

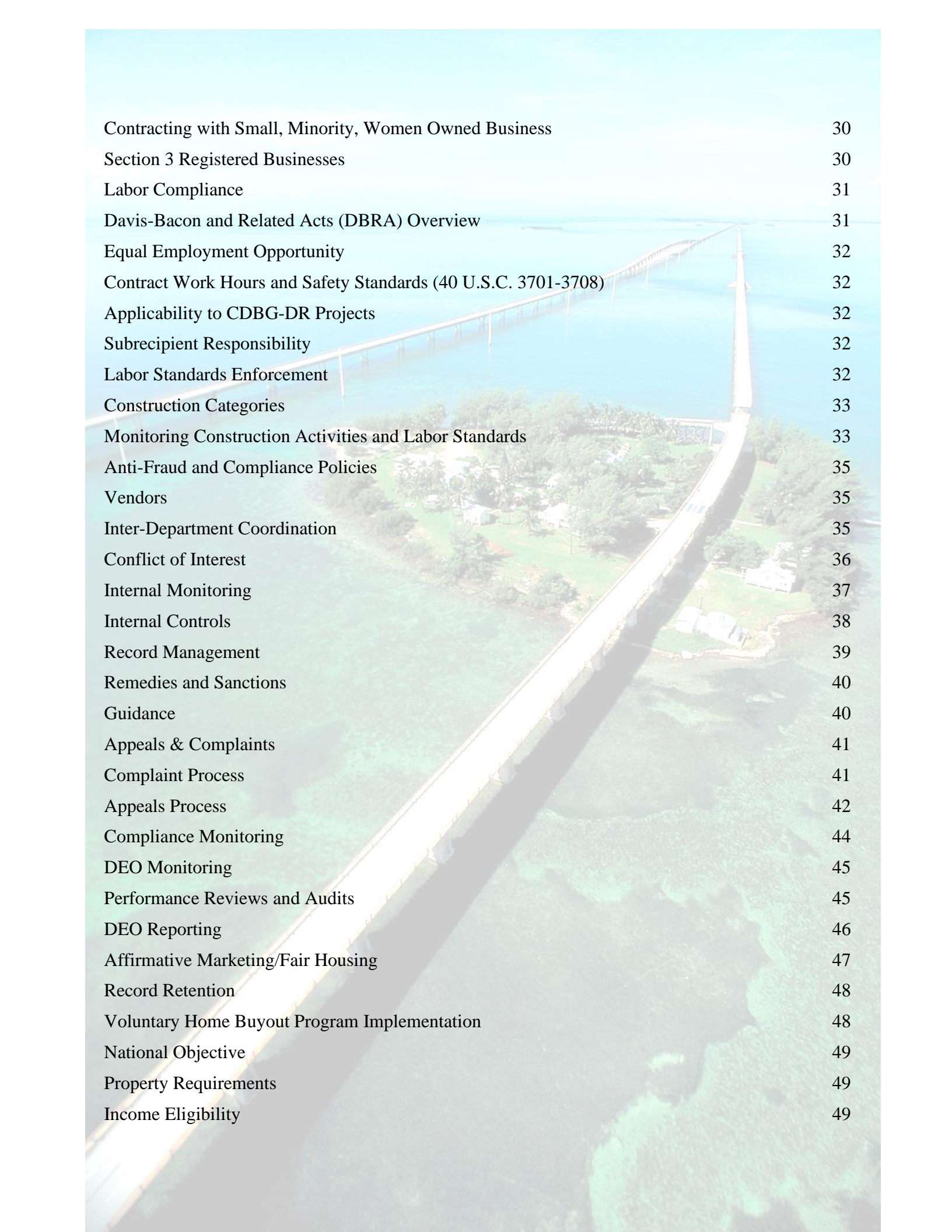
Community Development Block Grant –
Disaster Recovery Hurricane Irma

City of Marathon, Florida
Voluntary Home Buyout
Program Guidelines

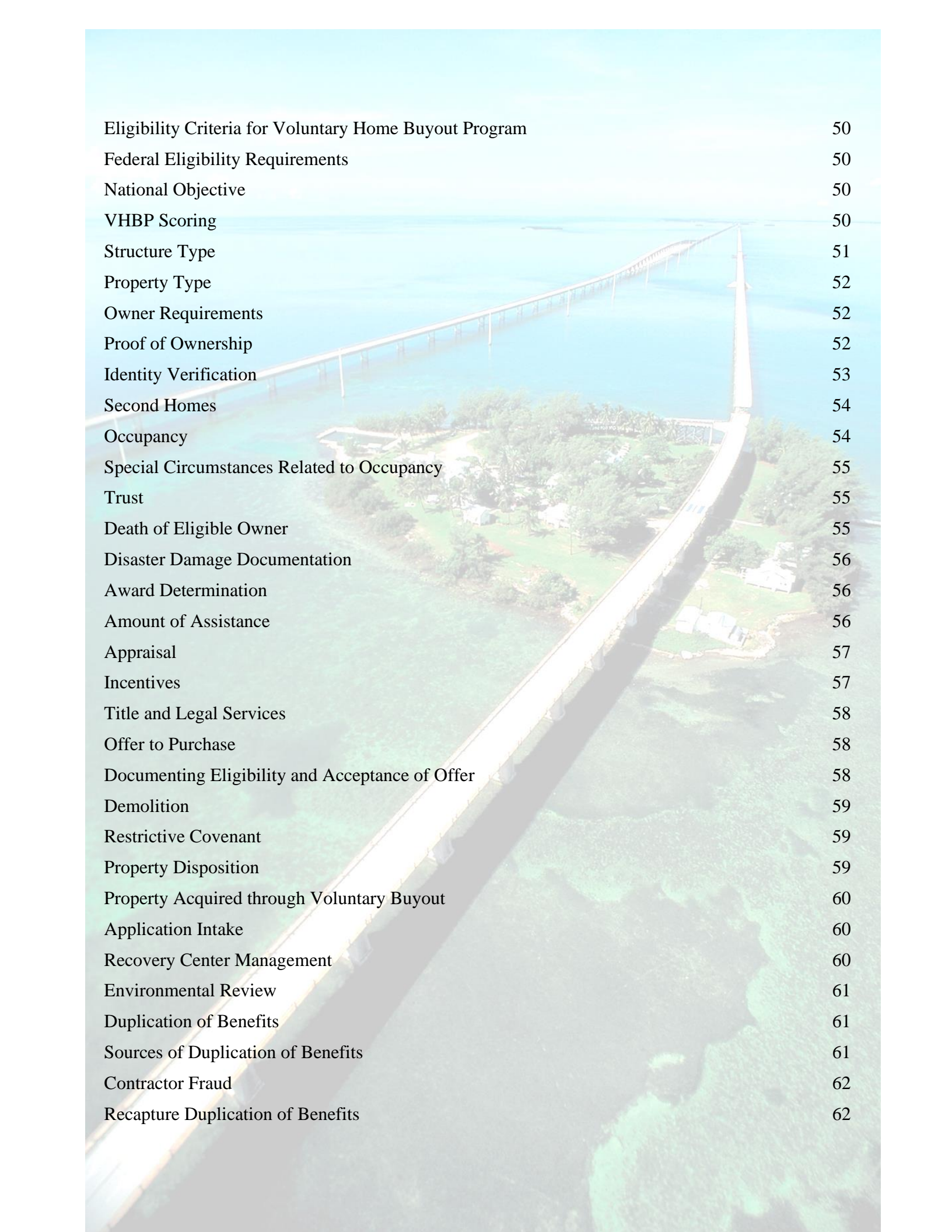


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An aerial photograph of a long, multi-lane bridge spanning a wide body of water. In the foreground, a small island with lush green vegetation and several buildings is visible. The bridge extends into the distance, curving slightly to the right. The sky is clear and blue.

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Attachment 1: The City of Marathon Local Prioritization Resolution

Attachment 2: The City of Marathon Volunteer Home Buyout Program Grant Application: Project Site Data Summary Table

Attachment 3: The City of Marathon Purchasing Manual, Financial Policies, Grant Administration Project Implementation Procedure

Attachment 4: Citizen Participation Plan

Attachment 5: Ethics Policy

Attachment 6: Excessive Force Policy

Attachment 7: DEO Subrecipient Agreement

Version History

Version Number	Date	Page(s)	Description
V1.0	8/30/2021	n/a	Draft Version for DEO Approval
V1.1	9/10/2021	Attachment 2	Redacted applicant's personal information

Version Policy

Version history is tracked in the table above with notes regarding version changes. The dates of each publication are also tracked in this table. The first version of this document is 1.0.

Substantive changes within this document that reflect a policy change will result in the issuance of a new version 2.0, an increase in the primary version number. Future policy changes will result in additional revision and issuance of a new primary version number.

Non-substantive changes within this document such as minor wording and editing, or clarification of existing policy, that do not affect the interpretation or applicability of the policy will be included in minor version updates denoted by a sequential number increase after the primary version number.

Definitions

Affirmative Fair Housing Marketing Plan -A document used to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability.

Adjusted Gross Income (AGI) -AGI is an individual's total gross Income minus specific deductions.

Area Median Family Income (AMFI) - Calculated limits based on HUD-estimated median family income with adjustments based on family size.

Buyout - A type of acquisition with the purchase of an eligible property with the intent to reduce risk from future flooding or to reduce risk from the hazard that led to the property's designation within a Disaster Risk Reduction Area. The property acquired will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreation, or floodplain and wetlands management.

CDBG-DR- means Community Development Block Grant-Disaster Recovery Program which was approved through Federal Register Vol. 83, No. 28, Friday, February 9, 2018, Notices.

Case Management - Working with individuals and their families to understand the VHBP's housing options, resulting in clear and transparent determination of eligibility. Case Managers must consider all special circumstances of the survivor's needs to decrease their barriers to participate in the VHBP where possible. Staff should meet at designated locations and supply information in a standard format.

Damage Assessment - An inspection of the unit to document damage from the event. The assessment by a certified or licensed inspector (MPS, TREC, or similar license) is required to document storm related property damage specifically and clearly via photographic evidence and detailed narratives (see the DEO's Damage Assessment Guidelines). Damage assessments may also include final cost of repair estimates.

Davis-Bacon Act of 1931 (40 USC Part 3141 et seq.) and Related Acts - All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this chapter shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended. This applies to the rehabilitation of residential property only if such property contains not less than 8 units.

Demolition - The clearance and proper disposal of dilapidated buildings and improvements.

Designated Area - means the land determined by the subrecipient that is eligible for the Voluntary Home Buyout Program.

Duplication of Benefits - The Robert T. Stafford Disaster Assistance and Emergency Relief Act {Stafford Act} prohibits any person, business concern, or other entity from receiving financial assistance from CDBG-DR Disaster Recovery funding with respect to any part of a loss resulting from a major disaster as to which he/she has already received financial assistance under any other program or from insurance or any other source.

Eligible Property - means a residential owner-occupied property, of 4 or fewer units, which is located in The City of Marathon, suffered impacts from the storm event and meets any property eligibility requirements under DEO.

Eligible Receipts - proof of payment for items that are strictly for rebuilding the disaster-affected structure. Receipts must consist of permanent fixtures only, such as wood panels, drywall, paint, carpet, etc.

Environmental Review- All projects and programs undertaken with CDBG-DR funds must undergo an environmental review process. This process ensures that the activities comply with National Environmental Policy Act (NEPA) and other applicable state and federal laws.

Family - A household composed of two or more related persons. The term family also includes one or more eligible persons living with another person or persons who are determined to be important to their care or well-being and the surviving member or members of any family described in this definition who were living in a unit assisted under the Housing Opportunities for Persons with AIDS (HOPWA) program at the time of his or her death.

FEMA-Designated High-Risk Area - Areas designated by FEMA as vulnerable to significant wind and/or storm surge damage and areas located in 100-year flood zones. These areas will be identified during the environmental review process for each participating jurisdiction.

Flood Disaster Protection Act of 1973 and Sec. 582(a) of the National Flood Insurance Reform Act of 1994 - Compliance with the legal requirements of Section 582(a) mandates that HUD flood disaster assistance that is made available in an Special Flood Hazard Areas (SFHAs) may not be used to make a payment (including any loan assistance payment) to a person for repair, replacement or restoration for flood damage to any personal, residential or commercial property if: (1) the person had previously received Federal flood disaster assistance conditioned on obtaining and maintaining flood insurance; and (2) that person failed to obtain and maintain flood insurance as required under applicable Federal law on such property.

Grants Coordinator- Acquisition Manager, Voluntary Home Buyout Program, Department of Planning.

Housing Incentives - Incentive payments are generally offered in addition to other programs or funding (such as insurance), to encourage households to relocate in a suitable housing development or an area promoted by the community's comprehensive recovery plan. The housing incentive may be offered for the purpose of improving the residential structure that upon completion will be occupied by a low to moderate income household. An incentive may be

offered for a buyout payment to households that volunteer to relocate outside of floodplain or to a lower-risk area. A buyout incentive is not available for properties that served as second homes at the time of the disaster or following the disaster.

