-up will be completed.
- C. Before the work is advertised for bid, the Community Development Office (CDO) representative and the participants will meet to review all the information to assure proper understanding and agreement.
- D. The documents are then dated and signed by the participants.
- E. The work is then advertised for bid. Bidding is limited to locally qualified contractors licensed by the State of Florida, Department of Business and Professional Regulation and who have pre-qualified in an opened, advertised prequalification process.

Documents shall be included in the bid package wherein the contractor shall agree in writing that any change orders for rehabilitation or reconstruction of a housing unit that is being paid with CDBG funds and cumulatively exceed one thousand dollars (\$1,000.00) above the original contract amount, shall only be paid with CDBG funds if those change orders are to correct documented code violations based on a code violation report prepared by the CDO.

Additionally, the contractor shall agree in his bid and contract, if awarded, that all change orders for housing rehabilitation or reconstruction shall be approved by the owner of the housing unit or his or her representative and the contractor and a representative of the local government prior to any initiation of additional work based on said change order.

All pre-qualified bidders will be notified of bid solicitations. The bids will then be received and tabulated. The low bid, if within 15% above or below the Community Development Office (CDO)'s estimate, will then go before the County CDBG Coordinator for review and his recommendations will be submitted to the County Commission for approval.

- F. Should the bid be higher than the acceptable range, the residence will be re-bid.
- G. The contract will be awarded to the lowest acceptable bidder by the County Commission.
- H. The successful contractor will have 72 hours from the date of notification to produce all necessary licenses and insurances. Should the contractor fail to perform in accordance

with the bid or be unable to produce the necessary licenses and insurances, the County Commission will, at its discretion, award the contract to the next lowest bidder or have the work re-bid.

- I. When the contract has been successfully awarded, the participant may be required to temporarily relocate out of their residence.
- J. The participant will move and store their belongings. (See Temporary Relocation Guidelines for details.)
- K. After the participant has vacated the dwelling unit, the contractor receives a Notice to Proceed (further information is contained in the construction contract and construction specifications) and the Notice of Commencement is filed.
- L. The house is then rehabilitated in accordance with the rehabilitation standard specifications, the Standard Building Code, and the work write-up. At each draw request, a partial waiver, final waiver, or release of liens is required prior to payment.
- M. The Community Development Consultant (CDC) in cooperation with the local building official will inspect the house at various times during the project, particularly at the time of each draw request.
- N. The Community Development Consultant (CDC) does not have the authority to supersede the building inspector, but may require stricter compliance in some areas. As a rule, the most stringent requirement will prevail.
- O. Upon completion of the project, the local building inspector will issue a Certificate of Occupancy or similar document verifying that the housing unit meets applicable local codes. The contractor is required to submit to the Community Development Consultant (CDC) a request for final payment including the following information:
 - (1) a waiver or release of liens from the prime contractor
 - (2) a waiver or release of liens from all material suppliers, subcontractors, persons, or organizations that may supply the job or have an investment in the job as a result of the work performed
 - (3) a statement from the contractor that all items in the initial work write-up as modified through the approved change order(s) has been completed.
- P. The participant inspects the work and is requested to sign a work acceptance statement. The work acceptance statement shall include language that the work write-up has been completed based upon the work write-up and approved change orders. Should all requirements be fulfilled and the homeowner or their representative refuse to acknowledge completion of the work, the housing unit case file shall contain a statement detailing the stated reason for said refusal.

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

Note: In the event of any disputes between the participants and the contractor concerning the completion of the rehabilitation work, the Community Development Consultant (CDC)

shall work with both parties in an attempt to negotiate a satisfactory solution. If a solution cannot be found, Article II of the construction contract shall be invoked.

- Q. The Consultant's rehabilitation specialist shall indicate in writing that the completed housing unit meets the applicable local code and Section 8 Housing Quality Standards.
- R. The participant is given notice to move back to their residence.
- S. Community Development Consultant (CDC) will conduct a sixty (60) day inspection of the unit to ensure that all work is still in good working order.

Note: Periodic inspections will be made by the Community Development Office (CDO) to ensure that the terms of the contract between the County and the participants are being maintained.

XIX. PARTICIPANT NOTIFICATION PROCEDURES

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

XX. COMPLAINT PROCEDURES

- A. Complaints concerning the Community Development Block Grant Program shall be submitted in writing and addressed to the Community Development Department/director. The director will have thirty (30) days to respond. Additional information is available in the Grievance Procedure for the County CDBG grant program.

XXI. PERMANENT RELOCATION

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

XXI. LOCAL TRASH NUISANCE, ENVIRONMENTAL OR HEALTH CODE ORDINANCES

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

XXIII. LEAD BASED PAINT POISONING

IN NO INSTANCE SHALL LEAD BASED PAINT BE UTILIZED IN THE REHABILITATION OF A STRUCTURE. If a dwelling was constructed before 1978, there is a possibility it may contain lead-based paint. All properties built before 1978, not being replaced, will be tested for lead-based paint by a certified lead testing organization prior to bidding the rehabilitation of the dwelling. Where lead-based paint is found, removal and/or abatement procedures by a licensed lead abatement contractor will be included in the rehabilitation bid

specifications for the housing unit based upon the lead based paint inspection report and required abatement procedures. If the rehabilitation of the dwelling is found to be feasible after bidding out the work to be addressed, a clearance test will be performed by the licensed lead based paint inspector prior to final acceptance of the rehabilitation. No owner will be approved for occupancy of any lead abated home rehabilitated with CDBG funds until a clearance has been obtained from the pre-approved lead inspector. The housing unit owner will be provided literature pertaining to lead-based paint poisoning and the dangers of lead by the Community Development Office.

XIV. HISTORICAL STRUCTURES

The CDC will utilize the Counties Property Appraisers Records to determine the age of the home. Information on all structures being considered for inclusion in the CDBG Rehabilitation or Permanent Relocation Activities that are more than 50 yrs old will be supplied to the Department of State, Division of Historical Resources for review and comment prior to approval by the County.

XV. REHABILITATION RECORDS

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

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

ADOPTED BY THE COUNTY COMMISSION OF THE ST JOHNS COUNTY, FLORIDA
THIS _____ DAY OF _____, 2010.

BY: _____
Ron Sanchez, Chairman

ATTEST:

Cheryl Strickland, Clerk of Courts