Household - A household is defined as all persons occupying the same housing unit, regardless of their relationship to each other. The occupants could consist of a single family, two (2) or more families living together, or any other group of related or unrelated persons who share living arrangements. For housing activities, the test of meeting the low- to moderate- income (LMI) objective is based on the LMI of households.

Housing Quality Standards (HQS) - The HQS establishes certain minimum standards for buildings constructed under HUD housing programs. This includes new single-family homes and multifamily housing as outlined in 24 CFR 982.401.

Housing and Urban Development Act of 1968, Section 3 - Requires the Subrecipient to ensure that training, employment, and other economic opportunities generated by HUD financial assistance shall be directed to the greatest extent feasible and consistent with existing Federal, State, and Local laws and regulations, to low and very low-income persons. Recipients of Section 3-covered funding ensure compliance and the compliance of their contractors/subcontractors with the Section 3 requirements, as outlined in 24 CFR 135.32. 4

Housing Unit - A residential structure intended for occupancy.

Ineligible receipts - receipts for repairs that are completed on detached buildings such as garages or sheds, and personal items such as food and clothing, gasoline, tools, and equipment.

Low- to Moderate- Income (LMI) National Objective - Activities which benefit households whose total annual gross income does not exceed 80% of Area Median Income (AMI), adjusted for family size. Income eligibility will be determined and verified in accordance with DEC's Adjusted Gross Income Methodology. The most current income limits, published annually by HUD, shall be used by the Subrecipient to verify the income eligibility of each household applying for assistance at the time assistance is provided.

Low- to Moderate-Income (LMI) - means an income is less than 80% of the local area median income.

Low- to Moderate Income Area (LMA) – A low- to moderate income qualified area is a specifically defined geographic area, which is predominantly residential, in which 51% or more of the population earns less than 80% area median income as defined by HUD.

Low- to Moderate-Income Household (LMH) - a household with an income that is less than 80% of the local area median income (AMI).

LMB National Objectives - Low to Moderate Buyout (LMB) is used for a buyout award to acquire housing owned by a qualifying LMI household, where the award amount (including optional relocation assistance) is greater than the pre-disaster fair market value of that property.

LMHI National Objectives - Low Moderate Housing Incentive (LMHI) benefits LMI households that are used for a housing incentive award and tied to a voluntary buyout or other voluntary acquisition of housing owned or occupied by a qualifying LMI household.

Manufactured Housing Unit (MHU) - A structure, transportable in one or more sections which, in the traveling mode is eight body-feet or more in width, or forty body-feet or more in length, or when erected on site, is at least 320 square feet, and which is built on a permanent chassis and is designed to be used as a dwelling with or without a permanent foundation when connected to the required utilities, and includes the plumbing, heating, air-conditioning, and electrical systems contained therein.

Needs Assessment - An assessment that determines the type of housing programs that will be offered equitably and based upon an objective assessment of unmet needs in the affected community's population.

Negative Equity Mortgage - also known as "under water" or "upside down" mortgages when homeowners owe more on their mortgages than their homes are worth.

Post- event fair market value - the land and dwelling value for parcels, as determined by each subrecipient, after the disaster.

Pre-event fair market value - the land and dwelling value for parcels, as determined by each subrecipient, prior to the disaster.

Program Design - The selection and development of programs and activities based on a Needs Assessment. The VHBP Design must include the type of housing activities that will be offered by the Subrecipient, as well as how the VHBP will be marketed, how Fair Housing Objectives will be achieved, and how funding will be prioritized as determined through a Needs Assessment.

Program Income - Net income derived from the sale of program assets that exceeds \$35,000 in a single fiscal year, received by the Subrecipient, and directly generated from the use of housing CDBG-DR funds.

Single Family Home - A single-unit family residence detached or attached to other housing structures.

Subrecipient - Cities, Counties, Indian Tribes, local governmental agencies (including COGs), private non-profits (including faith-based organizations), or a for-profit entity authorized under 24 CFR 570.201(o). The definition of Subrecipient does not include procured contractors providing supplies, equipment, construction, or services and may be further restricted by Program Rules or other guidance including applications.

Subrogation Agreement - Means an agreement executed by the beneficiary agreeing to repay any duplicative assistance if they later receive other disaster assistance for the same purpose.

Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended (Title 49 CFR Part 24) (Uniform Act referred to URA) - Applies to all acquisitions of real property or displacements of persons resulting from Federal or federally- assisted program or projects. URA's objective is to provide uniform, fair, and equitable treatment of persons whose real property is acquired or who are displaced in connection with federally funded projects. For the purposes of these guidelines, URA mostly applies to residential displacements in involuntary (49 CFR Subpart B acquisition or multi-family damaged/occupied activities that require the relocation of the tenants. A displaced person is eligible to receive a rental assistance payment that is calculated to cover a period of 42 months.

Unsecured Forgivable Promissory Note - Is an agreement between the assisted beneficiary and Subrecipient/DEO that requires applicants to comply for several terms during a set affordability period. At the end of the affordability period the terms are forgiven after they are met by the homeowner.

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Introduction

On September 10, 2017, Hurricane Irma struck the Florida Keys as a category four hurricane bringing devastating winds and coastal flooding to the City of Marathon. While no part of the island chain was spared, the Middle and Lower Keys were hit the hardest. The Florida Keys remains the *most impacted and distressed area in the State of Florida* because of Hurricane Irma's devastating blow. The Island chain is continuing to recover and rebuild since the storm.

Hurricane Irma brought to reality the vulnerability of this island chain. When the debris was cleared, homes built to new codes to withstand wind impacts stood as a shining example of wind mitigation in action and a sound investment. However, the Keys communities also understand that impacts from flooding could have been much worse. As the Florida Keys plans for the future, it will be important to consider not only current flooding vulnerability but how these vulnerabilities can be further exacerbated by sea-level rise. As a national treasure and significant contributor to the economy of the entire state, the future environmental and economic health of this designated Area of Critical State Concern (ACSC) is forever linked to resiliency.

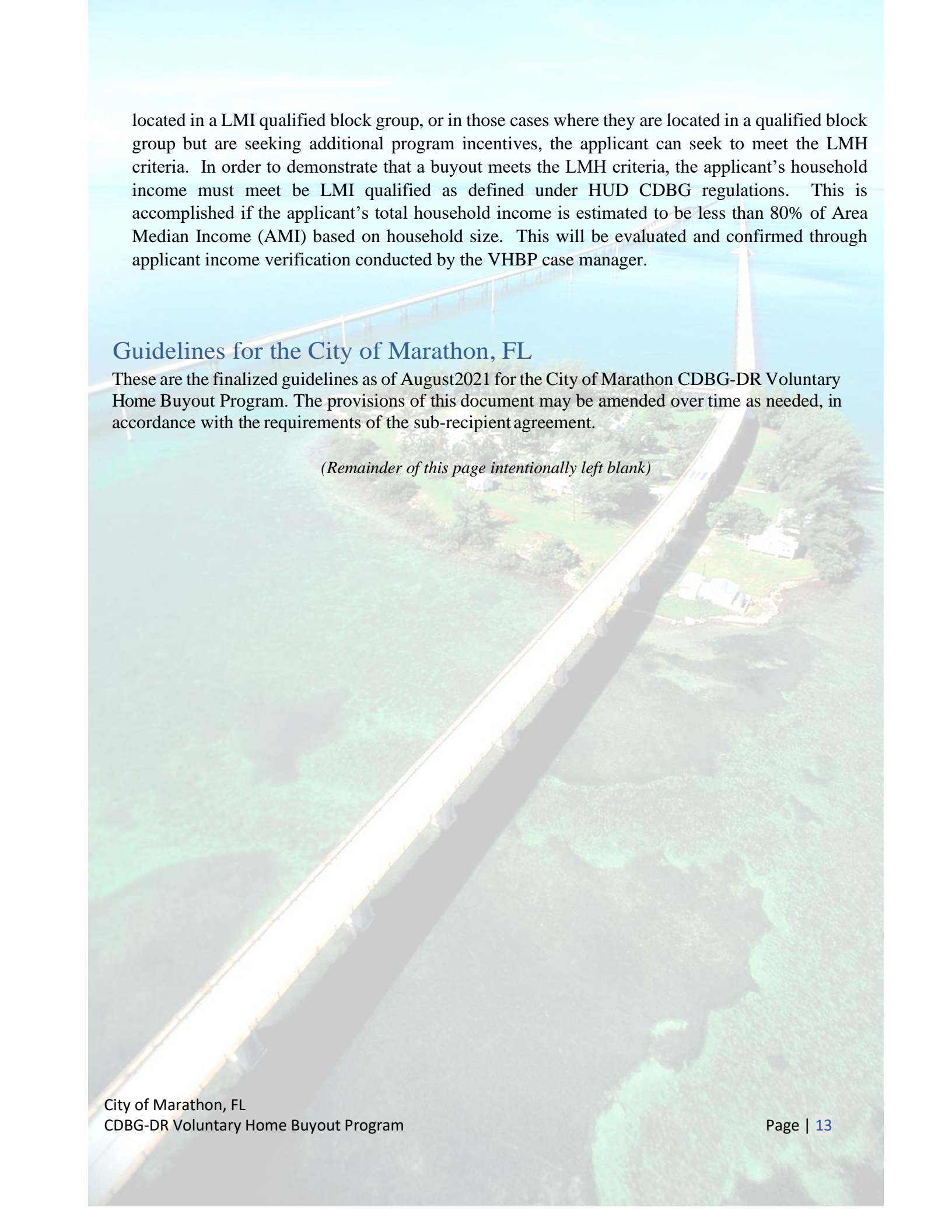
The City of Marathon Disaster Recovery Voluntary Home Buyout Program (VHBP) is a program operated through the City of Marathon Department of Planning. The purpose of the VHBP is to acquire property from low- to moderate- income households (LMH) in high-risk flood areas to reduce the impact of future disasters. After homes are purchased, the structures will be demolished, and the land will be managed as natural green space, recreation, or stormwater management. The VHBP serves multiple objectives and provides a resiliency option versus rebuilding within the highest risk areas. Buyouts help prevent repetitive loss and extreme risk to human health and safety. The objectives of the VHBP are:

1. Acquire properties that were impacted by Hurricane Irma and convert the property to public space, green space, and/or flood control measures in perpetuity.
2. Provide mitigation to the City against future flood damages, effects of sea level rise, and health and safety risks for owners and rescuers.
3. Reduce repetitive subsidized flood insurance payments and federal disaster assistance.

The City of Marathon received Community Development Block Grant – Disaster Recovery funds through the Florida Department of Economic Opportunity (DEO) to fund the VHBP. These funds were secured through a subrecipient agreement between The City of Marathon and DEO whereby the City agrees to comply with all tenants and conditions of the subrecipient agreement, and the State of Florida Voluntary Home Buyout Program Guidelines, Disaster Recovery Action Plan, Action Plan Amendments, and Federal, State and local laws.

National Objective

The Voluntary Home Buyout Program (VHBP) is required to meet the low- moderate income National Objective as defined in the DEO's Action Plan. The VHBP will require that applicants meet the Low- Moderate-Income (LMI) Area Benefit, or the Low- to Moderate-Income Housing (LMH) National Objective. To meet the LMI Area Benefit, the properties acquired through the VHBP will be acquired and utilized so as to benefit the residents in an area where at least 51 percent of the residents are low and moderate-income persons. In cases where an applicant's property is not



located in a LMI qualified block group, or in those cases where they are located in a qualified block group but are seeking additional program incentives, the applicant can seek to meet the LMH criteria. In order to demonstrate that a buyout meets the LMH criteria, the applicant's household income must meet be LMI qualified as defined under HUD CDBG regulations. This is accomplished if the applicant's total household income is estimated to be less than 80% of Area Median Income (AMI) based on household size. This will be evaluated and confirmed through applicant income verification conducted by the VHBP case manager.

Guidelines for the City of Marathon, FL

These are the finalized guidelines as of August 2021 for the City of Marathon CDBG-DR Voluntary Home Buyout Program. The provisions of this document may be amended over time as needed, in accordance with the requirements of the sub-recipient agreement.

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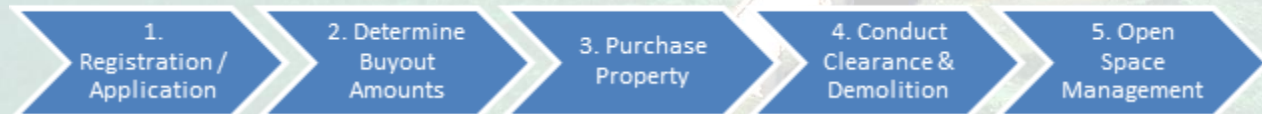
Voluntary Home Buyout Program - Program Administration

Application Processing Overview

The City of Marathon is utilizing CDBG-DR funds for the provision of the Voluntary Home Buyout Program (VHBP). The City of Marathon VHBP is available to Hurricane Irma impacted homeowners who applied for the Voluntary Home Buyout Program during the Application Process from July 16, 2019 through September 23, 2019 and were included in the CDBG-DR VHBP Application submitted to the Florida Department of Economic Opportunity on September 29, 2019. And those new, qualified applicants discovered during the scheduled open application period. The budget for each property was determined by utilizing the "Pre-Hurricane Irma" Property Appraiser's value for the Fair Market Value of the property including land and any residential structures. DEO reviewed and accepted the City of Marathon's CDBG-DR VHBP Application and allocated \$5,000,000 to the City for the VHBP. Once awarded, the City of Marathon entered into a contract with DEO to administer and oversee the VHBP.

The VHBP consists of five general phases beginning with application/registration intake and review and proceeds through the long-term open space management of the properties. VHBP staff will review all application/registration material to verify program eligibility. Once the City of Marathon approves an individual property owner's application for buyout assistance, the City of Marathon will verify with DEO that the property is not receiving or has not received Rebuild Florida housing repair or replacement assistance. A property owner cannot be eligible for buyout assistance if the property owner has received CDBG-DR funding to repair the property.

Below is a summary outline of the VHBP process from pre-application through closing:



Step 1. Registration / Application

A. Registration

The City conducts outreach to residents in order to gauge interest and participation in the VHBP. Preliminary information will be collected during this process to begin assembling and organizing a list of potential applicants.

B. Pre-Application Review

The pre-application review is used to review preliminary data collected on the applicant and the applicant's property through the initial outreach and registration processes. A property address will be submitted to DEO for verification that applicants did not previously receive assistance from the Rebuild Florida Housing Repair and Replacement Program.

C. Application Intake

The applicant will be contacted to discuss the application process, allowing the City to provide information regarding the assistance available, inform the applicant of the documentation/verification requirements, and discuss next steps.

D. Application Processing

A review will be conducted to verify that there are no issues requiring further investigation and inquiry based on materials provided by the applicant and internal review of the property and site location. If site issues are identified during application processing, a site visit may be required. Application processing will include but not be limited to:

- Property ownership verification
- Primary residency verification
- Determination whether home is owner-occupied.
- Determination whether home was occupied by applicant prior to 2017 hurricane.
- Obtain hold harmless and right of entry forms.
- Verification of household size

E. Prioritize Project Sites

Applicants will be prioritized based upon Federal, State, and Local Prioritization criteria.

F. Eligibility Determination

Verification and calculation of household income, ownership status, clear title, current on property taxes, determine property location/eligibility, etc. will be completed for each application.

- National Objective- Determination of LMI

G. Duplication of Benefits

Analysis will be done to consider Duplication of Benefits (insurance, FEMA, SBA, other) using information and documentation collected as part of the application., in accordance with federal requirements.

H. DEO Approval

One application per property will be submitted to DEO for approval.

I. City of Marathon Approval

Applicants verified and approved by City program staff for participation in the VHBP will be submitted to the City of Marathon City Council for review and approval.

J. Applicant Support

Program documents with case manager/assess need for relocation advisory services will be completed, with relocation advisory services assigned as needed/requested.

Step 2. Determine Buyout Values

A. Historic Preservation Review and Environmental Review

CDBG-DR buyout assistance is contingent on compliance with the National Environmental Policy Act (NEPA) and related environmental and historic preservation legislation and executive orders found at 24 CFR Part 58. Accordingly, environmental review activities are carried out in conformity with CDBG-DR requirements and documented prior to commitment of funds.

B. Property Appraisal and Value Calculation

The City will utilize an independent appraiser to conduct property appraisals. Properties will be valued to determine pre-disaster fair market value for the land and the structure.

C. Housing Replacement Assistance

The VHBP allows a Housing Replacement Allowance of \$10,000 for non-area income eligible properties, and a \$25,000 Housing Replacement Assistance for income eligible properties.

D. Award

Once an owner and their property has been determined eligible, the owner will receive an offer to purchase. This offer will take into consideration the pre-disaster fair market value and any duplication of benefits. The owner or displaced occupants will receive information regarding available resources to help with move.

E. Commitment

All properties that will receive buyout funds must be reviewed and approved by the City of Marathon for funding approval.

Step 3: Purchase the Property

- A. City approves closing documents including contract, restrictive covenant, legal notices for demolition, title search, title insurance.
- B. Closing occurs/title transfers to the City of Marathon

Step 4. Conduct Clearance and Demolition

- A. The City will deliver a Legal Notice, if required
- B. The City will assign the awarded contractor the project for demolition.
- C. The Contractor will obtain any necessary permits to conduct the demolition.
- D. Pre-demolition photographs will be taken of the property.
- E. Inspection of the property by City staff prior to demolition.
- F. Demolition

Step 5. Open Space Management

Land Management

Properties will be managed and maintained by the City. The City plans to maintain approved properties as open space but may also consider other allowable uses as other planning or funding opportunities present themselves.

Financial Management and Quality Assurance

The City of Marathon will maintain and administer a financial management system that complies with all applicable HUD CDBG-DR and State of Florida financial accounting regulations. The City of Marathon will maintain and administer a quality assurance and quality control system that complies with all applicable HUD-CDBG-DR and State of Florida rules. Attachment 3 contains the City of Marathon Resolution 2021-06, "Procurement Policies and Procedures to be used Specifically for the Procurement of Goods and Services for Community Development Block Grant (CDBG) Activities."

Allowable Costs

All costs will be reviewed by the City's Grants Coordinator. All internal costs will be submitted by the Grants Coordinator for formal processing by finance (with department head approval). This includes any costs incurred from other City departments, who may have incurred costs as part of regular administration and implementation of CDBG-DR VHBP. The Grants Coordinator will verify that costs are applicable, eligible, and reasonable for CDBG-DR VHBP. Any internal costs being submitted by Grants Coordinator must include a description indicating the purpose of the costs. Additionally, all contractor invoicing must be reviewed and approved by Grants Coordinator for applicability, eligibility, and reasonableness before being forwarded for processing. It is the responsibility of the Grants Coordinator to maintain effective control and accountability for all funds, property, and other assets. The Grants Coordinator will safeguard all assets and assure that they are used solely for authorized purposes. Any concerns or clarification regarding any costs will be addressed and resolved by the Grants Coordinator before being submitted for processing.

Invoice Payments

All invoices/payment requests are received and/or routed to the Grants Coordinator to be logged in an invoice/payment request log and with the City Clerk and Finance Director. This log is an excel sheet divided by tabs named after the CDBG-DR VHBP funded programs.

- 1) Upon receipt of invoice, the invoice is reviewed for accuracy and verified with receipt of deliverables, if applicable by the Grants Coordinator
- 2) Any needed corrections from the vendor will be communicated electronically by the Grants Coordinator to the vendor.
- 3) If no revisions are needed the invoice is forwarded to the Planning Assistant, with written approval from the Grants Coordinator of accuracy and receipt of deliverables, if applicable. Grants Coordinator will also indicate the individual property to which the payment should be charged.
- 4) The Planning Assistant will forward the prepared Purchase Order or Audit slip with the invoice to the Finance Director for payment. A copy of the payment request will be saved to an electronic file.
- 5) Invoices/payment requests are checked for payment each Friday by the Planning Assistant.
- 6) If PAID, The Planning Assistant sends an electronic copy of the sent check to the Grants Coordinator for the records.
- 7) Check copies are kept on file.

Program Income Reporting & Tracking

The City does not anticipate generating program income. However, should program income be generated, the City will track the receipts within the City's financial records in a separate revenue account and report the receipts to DEO as required per the subrecipient agreement. All program income received prior to grant closeout shall be utilized for additional eligible CDBG-DR activities. Any program income remaining after the CDBG-DR VHBP closeout will be returned to DEO.

Cost Reasonableness

The City of Marathon conducts cost reasonableness evaluations as part of its standard procurement process. All procurement for CDBG-DR funded activities will be conducted in conformity with Resolution 2021-06, "Procurement Policies and Procedures to be used Specifically for the Procurement of Goods and Services for Community Development Block Grant (CDBG) Activities. This includes evaluating bids and proposals for cost reasonableness and conducting cost of price analysis as defined in the procurement policies and procedures.

Timely Expenditure of Funds

Per the Subrecipient Agreement provided by DEO all CDBG-DR funds must be expended within the Period of the Subrecipient Agreement. Therefore, all funds must be fully expended within 36 months of execution, by both parties, of the Subrecipient Agreement which will be June of 2023, unless extended. However, we understand that DEO will periodically review the City's progress in drawing down funding through SERA. The City of Marathon will review in-house expenditures and beneficiary expenditures to ensure that funds are spent on eligible costs and in a timely manner. Project funds and schedules will be monitored by the City of Marathon's Finance Department, The City of Marathon Clerk, the City's Planning Department, and subject to an auditing process through the City's independent audit function.

The City of Marathon will hold all contractors accountable through the establishment of tasks and other critical milestones. Contractors will be required to provide update reports concerning expenditure of funds and project progress to the City upon request. Frequency of reporting will be established on a per project and per contractor basis given the potential varied nature of activities and the different scope for each contractor. It is expected that the City may require contractors to provide monthly reports; however, due to the varying nature of each project, specific projects may be asked to provide those project updates more frequently.

The City expects, at this time, that it will directly administer the CDBG-DR VHBP and will use contractor augmentation to execute implementation. When contracting with vendors, the City will establish certain tasks that must be achieved prior to the release of funding. As a part of their contractual obligations to the City, contractors may be required to present the City with a plan on how they will implement procedures to achieve the determined tasks, which will be set forth in task orders. Each contract with contractors contains provisions for termination of any contract if the contractor is found to be negligent in any aspect of the contract services. In addition to ensuring that contractors are meeting project timelines, these tasks and task orders will allow the City to project expenditures for each individual project task.

Contractor Payments

To ensure contracts and bills are paid in a timely manner, payments pursuant to a contract will be made in accordance with the Local Govt. Prompt Payment Act, F.S. 218.70-218.80. Invoice(s) shall be for services rendered for the period of the first day of the month through the lastday of the month. Contractor shall submit separate invoices, on each task order after each delivery. Invoices shall indicate the task order number and shall be itemized. A copy of the bill of lading, and the freight weigh bill when applicable, should be attached to the invoice. Suppliers should keep the Planning and Environmental Resources Department advised of any changes in their remittance addresses.

The City of Marathon has the option to withhold five percent (5%) retainage per first three (3) payment requests until all work is completed in accordance with executed contracts and work approved by the City. Any retainage will be paid at the project's conclusion and proper approvals. Retainage will be released when awarded contract has been fulfilled in its fullest and approved by the City.

Tracking Payments

Consistent with City financial policies, the City will maintain a payment tracker for each project being conducted under the CDBG-DR VHBP. This payment tracker will include indicators to show, at minimum, invoice submission status and date, approved change orders, total payments per project by dollar amount, and total eligible funds per project. This will be updated as soon as any changes to the status of payments, change orders, or invoice submissions occur.

Slow Performing Projects

Projects which appear to be slow-performing will be evaluated and addressed consistent with the City's CDBG-DR VHBP Policies and Procedures. Projects which appear to be stalled will be:

- a) provided technical assistance to remediate their slow progress state.
- b) terminated if the project appears to be stalled at startup and the policies and procedures and project contract allows for re-award to other eligible recipients or,
- c) the project scope will be reduced, and funding reduced as necessary and recaptured funds will be re-obligated to other eligible projects and recipients.

URA Requirements

The Uniform Relocation Act establishes minimum standards for federally funded programs/projects involving the displacement of persons from their homes, businesses, or farms due to acquisition, rehabilitation, demolition, or any other reason which may permanently or temporarily displace someone involuntarily as a result of undertaking a federally funded project.

The City adopted Resolutions 2019-81 (Attachment 1) to establish program eligibility and prioritization criteria. These criteria provide that properties that are tenant occupied are not eligible for the VHBP. Therefore, the City does not anticipate engaging in any activities qualifying as uniform relocation eligible activities. All buyouts consist of voluntary owner-occupied structures and do not include the buyout of rental properties which would result in the displacement of persons renting or leasing the property, structure, or space within the structure. If an owner rents a room or portion of the property in which they live to a tenant, the project may result in the displacement/relocation of the tenant and qualify as a uniform relocation eligible activity. If a person is renting a room or portion of the home the property owner must provide a current lease for the tenant of the property which if being purchased by the City. If a lease agreement cannot be provided, then the City will consider the alleged tenant as a household member and income will be calculated as part of the household income. If a project does involve relocation, then the following items become applicable.

Under the Uniform Relocation Act (URA) displaced persons are eligible to the following benefits:

- Advisory services
- Offer of a comparable replacement unit.
- Replacement housing payments
- Moving expenses.

Under the URA, the term "displaced person" means:

1. A person who moves permanently from the real property after the property owner (or person in control of the site) issues a vacate notice to the person, or refuses to renew an expiring lease in order to evade the responsibility to provide relocation assistance, if the move occurs on or after:
 - a. The date the Grantee submits a project application for CDBG-DR funds for the project that is later approved, if the Grantee has site control; or,
 - b. The date the Grantee obtains site control if that occurs after the project application is submitted and approved.
2. A person who moves permanently from the real property after the initiation of negotiations, unless the person is a tenant who was issued a written notice of the expected displacement prior to occupying the property (otherwise known as a "Notice of Eligibility for Relocation Assistance").
3. A person who moves permanently and was not issued a Notice of Non-displacement after the application for CDBG-DR funds is approved.

If any buyout properties with renters or tenants are deemed eligible for relocation assistance, the City of Marathon will provide assistance to the renter(s) occupying the property. As a displaced tenant under URA, a tenant is eligible to receive two types of assistance: Moving Assistance and Replacement Housing Assistance. The Moving Assistance can be an actual reasonable moving and related expenses reimbursement or a fixed payment for moving expenses determined by a schedule published by the Federal Highway Administration. The Replacement Housing Assistance can take two forms, Rental Assistance or Down Payment

Assistance. If the displaced tenant chooses to continue to rent a dwelling, the award amount they are eligible for is 42 months times the difference in rent/utilities of their current rent and their replacement dwelling (including lot rent, if a mobile home unit). Rental Assistance is capped at \$7,200.00 for 90-day occupants, except in situations where housing of last resort applies. Another option is for the displaced tenant to purchase a new home and receive a lump sum Down Payment Assistance. If the displaced tenant elects to receive lump sum Down Payment Assistance, their award cannot exceed what they would have been eligible for had they continued to rent a unit.

Tenants seeking assistance with moving expenses must complete Form C-25 - Residential Claims for Moving and Related Expenses. This form will be made available by the City.

URA Purpose

The City of Marathon is undertaking a program funded through the U.S. Department of Housing and Urban Development (HUD) which may result in the relocation of persons from their current residences. The VHBP may result in tenants renting a portion of an owner-occupied unit being displaced as properties are acquired by the City for demolition, clearance, and conversion to open space. The properties are being voluntarily sold to the City by the property owners, however, some properties contain residential rental units making the tenants eligible for assistance under the Uniform Relocation Act of 1970.

The City of Marathon understands that it must provide the options for assistance to those who may be involuntarily displaced from their current residence due to programs or projects funded by HUD. The process for relocation assistance for persons displaced by the VHBP will include the following:

- Identification of Tenants to be Displaced
- Notification to Tenants of Impending Displacement
- Notification of Availability of Assistance
- Application Review
- Work with Tenants to be Displaced.
- Temporary Relocation
- Permanent Relocation
- Record Keeping

Duplication of Payment

No person will receive any payment for Relocation benefits under these regulations if that person receives a payment under Federal, state, or local law which is determined to have the same purpose and effect as such payment under these regulations. The City is not required to conduct an exhaustive search for such other payments, only to avoid creating a duplication based on the City's knowledge at the time the payment is computed.

Identification of Persons to be Displaced

The City of Marathon will keep records of all residential structures which contained rental units containing tenants who may require relocation assistance under the CDBG-DR VHBP. Name and contact information for current tenants will be collected during the application phase. Contractor or program staff will then work with property owners to identify those properties containing tenants who will be displaced. Records documenting the properties and persons requiring assistance must include the following:

- Property address
- Unit identification if applicable
- Number of rooms in unit
- Name of property owner (applicant)
- Number of male and female adults in family; number of children by age and sex
- Property type (single detached, multi-family, etc.)
- Monthly rent
- Names of all persons residing in the unit at the time of displacement
- Names of all persons seeking relocation assistance
- Certification of legal residency for all persons seeking assistance

Notification to Tenants

Property owners participating in the VHBP must submit an Occupancy Form during the application phase identifying tenants (if any). As soon as feasible, program staff will ensure that tenants are informed of the potential acquisition of the property by receiving a General Information Notice (GIN) and URA HUD handbook once identified, utilizing certified mail or hand delivery, and obtaining a signed receipt for the GIN and Handbook. Once Initiation of Negotiations (ION) has occurred between the City and the property owner (signing of pre-offer letter documents) tenants can then be provided with a Notice of Eligibility. The Notice of Eligibility should not be utilized unless the ION for the parcel has occurred between the City and the property owner. At the time of the offer letter signing with the property owner, every effort should be made to commence relocation with the tenant as soon as practical to prevent possible subsequent occupancy and/or minimize rental problems for the owner.

Notification of Availability of Assistance

Program staff will notify all tenants who may be displaced by providing them with materials informing them of the benefits and services available to them. Tenants residing in the structure at the time that negotiations are initiated between the homeowner and the City will be notified of the relocation program and are fully eligible for assistance (see § 24.2(a)(15)(i) and (ii) and [§24.2\(a\)\(15\)\(iv\)](#)). Program staff will be in contact with all the tenants affected

by the VHBP to discuss their needs. The documents provided to the tenants will, at the least, provide a general description of the relocation program including the following:

1. Informs the person that he or she may be displaced for the project and generally describes the relocation payment(s) for which the person may be eligible, the basic conditions of eligibility, and the procedures for obtaining the payment(s).
2. Indicates that any person displaced will be given reasonable relocation advisory services including housing referrals, help in filing payment claim(s), and other necessary assistance to help the person successfully relocate.
3. Informs any person to be displaced from a dwelling that he or she cannot be required to move permanently unless at least one comparable replacement dwelling has been made available to the displaced person. No person will be required to move without at least 90 days advance written notice.
4. Describes the person's right to appeal the City's determination as to eligibility for or the amount of any relocation payment for which the person is eligible. It also describes the person's right to disagree with the City's determination to whether the person qualifies as a "displaced person."

Tenants will also be provided with an application for assistance for relocation costs. This application will act as the official request for relocation assistance. Tenants who choose not to complete the application will not be eligible for relocation assistance.

Application Review

Applications will be reviewed by program staff and information provided by the tenants for their case files will be evaluated to determine the tenant households housing needs. Program staff providing relocation services will personally interview each household to be displaced and will then determine the household's relocation needs and preference and explain the relocation payments and other assistance for which the household may be eligible, the related eligibility requirements, and the procedure for obtaining such assistance. Replacement housing payments determinations for tenants present at the time of the storm event and/or tenants to be displaced by the VHBP occur once tenants submit a completed application.

Program staff conducting the interviews and processing applications will need to gather data to help provide information on the estimated number of households to be displaced, including the family characteristics (e.g., minority, ethnic, handicapped, elderly, large family, Income level). Information should be gathered to allow for the comparison of available decent, safe, and sanitary housing in the area with the housing needs of the tenants being displaced. The comparison should include (1) price ranges, (2) sizes (number of bedrooms), and (3) type of housing single-family, multi-family, mobile home etc. Any information on special relocation considerations should also be gathered and evaluated, such as the presence of elderly or disabled or children attending school. Program staff will make every effort not to relocate households in areas resulting in children being forced to change schools unless otherwise requested by the displaced household. If the information reveals that the existing housing inventory in a specific area being impacted by displacement is insufficient, does not meet relocation standards, or is not within the financial capability of the tenants, then measures such as Housing of Last Resort must be taken to address this issue.

Work with Tenants to be Displaced

Program staff will work with tenants to identify comparable replacement dwellings within a 50-mile area of their current dwelling. A comparable replacement dwelling includes the following:

1. Decent, safe, and sanitary (DSS) which means a dwelling which meets applicable housing and occupancy codes. However, if any of the following standards are not met by an application code, such following standards shall apply, unless waived for good cause consistent with federal regulations. The dwelling shall:
 - a. Be structurally sound, weather-tight, and in good repair.
 - b. Contain a safe electrical wiring system adequate for lighting and other electrical devices.
 - c. Contain a heating system capable of sustaining a healthful temperature (of approximately 70 degrees) for a displaced person, except in those areas where local climatic conditions do not require such a system.
 - d. Be adequate in size with respect to the number of rooms and area of living space needed to accommodate the displaced household. There shall be a separate, well-lighted and ventilated bathroom that provides privacy to the user and contains a sink, bathtub or shower stall, and a toilet, all in good working order and properly connected to appropriate sources of water and to a sewage drainage system. In the case of a housekeeping dwelling, there shall be a kitchen area that contains a fully usable sink, properly connected to potable hot and cold water and to a sewage drainage system, and adequate space and utility service connections for a stove and refrigerator.
 - e. Contains unobstructed egress to safe, open space at ground level. If the replacement dwelling unit is on the second story or above, with access directly from or through a common corridor, the common corridor must have at least two means of egress.
 - f. Displaced tenants who are handicapped must have access to a unit which is free of any barriers which would preclude reasonable ingress, egress, or use of the dwelling by such displaced person.
2. Functionally equivalent to the displacement dwelling. The term "functionally equivalent" means that it performs the same function and provides the same utility. While a comparable replacement dwelling need not possess every feature of the displacement dwelling, the principal features must be present. Generally, functional equivalency is an objective standard, reflecting the range of purposes for which the various physical features of a dwelling may be used. However, in determining whether a replacement dwelling is functionally equivalent to the displacement dwelling, reasonable trade-offs for specific features may be considered when the replacement unit is "equal to or better than" the displacement dwelling (see Relocation Manager for guidance).
 - a. Adequate in size to accommodate the occupants.
 - b. In a location generally not less desirable than the location of the displaced

person's dwelling with respect to public utilities and commercial and public facilities and is reasonably accessible to the person's place of employment.

- c. On a site that is typical in size for residential development with normal site improvements, including customary landscaping. The site need not include special improvements such as outbuildings, swimming pools, and greenhouses.
 - d. Currently available to the displaced person on the private market. However, a comparable replacement dwelling for a person receiving government housing assistance before displacement may reflect similar government housing assistance.
 - e. Within the financial means of the displaced person.
3. A replacement dwelling rented by an eligible displaced person is considered to be within his or her financial means if, after receiving rental assistance under this rule, the person's monthly rent and estimated average monthly utility costs for the replacement dwelling do not exceed the person's base monthly rental for the displacement dwelling.
 4. For a displaced household who is not eligible to receive a replacement housing payment because of the person's failure to meet length-of-occupancy requirements, comparable replacement rental housing is considered to be within the person's financial means if the Uniform Relocation pays that portion of the monthly housing costs of a replacement dwelling which exceeds thirty percent (30%) of such person's gross monthly household income or, if receiving a welfare assistance payment from a program that designates amounts for shelter and utilities, the total of the amounts designated for shelter and utilities. Such rental assistance must be paid under Section XVIII, Housing of Last Resort.
 5. All displaced persons, especially the elderly and handicapped, shall be offered transportation to inspect housing to which they are referred by program staff. In addition, program staff will assist with the following items:
 - a. Provide current and continuing information on the availability, purchase prices, and rental costs of comparable and suitable commercial and farm properties and locations. They will assist any person displaced from a business or farm operation to obtain and become established in a suitable replacement relocation.
 - b. Minimize hardships to persons in adjusting to relocation by providing counseling, advice as to other sources of assistance that may be available, and such other help as may be appropriate.
 - c. Supply persons to be displaced with appropriate information on Federal and State housing programs, disaster loan and other programs administered by the Small Business Administration, as well as other Federal and State programs offering assistance to persons to be displaced.
 - d. Provide referrals to appropriate agencies for displaced persons requiring social services, food stamps etc.
 - e. Provide each expected displaced person with a Relocation Assistance Brochure.
 6. Moving costs associated with moving personal property from the existing dwelling unit

to the new dwelling unit are eligible for relocation compensation.

7. If a displaced tenant otherwise qualifies for the replacement housing payments except that they have not yet purchased or occupied a suitable replacement dwelling, the Contractor will inspect the proposed dwelling. If the proposed dwelling is found to meet the standards set forth for decent, safe, and sanitary dwellings, the displaced tenant can submit a request for payment of the specific sum provided they purchase or occupy the inspected dwelling within the time limits specified.

Temporary Relocation

In cases where suitable long-term housing cannot be immediately identified and secured, temporary housing arrangements may need to be secured. The housing arrangements and facility must meet all the housing criteria required under Uniform Relocation except that it is functioning as a temporary housing solution until a more permanent solution can be identified. This may include, but not be limited to, the utilization of hotels for temporary housing. In such cases the facility must be agreeable to the household residing on-site for an extended period.

Permanent Relocation

Any comparable dwelling which allows for the displaced tenant and their household to reside in the facility for one year or more is considered to be a permanent relocation site. Displaced tenants and their households are eligible for two types of assistance under URA: Moving Assistance and Replacement Housing Assistance (Rental Assistance or Down payment Assistance).

Moving Assistance will be calculated using the fixed moving expenses method and are eligible for a moving claim reimbursement. Once a tenant has relocated to the replacement dwelling, contractor or program staff will assist the tenant in submitting form HUD 40054 to the City for the reimbursement. The City may advance a portion of the relocation claim to cover necessary expenses such as application fees, security deposits or first month's rent.

In standard protocol, one payment will typically be processed for Moving Assistance. However, there may be specific cases when a displaced tenant requires two payments for Moving Assistance: 1) advance payment for necessary up-front costs and 2) the remaining amount of their moving costs.

In determining Rental Assistance per URA HUD regulations, if the total gross monthly household income qualifies as low income according to the URA Low Income Limits, the City must compute 30% of the monthly household income and use it as one of the factors for comparison in the base monthly rental determination. The base monthly rental represents the amount the City will use as the rental amount for the displacement unit. The City will look at the lesser of three items:

- The total amount for current monthly rent plus average monthly utilities
- If the displaced person meets the low-income criteria, the agency will compute 30% of the person's average monthly gross household income
- If the displaced person's rent is paid through a State welfare program that

designates an amount for shelter and utilities, then that amount is considered, e.g.: shelter, utilities designation, etc.

If the tenant is low income, the lesser of the three will be used to compare against present rent (and utilities) of market rent. If the tenant is not low income, the URA eligibility amount is the difference between the present rent (plus average utilities) and the replacement dwelling rent (plus average utilities) across 42 months.

Per HUD regulations, Rental Assistance is to be dispersed to the displaced tenants in three installments, rather than one lump sum. However, if a tenant will be using URA Rental Assistance to purchase a home, the Down payment Assistance is allowed to be dispersed in one lump sum to reduce or eliminate hardship. Rental Assistance for traditional displaced tenants (assistance with a new rental property) is to be dispersed in three installments. A payment will be dispersed from the City to the displaced tenant every 14 months; 3 installments over 42 months. The first installment can be processed once the tenant has signed a year lease with the replacement dwelling landlord/property management company, moving has commenced and HUD Form 40058 is submitted.

To prompt the payments per tenant, contractor or program staff will submit a payment plan (Payment Authorization Form) to the City to help schedule the payments to the displaced tenants. The Contractor will also receive and submit the displaced tenant's W9 to the City. Once the household has signed a legally binding rental agreement such as a lease or obtained ownership of the property such as through a mortgage on the property the household is considered successfully relocated and further relocation services, outside of follow-up support services, will no longer be available to the tenant.

Record Keeping

Contractor or program staff will be responsible for maintaining all files and documentation for tenants who were displaced by the CDBG-DR Voluntary Home Buyout Program. This includes, at a minimum, identification of tenants who were not assisted with relocation services. Tenants who were successfully assisted or began the assistance services but terminated activities on their own accord must have files which include the information previously described in the URA Requirements section of this document as well as their completed application. All data identifying comparable dwelling units must also be maintained in addition to any payment requests, evidence of payments made on behalf of the tenants, identification documentation and HUD forms. All files must be secured so as to protect the privacy of those persons and their households.

Appeal Process URA

Any person(s) has a right to submit an appeal to the City if they disagree with the Moving Assistance eligibility amount, the Rental Assistance eligibility amount, or the determination from the City of whether a person(s) is qualified as displaced.

If a person(s) wishes to appeal their Rental Assistance eligibility amount they can notify the City of their wish to appeal the amount of the assistance. In such case, the City will re-review the assistance calculations for any potential errors and respond within 15 days of receipt. If no errors are found, they will re-present the amount of rental assistance to the tenant. If a tenant continues to not agree, the City will allow the tenant to submit up to three comparable dwellings they find more compatible with their needs, under URA regulations, and submit to the City for determination to recalculate eligibility determination. If the person(s) is considered low income, and continues to disagree with the City's final decision, they may submit an official appeal to the HUD Field Office.

If a tenant finds their Moving Assistance insufficient, a tenant can ask for and receive local bids from moving companies to submit to the City, seeking additional assistance. The City decision will be determined within 15 days of receipt. If the person(s) is considered low income, and continues to disagree with the City's final decision, they may submit an official appeal to the HUD Field Office.

If a person(s) disagrees with the City's determination of whether they have been properly qualified as a "displaced" person(s) or household, the person(s) can submit an official claim to the City seeking an appeal of the determination, submitting any supporting documentation they see fit. The City decision will be determined within 15 days of receipt. If the person(s) is considered low income, and continues to disagree with the City's final decision, they may submit an official appeal to the HUD Field Office.

City of Marathon Case Manager

Applicants may need support throughout the process. Applying to the VHBP may be complicated by the loss of documents or temporary residence outside the area. The City of Marathon, through its case manager hired through competitive (Request for Proposal) RFP, will establish, and maintain partnerships with local and community liaisons such as banks, counseling agencies, legal services, title companies, etc. to assist applicants with their recovery needs.

The case manager will work in collaboration with other agencies to assist owners and displaced persons from inception to close-out of their recovery needs. Each applicant will be assigned a case manager as a single point of contact to work with throughout the eligibility process. The case manager will also work to ensure that the applicant has the information needed to be successful in their long-term recovery efforts. As applications are being accepted and reviewed for determinations of eligibility to participate in the VHBP, each applicant will be counseled and made aware of their application status.

Procurement

Procurement is the acquisition of goods and services to be used by the City of Marathon to carry out program activities utilizing CDBG-DR funds. The procurement process includes the decision to purchase as well as the process to complete the purchase. Goods and services procured to carry out the City's VHBP CDBG-DR activities are to be conducted by the City

of Marathon Finance Department or other Departments as appropriate and provided for by The City of Marathon purchasing policies. As a subrecipient of DEO, the City of Marathon is required to comply with requirements of 2 CFR §200.318 through 200.327 when procuring all property and services using CDBG-DR funds. In addition, the City will comply with all state and local procurement regulations as mandated by the State of Florida and in compliance with the City of Marathon Resolution 2021-06, "Procurement Policies and Procedures to be used Specifically for the Procurement of Goods and Services for Community Development Block Grant (CDBG) Activities.. These rules are in place to ensure that federal dollars are spent fairly and encourage open competition for the best level of service and price.

In compliance with the City's subrecipient agreement with DEO, when the City uses a competitive solicitation as a means of solicitation, a copy of the advertisement, including proof of publication, will be submitted to DEO. DEO must approve the procurement otherwise the City will be constrained on the use of CDBG-DR for activities related to that procurement as described in the City's sub-recipient agreement with DEO. Before signature of any contracts "a copy of the proposed contract template and any proposed amendments, extensions, revisions or other changes thereto, must be forwarded to DEO for prior written approval" for any contracts for work under CDBG- DR. The City of Marathon will also inform DEO when the contractor or any of the sub-contractors are considered a minority vendor as defined in Section 288.703, F.S. The proposed contract and information regarding minority vendors will be submitted to DEO for review before the contract is submitted to the contractor for final approval and signature. The City will comply with all the conflict-of-interest provisions provided in DEO's procurement policies and procedures. The City will comply with the conflict-of-interest provisions in 24 CFR 570.489(h) in any instances not governed by DEOs policies and procedures for procurement conflict of interest items.

The City adheres to Part 111- Code of Ethics for Public Officers and Employees Chapter 112, Florida Statutes and maintains a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. Conflict of Interest provisions listed at 24 CFR Part 85.36(3) and all other applicable federal regulations will be incorporated.

Any questions regarding the applicability of law or determination as to whether laws conflict must be referred to the City of Marathon Attorney's Office.

Competition

All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. To ensure objective contractor performance and eliminate unfair competitive advantage, no contractors are permitted to help develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals. Some of the situations considered to be restrictive of competition include but are not limited to:

- Placing unreasonable requirements on firms for them to qualify to do business.
- Requiring unnecessary experience and excessive bonding.
- Noncompetitive pricing practices between firms or between affiliated

companies.

- Noncompetitive contracts to consultants that are on retainer contracts.
- Organizational conflicts of interest.
- Specifying only a "brand name" product instead of allowing "an equal" product to be offered and describing the performance or other relevant requirements of the procurement; and
- Any arbitrary action in the procurement process.

Procurements must be conducted in a manner that prohibits the use of statutorily or administratively imposed state or local geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

Contracting with Small, Minority, Women Owned Business

In order to comply with 2 CFR 200.321 the City of Marathon utilizes DemandStar which solicits a variety of contractors including Small, Minority and Women Owned Businesses. Businesses who appear to provide services which may be solicited as part of CDBG-DR activities, who are not included on DemandStar, will be included, and solicited for bids when appropriate activities requiring solicitation occur. Where practical and cost reasonable projects will be bid in smaller tasks to help support participation by smaller firms.

Section 3 Registered Businesses

The City is committed to ensuring that designated Section 3-eligible business concerns derive economic benefit from HUD-assisted projects built in their communities. Subrecipients, contractors, subcontractors are likewise expected to demonstrate that Section 3 certified business concerns are included in the contracting goals and are economic beneficiaries of business and procurement policies and practices. Section 3 eligible business concerns must be given priority in contracting for appropriate work.

The City will check the HUD Section 3 Business Registry online at <https://portalapps.hud.gov/Sec3BusReg/BRegistry/What> to identify any specific businesses in 50 miles of the City Administration Building. Businesses providing services being sought by the City using CDBG-DR funds will be notified of opportunities.

The City will make attempts to provide contracting opportunities (both construction and non-construction) available to Section 3-qualifying DBEs. The City will also strongly encourage contractors and subcontractors to make contracting opportunities available to Section 3-qualifying DBEs. The County will utilize such resources as FloridaJobs.org and CareerSource South Florida as part of its efforts to notify Section 3 businesses of potential

contracts and will provide Section 3 resource information to contractors to assist in finding Section 3 qualified businesses and workers.

Labor Compliance

Davis-Bacon and Related Acts (DBA) Overview

NOTE: All of the VHBP projects are limited to acquisition and demolition of structures on site. There will be no construction associated with the VHBP. Therefore, per August 12, 2021 technical assistance call with DEO, it was confirmed the since the projects will have no construction component DBRA is not applicable.

The Davis-Bacon and Related Acts (DBRA) apply to contractors and subcontractors performing on federally funded or assisted contracts more than \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Davis-Bacon Act and Related Act contractors and subcontractors must pay their laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area.

The Davis-Bacon Act (DBA) directs the Department of Labor to determine such locally prevailing wage rates. The Davis-Bacon Act applies to contractors and subcontractors performing work on federal or District of Columbia contracts. The Davis-Bacon Act prevailing wage provisions apply to the Related Acts, under which federal agencies assist construction projects through grants, loans, loan guarantees, and insurance. If any portion of a contract requires DBA, then all work performed under the contract is subject to DBA.

Additionally, in conjunction with DBRA contractors must comply with the Contract Hours and Safety Standards Act (CWHSSA) and the Copeland Anti-Kickback Act (Copeland Act). CWHSSA requires that, for any project in which the prime contract exceeds \$100,000, workers be paid one-and-one-half times their normal hourly rate for any hours worked more than 40 hours weekly, based on a work week of seven (7) consecutive days.

The Copeland Act prohibits any person from inducing a worker on a federally funded project to give up any part of the compensation to which the worker is entitled. No payroll deductions are permitted that are not specifically listed in the Copeland Act unless the contractor has obtained written permission from the employee as specified in 29 CFR 3.5 for otherwise permissible payroll deductions.

The overtime provisions of the Fair Labor Standards Act may also apply to DBA-covered contracts.

DBA requires payment of prevailing wages and the certification and submission of weekly payroll reports for each week work is performed at the site of the covered work.

Equal Employment Opportunity

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of federally assisted construction contract must include the equal opportunity clause in accordance with Executive Order 11246, Equal Employment Opportunity, as amended by

Executive Order 11375 and implementing regulations at 41 CFR part 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.

Contract Work Hours and Safety Standards (40 U.S.C. 3701-3708)

Where applicable, all contracts awarded by the non-Federal entity more than \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 4 U.S.C. 3702 and 3704. Less than 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer based on a standard work week of 40 hours. Work more than the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked more than 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous, or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Applicability to CDBG-DR Projects

The Davis-Bacon Act (DBA) 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 more than \$2,000. Specifically, for VHBP projects, Davis-Bacon Related Acts will apply when:

- CDBG-DR pays in whole or in part for any direct costs of construction; AND the project meets one of the following thresholds:
 - Residential (housing): Property has 8 or more units
 - Non-residential: Any construction work valued at more than \$2,000

Construction includes alteration and/or repair, including painting and decorating, of public buildings or public works. Davis Bacon does not apply to single-family scattered site rehabilitation and reconstruction programs. Work done by a local government's employees (force account) is not subject to DBA.

Subrecipient Responsibility

As a CDBG-DR Grantee, the City is required to administer and enforce the labor standards requirements set forth in Section 570.605 of the regulations of the Housing and Community Development Act of 1974.

Labor Standards Enforcement

The City is responsible for enforcement of DBRA requirements, including on-site interview of workers, review of contractor's payrolls, and conducting a pre-construction conference. To

meet these requirements, the City will have construction monitors that are responsible for end- to-end management of the process to include the following:

- Developing pre-bidding requirements and contractual templates to meet all CDBG-DR Construction and Labor Standards (which include Davis Bacon Wage Rates). All bid specifications include all applicable Federal and State wage rate determinations and the required labor standards provisions.
- Conducting pre-bid conferences with potential contractors to review Davis Bacon wage rates, payroll, and reporting requirements. The pre-bid conference will also outline all job site posters related to labor standards, safety, and applicable wage rates in English and Spanish. The "Contractor Guide to Davis Bacon Wage Requirements and Certified Payroll Reports" will also be provided to potential bidders.
- Verifying contractor eligibility.
- Executing construction contracts.
- Conducting pre-construction conferences and DEO notification of construction start.
- Monitoring compliance, including conducting construction site visits, worker interviews (at least once during the construction process), weekly payroll review, including the collection and prompt examination of weekly certified contractor payrolls, and implementing corrective actions.
- Coordinating the retention of certified payrolls for three (3) years by the City or other Funded Entity following completion of the project. Payrolls may be destroyed unless an investigation, disputed compliance action, or appeal remains outstanding.
- Section 3 outreach and reporting.
- Review of all Contractor requests for payment and draw request preparation.
- Ensuring restitution of laborers not properly compensated on a project, if applicable.

Construction Categories

As required by DBA, the City categorizes construction work as residential, building, heavy or highway work. Wage decisions are based on the category (or categories) of work to be performed. Each construction contract to which DBA applies contains the wage decision(s) for the appropriate category (or categories) of work. A separate wage decision for a category is not required if the value of work (as bid) in that category does not exceed 20 percent of the total "as bid" construction cost. The actual bid cost, not the estimated project cost, determines whether a separate wage decision is used. If more than one wage decision is used, payrolls must reflect which wage decision is applicable unless all workers are paid at least the highest hourly rate possible under either wage decision.

Monitoring Construction Activities and Labor Standards

During project construction, the City monitors compliance with DBA, CWHSSA and the Copeland Act by reviewing contractor and subcontractor payrolls. DBA applies to laborers

and mechanics working on any project when the primary contract exceeds \$2,000. It does not apply to supervisory staff if 80 percent of their time during the work week is spent performing supervisory duties. Supervisory personnel who fall below the 80 percent threshold are subject to DBA for non-supervisory hours worked during that work week.

"Self-employed owners" are not exempt from DBA and must submit a payroll report reflecting the hours worked on the project, the type of work performed and that they are the owner of their business. Hourly rates need not be reported if this information is not known, but the amount of the subcontract should be indicated.

Supply contracts are not subject to DBA. A supply contract is one that furnishes equipment, materials, or supplies, with no (or only "incidental") construction activities performed at the project site. Construction is "incidental" if it does not exceed 13 percent of the contract or subcontract price. The City collects documentation to support this percentage.

During project construction, the City conducts interviews with the contractors' and subcontractors' workers to verify the accuracy of payroll information. Interviews cover a representative sample of each classification used by the contractor/subcontractor. On-site interviews are conducted whenever possible, but mail interviews may be used if on-site interviews cannot be performed. Discrepancies between information gained in the interviews and payroll data are resolved in a timely manner. Additionally, interviews and resolution of discrepancies are conducted in such a manner as to shield the identity of the worker(s).

Any corrective actions by a contractor must be documented in the project files. For back wages over \$10, there must be a copy of the front of the wage restitution check and a signed acknowledgment from the worker stating the amount of the check and that it was received. If there are overtime violations, the City assesses the contractor liquidated damages of \$10 per day/per worker for those who should have received overtime. Restitution is also required. The contractor may request waiver of liquidated damages through the City.

The City will monitor labor compliance for the following items:

- Ensuring payroll information is being submitted and reviewed in a timely manner.
- Ensuring all labor classifications are included in the wage decision or have been confirmed and/or added with City approval.
- Ensuring trainee and apprentice labor classifications are applied in accordance with regulations for those titles.
- Ensuring signed authorizations are on file for any employees with "other" payroll deductions.
- Ensuring interviews have been conducted with the prime contractors and any subcontractor's employees. HUD Form 11 can be used for interviews.
- In the case of multiple wage decisions, investigating payrolls to ensure that they distinguish which was applied to each worker.
- Posting the wage-rate decision in a conspicuous location at the project site and posting a copy of "Notice to All Employees Working on Federal or Federally Financed Construction Projects" (a copy of this poster and other required posters are available at <https://www.laborlawcc.com/florida-labor-law-posters-state-and-federal-combo/>)

If applicable, the City will maintain a file for each construction project subject to labor standards

provisions. All documentation will be available for HUD review. Documentation will include bid documents containing prevailing wages and applicable wage decisions and labor standards provisions, verification of contractor eligibility, executed construction contracts containing applicable wage and labor standards provisions, pre-construction conference minutes, notification of start of construction, weekly payrolls, apprentice registration records, on site employee interviews and copies of correspondence, memoranda and forms relating to the administration and enforcement of labor standards provisions.

Anti-Fraud and Compliance Policies

The City of Marathon will aggressively investigate all allegations of misconduct, fraud, waste or abuse regarding eligibility and the disbursement of award amounts to applicants. Information has been posted on the City of Marathon website. With the assistance of our grant management contractor, processes will be developed to ensure applicant information is verified and systems are in place to detect and prevent fraud, waste, or abuse. All suspected cases of fraud, waste or abuse shall be referred to the HUD OIG Fraud Hotline (1-800-347-3735, hotline@hudoig.gov).

The City of Marathon's internal controls are set up for responsible management of CDBG-DR funds and support the prevention of fraud, waste, and abuse. Additional information regarding anti-fraud and regulatory compliance can be found in the Internal Control section of this document.

Vendors

The City of Marathon staff will verify the accuracy of information provided by its vendors. Prior to contract execution, the City's procedures include, but are not limited to,

1. Reviewing debarment lists.
2. Searching known databases for information.
3. Conducting internet research, and obtaining information available from State and Federal agencies, such as substantiated investigative findings and audit reports.

The City staff have established regular channels of communication with other State and local government agencies who are contracting with various entities for services relating to storm recovery efforts to be on guard for issues relating to contractor fraud, waste, and abuse. Findings are reported to City procurement staff.

Inter-Department Coordination

Effective coordination between City departments and personnel enables all programs, vendors administering City programs, and departments to comply with applicable local, state, and federal regulations, prevent and minimize fraud, waste and abuse, and effectively fulfill the goals set forth by the City.

The Planning Department, in conjunction with Finance, perform the following tasks:

Gauge the overall progress and effectiveness of project implementation.

1. Identify issues that may compromise program integrity, fund, and service delivery.
2. Work with program and operational staff to implement corrective action and resolutions.
3. Oversee the implementation of the City's recapture process.
4. Provide information and input on how City programs and practices can be improved and enhanced to improve performance, efficiency, and curtail waste, fraud, and abuse.
5. Serve as a layer of oversight to mitigate any potential risks, proactively detect, and investigate potential fraud, and identify areas in which to strengthen program capacity and the quality-of-service delivery.

In order to prevent and identify fraud or compliance concerns the VHBP staff have established a bi-weekly (once every two weeks) meeting to discuss and review all aspects of the program and its current status. These meetings include the program Grants Coordinator, the Planning Director, any technical service providers and include other department and non-department City staff as available. This is designed to provide as much transparency as possible and to allow City staff outside of the program to ask questions or address concerns they may have regarding the program and its management and implementation. These meetings primarily serve to provide a comprehensive status update for all team members and to review and address any compliance concerns.

Conflict of Interest

Conflict of interest situations will be closely monitored, as such situations when not properly addressed may result in the following:

1. Loss of HUD funding
2. Voiding any contract funded or supported by HUD
3. Disgorging of any financial gain or benefit received
4. Abstaining from participating in a decision-making capacity
5. Termination, resignation, or loss of position
6. Imposition of civil and/or criminal activities

It shall be a breach of ethics for any employee of the City of Marathon to participate directly or indirectly in procurement when the employee knows that the employee or any member of the employee's immediate family has a financial interest in the procurement, a business or organization in which the employee, or any member of the employee's immediate family, has a financial interest in the procurement, or any other person, business or organization with which the employee or any member of the employee's immediate family is negotiating or has an arrangement concerning prospective employment, is involved in the procurement.

The conflict-of-interest regulations contained in the subrecipient agreement between the City of Marathon and DEO requires that the City comply with conflict-of-interest provisions in DEO's procurement policies and procedures. The City of Marathon prohibits local elected

officials, City employees, and consultants who exercise functions with respect to CDBG-DR activities or who are able to participate in a decision-making process or gain inside information with regard to such activities, from receiving any benefit from the activity either for themselves or for those with whom they have family or business ties, during their tenure or for one year thereafter.

For purposes of this section, "family" is defined to include parents (including mother-in-law and father-in-law), grandparents, siblings (including sister-in-law and brother-in-law), and children of an official covered under the CDBG-DR conflict of interest regulations at 24 CFR Sec.570.489(h).

DEO can consider granting an exception to the conflict-of-interest provision should it be determined by the DEO that the City of Marathon has adequately and publicly addressed all of the concerns generated by the conflict of interest and that an exception would serve to further the purposes of Title I of the Housing and Community Development Act of 1974 and the effective and efficient administration of the VHBP. The City of Marathon will not enter a conflict of interest until justification has been received and approved by the DEO in accordance with applicable procurement laws.

Internal Monitoring

The City of Marathon has a monitoring process which includes several layers of approvals before funds are expended, allowing the City, in essence, to monitor the use of funds on an individual basis. This process includes multi-level review of the use of funds. These reviews occur throughout the organization, from the front-line contractor(s) up through the City Clerk, the Planning Director, the Budget and Finance Department and ultimately the independent auditors. At every level of the process, there is an evaluation made to determine that the use of funds is legitimate and in keeping with the requirements of the governing policies, procedures, rules, regulations, ordinances, and laws. If any other determination is reached, the use of funds is delayed until further information is obtained. If the additional information does not result in a positive determination, the use of funds for that purpose will not be allowed. Because the City will be directly overseeing the delivery of all CDBG-DR VHBP activities, monitoring will be an on-going effort. The Grant Coordinator will personally monitor all contractors including direct review and approval of all contractor invoices. The Grant Coordinator will conduct periodic on-site monitoring and a City Building Inspector will conduct inspections for each property involved in the CDBG-DR VHBP. In addition, the Grant Coordinator will directly oversee quality control related to client application, file management, contractor relations with homeowners as well as the public reporting requirements described below.

The Intent of the Internal Monitoring Policies and Procedures are to:

1. Gauge the overall progress and effectiveness of program implementation.
2. Identify and resolve compliance issues that may compromise program integrity, funding, and service delivery.
3. Identify areas that would benefit from technical assistance.
4. Differentiate the types of monitoring techniques that will be used during the

monitoring review process.

5. Explain the current monitoring structure model.

6. Identify the role of the City Clerk along with their essential assigned responsibilities.

The VHBP has established a bi-weekly staff meeting to review the status of the program. These meetings regularly include non-VHBP County staff members to provide additional oversight and transparency regarding the implementation and management of the program. The meetings serve several critical functions which include:

- Updating program and City staff of the status individual project.
- Review of the financial status of the program.
- Discussion of concerns or challenges, current or anticipated.
- Allowing staff to discuss implementation to ensure program consistency.
- Ongoing compliance oversight and updates.
- Provides opportunities for the team to be updated on discussions or directions from DEO.
- Allows team to identify issues or concerns which may need to be presented to DEO for consideration.
- Help in the prevention of fraud, waste, and abuse.

Internal Controls

The City of Marathon has existing policies and procedures meeting financial management requirements including applicable regulations and requirements, financial accountability and records, authorized signatures for payments and checks, requests for payments, bank accounts and checks, escrow accounts, administrative costs, property management, and audit requirements. The City has cash management procedures in place that minimize the elapsed time between receipt and disbursement of CDBG-DR funds.

The organizational structure encompasses risk management measures that establish clear lines of authority and approval, segregation of duties, separation of key processes and authorization and secure access to financial resources.

In summary, the City of Marathon's internal controls are set up for responsible management of CDBG-DR funds and support the prevention of fraud, waste, and abuse to ensure:

- No person involved in the VHBP decision-making obtains financial benefit.
- No single-point sign-off of significant transactions.
- Separate recordkeeping for mitigation funds versus general accounting operations.
- Reconciliation of accounts performed by employees not responsible for handling payroll preparation and issuance of paychecks.
- Hiring procedures match required financial skill sets to position descriptions.

- Policies and procedures are in place to maintain effective control and accountability for all cash, real and personal property and other assets.
- Policies and procedures are in place for controlled access to assets and sensitive documents.
- Reasonable measures are in place to safeguard protected personally identifiable information (PII).

Record Management

The City of Marathon will maintain all files electronically in the City's data management system, RecoveryTrac CMS. RecoveryTrac CMS is a closed, encrypted Microsoft system that requires both an account and a license to access data. Only authorized Tetra Tech employees and select City staff have access to the system.

In RecoveryTrac, the case manager provides daily maintenance and follow-up record keeping on individual cases. General program administration documents will be developed and maintained by the Grant Coordinator and kept in a secured location or on secure servers. These files will maintain documentation for the following items:

- Application Intake
- Eligibility review and determination
- Environmental review
- Procurement
- Invoicing and payment
- Change orders
- Local regulatory compliance (permitting, legal review, etc.)
- Program income
- Close out

The Grant Coordinator will provide periodic oversight of these records and will review the progress and records of any active projects as well as those that have yet to begin to ensure they are progressing in a timely manner. Formal monitoring is described in the VHBP Internal Monitoring section of this document.

Information maintained in project records will provide necessary data to complete reports and will be utilized during audits and monitoring to provide information needed as part of these activities. Information included in files may be supplemented with financial reports in order to provide concise details regarding specific project financial records. Once the VHBP has fully expended all funds and the VHBP is closed, records will be maintained by the Planning and Environmental Resources Department for security. All records will be maintained for a minimum of six years after DEO issues the final closeout for this award.

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- Environmental review
- Procurement
- Invoicing and payment
- Change orders
- Local regulatory compliance (permitting, legal review, etc.)
- Program income
- Close out

The Grants Coordinator will provide oversight and maintenance over these records and will review the progress and records of any active projects as well as those that have yet to begin to ensure they are progressing in a timely manner. Formal monitoring is described in the VHBP Internal Monitoring section of this document.

Information maintained in project records will provide necessary data to complete reports and will be utilized during audits and monitoring to provide information needed as part of these activities. Information included in files may be supplemented with financial reports in order to provide concise details regarding specific project financial records. Once the VHBP has fully expended all funds and the VHBP is closed, records will be maintained by the Planning and Environmental Resources Department for security. All records will be maintained for a minimum of six years after DEO issues the final closeout for this award.

Remedies and Sanctions

If a contract awardee fails to make a good faith effort to avoid an improper conflict of interest situation or is responsible for the improper conflict situation, the City may (1) suspend payments for HUD related activities, (2) terminate the contract, (3) require reimbursement by the recipient to the City or to HUD of any amounts already disbursed, and/or (4) bar future HUD funded related work.

Multiple penalties may be imposed, or multiple remedies, cures, waivers, and exceptions may be pursued in the event an actual conflict of interest may exist. Early disclosure of an actual conflict of interest or potential conflict of interest is critical and may influence the penalty and/or remedy that will be selected. The ultimate disposition will depend largely on the nature, extent, and severity of the conflict, as each evaluation of an actual conflict of interest is fact sensitive and will require a careful examination on the merits.

Guidance

If a conflict of interest is identified or suspected, covered person(s) shall immediately provide written notification to the Grants Coordinator as well as the City of Marathon's Planning and Legal Departments. At minimum, the written notification shall include documentation of the following:

1. Disclosure of the identity of the covered person(s) involved,
2. When and how it was discovered,

3. The nature of the conflict of interest
4. The financial interest or benefit derived or to be derived from the City of Marathon HUD sponsored program or funding.

The covered person(s) shall cooperate fully with the City staff and promptly provide any additional information requested by the City of Marathon to evaluate the conflict of interest. Corrective or punitive actions will be conducted in accordance with the City's Code of Conduct policies and at the discretion of the VHBP Director, Division of Development Department executive staff and Human Resource departmental staff. The City of Marathon will evaluate the circumstances of the conflict of interest and notify DEO of its findings, and if applicable, a request that DEO grant an exception to the conflict-of-interest regulations.

Appeals & Complaints

The City of Marathon will institute a complaint and appeals process to address citizen concerns and applicant grievances. The purpose of these procedures is to set forth guidelines for processing complaints and appeals to address grievances or concerns by participants in the City of Marathon's Voluntary Home Buyout Program. The City of Marathon Voluntary Home Buyout Program will accept informal verbal complaints and/or formal written complaints regarding the activities undertaken by the VHBP. Complaints will be reviewed in a progressive order and evaluated by program staff and elevated to the appropriate City staff for consideration if necessary. Appeals will also be reviewed in a progressive order and evaluated by City staff for consideration, with a progressive elevation of appeals to the making the ultimate decision on the limited appeal items.

Complaint Process

The City will review and consider VHBP verbal and written complaints related to the administration of the VHBP. There are two types of complaints which can be submitted to the City for consideration which are described below.

Informal Complaints - Complaints which are submitted to a City representative by phone; by an in-person discussion; or through an informal letter (not a Formal Complaint Form).

Formal Written Complaints - Complaints which are submitted via a completed Formal Complaint Form. The Formal Complaint Form must be submitted to the Voluntary Home Buyout Program through email or mail. If other accommodations are required to deliver a Formal Complaint form such as utilizing a drop off location, please call 305-743-0033.

Written complaints should be sent via email or mail to:

Mail: The City of Marathon
 Home Buy-Out Program
 9805 Overseas Hwy
 Marathon, FL 33050

Email: Buy-Out@ci.marathon.fl.us

Case Manager/Technical Staff Complaint Review

After receiving an informal complaint, every effort will be made to address grievances at the VHBP staff level. The case manager and technical support staff will review all concerns, suggestions, requests, and will address the issue. The case manager will provide a written or email response within 10 business days of receipt of an informal complaint by issuing a Staff Decision Memorandum. If a complainant disagrees with a case manager's Staff Decision Memorandum regarding the informal complaint, they can submit a Formal Complaint Form for further review and consideration by the case manager. The case manager will provide a written response, mailed certified return receipt, within 10 business days of receipt of the Formal Written Complaint by issuing a new Staff Decision Memorandum regarding the formal complaint.

If a complainant still disagrees with a case manager's Staff Decision Memorandum regarding the formal complaint, they can then elevate the decision to the Grants Coordinator through submittal of a separate/new Formal Complaint Form with a copy of the Staff Decision Memorandum(s) via email or postal delivery. The Grants Coordinator will provide a written response, mailed certified return receipt, within 10 business days of receipt of the Formal Complaint Form by issuing a Grants Coordinator Decision Memorandum. Decisions rendered by the Grants Coordinator for complaints that are not subject to appeal as described below are final. Any formal written complaints that are subject to appeal as described below can be escalated to an appeal and the complainant will be required to complete and submit a written Appeal Form.

Appeals Process

Citizens and applicants who are dissatisfied may formally appeal decisions on the following:

- A program eligibility determination; and/or
- A program assistance award calculation; and/or
- A program decision concerning housing unit damage and the resulting program outcome

An appeal will function as a request for reevaluation and reconsideration of a previous finding or decision, whether that decision was made as part of the VHBP or made in response to a previously submitted complaint.

All decisions made by City staff, representatives or elected officials must be in accordance with all applicable federal, state, and local laws and regulations.

If a complainant disagrees with a Formal Complaint Decision Memorandum by the Grants Coordinator, for one of the three Appealable decisions referenced above, an appeal on that the decision may be made to the Grants Coordinator by submitting a separate/new Appeal Form with a copy of the Formal Complaint Decision Memorandum(s) via postal delivery. The appeals process may include the following levels of review:

Level 1: Grants Coordinator

Level 2: Department Director

Level 3: The City Council

Level 1: Grants Coordinator

Working with the case manager and technical staff, the Grants Coordinator will review the Appeal, Decision Memorandum(s) from the complaint process, and Appeal Form and will address the appeal issue unless it must be escalated to the Department Director. The Grants Coordinator will provide a written response within 10 business days of receipt of the complaint in a Grants Coordinator Decision Memorandum via mail certified return receipt. If a complainant disagrees with the Grants Coordinator's decision, they can appeal to the Department Director for review through submittal of a separate/new Appeal Form with a copy of the Decision Memorandum(s) and complaint form(s) via email or postal delivery.

Level 2: Department Director

The Department Director will receive and review all appeals forwarded by the Grants Coordinator. The Department Director will address the citizen and applicant complaints and/or provide them with a request for additional information or a written decision within fifteen (15) business days. The Department Director will document any appeal review meeting(s), decision(s) and rationale in a Department Director Decision Memorandum to be kept on file. Once the Department Director decision has been rendered, the Grants Coordinator will communicate the decision in a written response via mail certified return receipt to the applicant and inform them of their right to appeal to the Board of City Commissioners. The Appeal Request, Decision Memoranda(s) and complaint form(s) will be processed for City Manager review by the Department Director if determined to be a legal appeal by the City Attorney's office.

Level 3: City Council

After review by the City of Marathon Attorney's Office to confirm that the relief sought under the appeal is permissible and consistent with all applicable federal, state and local laws and regulations, if it is determined by the City of Marathon Attorney's Office, in writing, that granting the appeal would violate any applicable federal, state, or local laws and regulations, the City Council will not have discretion to rule on the appeal and therefore the appeal will not be forwarded to the City Council for consideration at a public hearing. For those appeals that would not violate any applicable laws and regulations, the City Council will receive and review the appeals forwarded by the Department Director and the Legal Department. The City will document each decision made by the Council regarding an appeal associated with the City of Marathon VHBP. A copy of the decision will be maintained among program files for review and reference, and it will be mailed, certified return receipt to the applicant. Once the City Council has rendered a decision, the Grants Coordinator will communicate the decision in a response to each applicant and inform them of their right to appeal the City Council decision to the Florida Department of Economic Opportunity (DEO). The Council decision will also be forwarded to DEO for their file.

Level 4: Florida Department of Economic Opportunity

Citizens may file a written complaint or appeal through the Office of Disaster Recovery email at CDBG-DR@deo.myflorida.com or submit by postal mail to the address below. Citizens are encouraged, however, to attempt to resolve any complaints at the local level as outlined

above prior to contacting the DEO.

The Florida Department of Economic Opportunity
Office of Disaster Recovery
107 E. Madison Street
Caldwell Building, MSC 160
Tallahassee, Florida 32399

Level 5: Regional HUD

If, at the conclusion of the appeals process, the complainant has not been satisfied with the response, a formal complaint may then be addressed directly to the regional Department of Housing and Urban Development (HUD) at:

Department of Housing & Urban Development
Charles E. Bennet Federal Building
400 West Bay Street, Suite 1015
Jacksonville, FL 32202

Complaints regarding Fraud, Waste or Abuse of Government Funds and Complaints regarding Fair Housing Laws

Complaints regarding fraud, waste or abuse of government funds should be forwarded to the U.S. Department of Housing and Urban Development Office of Inspector General Fraud Hotline (phone: 1-800-347-3735, email: hotline@hudoig.gov).

Complaints alleging violation of fair housing laws should be directed to U.S. HUD for review by mail:

U.S. HUD Community Planning and Development Division
Atlanta Regional Office
Five Points Plaza Building
40 Marietta Street
Atlanta, GA 30303-2806

Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination: 1-800-669-9777 (toll free), 1-800-927-9275 (TTY), or www.hud.gov/fairhousing

Compliance Monitoring

The City of Marathon has established a monitoring/oversight program to ensure that buyout assistance is being provided to eligible owners, for eligible properties, and in the proper assistance amounts. On a bi-weekly basis, the Grant Coordinator, in coordination with the City's technical consultant and other City staff, will conduct program status update meetings. These meetings include compliance monitoring reviews of the CDBG-DR VHBP, its projects, and general program management and implementation. These meetings often include updates to the Department Director and/or other City staff. Additionally, the Case Manager also conducts monitoring activities by reviewing files approximately every 10-14 days to provide applicants and staff with project updates. The program staff will also utilize the technical consultant's QA/QC staff resources to review each project file for completeness before they are sent to DEO for review. These reviews

are conducted to keep all files up to date and to help identify any compliance concerns, such as the following:

- Case management error
- PPI violation
- Drawdown or fund redistribution error at the VHBP manager level
- Procurement error
- Program implementation error

Corrective actions will be taken immediately to address any identified errors. Issues and findings will be recorded as will the corrective actions addressing the identified issue. The Grants Coordinator will maintain documentation of issues and findings identified during monitoring and audits, as well as record any issues found by staff or the City's consultant during program implementation and management. The corrective actions must address the issues in as expeditious manner as possible. The corrective actions will not only serve to rectify the identified issues or findings but will also provide any reparations, staff adjustments, staff training, rebidding, public notification, P&P revisions, and financial corrections as is necessary and applicable.

Issues and findings identified which arise due to financial recordation or processing error will be managed by the Finance Department in coordination with the Planning Department. Any issues and findings involving the Finance Department will be recorded and corrective action will be undertaken which address the issues in as expeditious manner as possible. The corrective actions will not only serve to rectify the identified issues or findings but will also provide any staff adjustment, staff training, policy and procedure revisions or other activities as necessary to ensure the issues are not repeated. Corrective actions will ensure that all impacts are fully addressed, and any regulatory or procedural violations are thoroughly addressed in a permanent fashion.

DEO Monitoring

The City of Marathon will maintain constant communication with DEO regarding management and implementation of CDBG-DR funds. The City of Marathon will submit to monitoring of its activities by DEO as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the City of Marathon Sub-Recipient Agreement. The City of Marathon will make program staff available during DEO monitoring and will provide DEO with access to all program files and documents.

Performance Reviews and Audits

The City of Marathon will make available to the DEO and HUD all records requested for performance reviews and audits for at least five years beyond the closing of the grant. The City of Marathon shall have a single or program specific audit conducted annually in accordance with the applicable federal requirements.

DEO Reporting

The City of Marathon will provide all DEO required reporting in compliance with the sub-recipient agreement. All reporting will be completed by the Grants Coordinator or their representative. To comply with the sub-recipient agreement, the City will undertake the following reporting activities:

- The City will make every effort to submit reports in a timely manner in accordance with 2 CFR 200 Subpart F, 215.97 F.S. and Chapters 10.550 or 10.650.
- The City will submit a monthly report on forms provide by DEO no later than 10 calendar days after the end of each month.
- The City will submit quarterly reports to DEO on DEO provided forms no later than the tenth day of every April, July, October, and January.
- The City will submit HUD form 2516 to DEO's SERA reporting system no later than April 15 and October 15 of each year.
- Audits will be conducted in accordance with 2 C.F.R. part 200 and submitted to DEO no later than nine months from the end of the Subrecipients fiscal year when audit thresholds are reached. If an audit threshold is not met, then an Audit Certification Memo will be provided to DEO no later than nine months from the end of the Subrecipients fiscal year.
- An Audit Compliance Certification form will be emailed to audit@deo.myflorida.com within sixty (60) calendar days of the end of each fiscal year.
- HUD summary form HUD-60002 must be completed and submitted through DEO's SERA reporting system by July 31 annually.
- The City will provide copies of all performance and payment bonds and Notices to Proceed for contractor work as part of its reporting responsibilities with DEO.

In the event the City expends a total amount of state financial assistance equal to or more than \$750,000 in any fiscal year, the City must undergo State Single audit. In determining the state financial assistance expended in its fiscal year, the City will consider all sources of state financial assistance, including state financial assistance received from DEO, other state agencies and other non-state entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a non-state entity for federal program matching requirements.

The cost of this audit is paid from non-state entity's resources. Copies of financial reporting packages required by PART II of the Sub-Recipient Agreement with DEO shall be submitted by or on behalf of the Subrecipient directly to each of the following:

1. DEO at the following address:

- a. Electronic Copies: Audit@deo.myflorida.com
2. The Auditor's General's Office at the following address:
 - a. Auditor General
Local Government Audits
342 Claude Pepper Building, Room 401
111 West Madison St. Tallahassee, FL 32399
Email flaudegen-localgovt@aud.state.fl.us

Affirmative Marketing/Fair Housing

The City of Marathon will undertake and manage the CDBG-DR VHBP in conformity with the federal Fair Housing Act, the Florida Fair Housing Act, Section 104(b)(2) of the Housing Community Development (HCD) Act of 1974 and other federal and state regulations governing fair housing. Additionally, the City will adhere to fair housing requirements outlined in the subrecipient agreement with FL DEO. In managing and implementing the VHBP the County will take actions to ensure that no person shall, on the ground of race, color, national origin, religion, sex, sexual orientation, age, familial status, or disability, be:

- excluded from participation in
- be denied the benefits of
- be subjected to discrimination under
- or be denied access to the CDBG-DR VHBP.

The City will designate a City staff member as the Fair Housing Coordinator. The City will undertake the following activities in order to comply with fair housing regulations and to affirmatively further fair housing through the VHBP:

- Fair housing informational posters will be located in the VHBP offices notifying the public of their fair housing rights.
- The City will include contact information for both the Fair Housing Coordinator as well as state and HUD fair housing contacts on the City's website.
- The City will engage in quarterly fair housing activities and report those as required by the Subrecipient Agreement.
- The City has developed a formal fair housing complaint form and the Fair Housing Coordinator will record all formal complaints and refer complainants to the appropriate fair housing specialist through the state or HUD offices. Fair Housing Complaint forms for the Florida Commission on Human Relations and HUD will also be maintained on file by the Fair Housing Coordinator and available to the public.
- The Fair Housing Coordinator will maintain a record of any related calls including a log of calls received, the nature of the call, the actions taken, and any resulting referrals.
- While the Fair Housing Coordinator does not have the legal authority pursue or enforce potential fair housing issues or violations outside of the scope of the VHBP, the Fair

Housing Coordinator will provide complainants with the necessary contacts to further address those issues or may contact those additional fair housing resources as deemed appropriate.

- In addition to ensuring that fair housing conflicts do not arise through the implementation of the VHBP, the Fair Housing Coordinator will provide applicants with fair housing resources if fair housing conflicts appear to occur outside of the direct oversight of the VHBP. This may include cases where applicants seeking relocation housing may appear to be subject of fair housing issues or discrimination.

The City of Marathon will take additional measures to affirmatively market the CDBG Disaster Recovery Program, as follows:

- The City of Marathon will make all efforts to communicate, both orally and in writing, in appropriate languages to affected residents. Content on the City's webpage is accessible through language translation tools provided on the webpage, see [City of Marathon Home Page](#). CDBG-DR webpage under development. The link will be added to the Guidelines when completed.
- The City of Marathon will provide reasonable accommodations as needed to make the VHBP accessible to people with disabilities. Content on the City's webpage has been designed with accessibility guidelines and links to accessibility tools are provided on the webpage, see City of Marathon Home Page. CDBG-DR webpage under development. The link will be added to the Guidelines when completed.
- The City of Marathon will retain documentation of all marketing measures used, including copies of all advertisements and announcements that will be available for public viewing upon request.

The City will retain all fair housing documentation and records in compliance with the record retention policies of the VHBP.

Record Retention

The VHBP will adhere to the stricter of record retention policies of either the City of Marathon, the State of Florida, or HUD for the use of CDBG-DR funds as required by the grant. All official records on programs and individual activities shall be maintained for at least six years after DEO issues the final closeout for this. Applicant records will be maintained electronically in the DEO's system of record.

Voluntary Home Buyout Program - Implementation

The VHBP assists single family homeowners who suffered damage to their residential property from Hurricane Irma to dispose of their damaged property and move out of high hazard areas prone to flooding. For a single-family property to potentially qualify as a buyout, the property must be located in a floodway or floodplain and must consist of a single family, owner occupied, detached, single unit structure. The City will offer the fair-market value of the properties to be acquired. Properties which are in an area acquired by the City will be cleared with all structures being removed from the site. The site will have all utilities terminated and capped at the road and will be properly graded to allow for drainage. Properties acquired by the City will be maintained as green space with uses limited to floodplain/wetlands management and/or passive recreational purposes in perpetuity.

National Objective

The VHBP is being implemented to meet the LMI National Objective previously described.

The applicant's qualification as LMH or LMA will be determined at the time of application intake and verified through the application verification process. Once determined the National Objective will be the same for all activities associated with the buyout of the applicant's parcel (acquisition, clearance and demo, relocation assistance).

Property Requirements

Homeowners who own a property in the City of Marathon may be eligible to receive buyout assistance and will be prioritized to receive assistance. For the property to qualify for the VHBP the property must meet the following requirements:

1. Located in the City of Marathon jurisdiction
2. Have been damaged by Hurricane Irma in 2017
3. Meets the National Objectives

Additionally, a property may be eligible for buyout assistance if an applicant originally applied for rehabilitation or reconstruction assistance, but the site could not be environmentally cleared, and conditions could not be mitigated to HUD standards for housing rehabilitation or reconstruction assistance due to the following conditions:

1. Any house in the floodway that cannot be moved or rebuilt within the property boundaries, or
2. Any house seeking reconstruction assistance with a noise-impact that cannot be mitigated to HUD acceptable levels, or
3. Any house that is not a clear site for hazardous toxins Environment Quality {TCEQ} without compliant mitigation possible, or
4. Any house seeking reconstruction assistance outside HUD's Acceptable Safe Distance guidelines from a flammable or explosive hazard.

Income Eligibility

LMH

The adjusted gross household income will be determined and verified in accordance with HUD approved Adjusted Gross Income methodology utilizing the IRS 1040 "long form". IRS 1040 forms will be collected for all household members as applicable. Dependents and their potential income will be recorded as such as indicated on IRS 1040 forms. Adjusted gross incomes as indicated on the IRS 1040 forms will be recorded for all household members and combined to calculate a total household income. The case manager will conduct the eligibility review and complete the Income Verification Form for each application. The Income Verification Form is a worksheet designed to collect all adjusted gross income data for all household members to calculate Total Household Income.

This Total Household Income must meet the income eligibility criteria set by HUD for LMI qualified households to qualify under the LMI priority. The City will use the IRS Form 1040 Adjusted Gross Income (AGI) method of income calculation for purposes of identifying and confirming household income unless the applicant did not file a Federal Income tax form for the most recent year. Self-employed applicants will be required to submit the most recent two years of Federal income tax forms. If the applicant did not file an income tax return, then the AGI Worksheet method will be used to determine Low-Mod eligibility. Income limits are established by HUD and updated annually.

Low and Moderate Area (LMA)

VHBP staff collected LMI data provided through HUD and used this data to develop maps indicating LMI qualified block groups. The applicant addresses for properties being considered for the VHBP were then overlaid on this map. This allowed the VHBP staff to verify whether properties were located in the qualified block groups thereby making them eligible to meet the LMA eligibility criteria.

Eligibility Criteria for Voluntary Home Buyout Program

Federal Eligibility Requirements

This is a Voluntary Home Buyout Program. To comply with the requirements, set forth in 49 CFR 24.101(b)(1), all acquisitions will meet the following:

- No specific site or property needs to be acquired
- The property to be acquired is not part of an intended, planned, or designated project area where all or substantially all the property within the area is to be acquired within specific time limits.
- The City of Marathon will not acquire the property if negotiations fail to result in an amicable agreement, and the owner is so informed in writing.
- The City of Marathon will inform the owner in writing of what it believes to be the market value of the property.

National Objective

All CDBG-DR funded project must meet one of three National Objectives as previously described in this document.

VHBP Scoring

The City of Marathon will rate home buyout applications based upon state prioritization criteria. The scoring method will be as follows:

State of Florida Required Scoring Criteria:

1. Benefit to LMI households-maximum of 20 points combined:
 - a. LMI household: 5 points.

- b. LMI household that occupies anyone 62 or older: 5 points.
 - c. LMI household that occupies anyone under age 18: 5 points.
 - d. LMI household that includes anyone that is disabled, handicapped, or has special needs: 5 points.
2. Low- and moderate-income households that did not have flood insurance at the time of the disaster: 10 points.
 3. The owner must be willing to relinquish all development rights to the property, including but not limited to allocations granted under the City's Building Allocation System (BPAS).

City of Marathon Scoring Criteria

Through Resolution No.2019-81 the City Council authorized Voluntary Home Buyout Local Program Prioritization Criteria for selection of properties interested in the Voluntary Home Buyout Program Utilizing Community Development Block Grant- Disaster Recovery Funding.

The proposed City of Marathon point allocation criteria is as follows:

1. 5 pts for homes that were substantially damaged as a result of Hurricane Irma
2. 5 pts for homes located in the V Zone as designated by the Federal Emergency Management Agency
3. 5 pts for repetitive loss structures as designated by the National Flood Insurance Program
4. 10 pts for severe repetitive loss structures as designated by the National Flood Insurance Program
5. 5 pts for high probability of sea level rise inundation (Surge Zone 1).

Structure Type

Eligible properties must be a residential dwelling structure or vacant lot. A dwelling structure is defined as a residential space that is a place of permanent habitation for a person or family that contains a living room, kitchen area, sleeping area, and bathroom(s).

Eligible Structure Types

- Single family property (detached and attached 1-4 units)
- Modular home/Manufactured home
- Vacant land

The VHBP will acquire properties from owners who agree to voluntarily participate in the VHBP. However, several of the structure types listed above may include occupants that are not the owner and who will be required to move from the unit involuntarily. Since these occupants may be displaced, the City of Marathon will follow the URA requirements, as amended by the applicable Federal Register Notices for each disaster allocation.

Property Type

Property is the land and improvements listed on the title or property appraiser records as published on Monroe County Property Appraiser's Database at <http://qpublic.net/fl/monroe/> on which the owner-occupant unit is located.

The following types of ownership are ineligible for assistance under this the VHBP:

1. Applicants who lost ownership of their home due to foreclosure, properties with outstanding suits, judgments and tax liens that would jeopardize ownership may be ineligible for assistance.
2. Properties located where federal assistance is not permitted are ineligible for assistance.
3. Properties must be in compliance with Environmental Code 24 CFR Part 58.

Owner Requirements

In addition to the requirements for each property to be eligible for assistance, owners of the properties must also meet certain requirements to be eligible to receive buyout assistance.

To qualify, all of the following must pertain to the homeowner/applicant: Homeowner must have clear title to the property.

- Homeowner must be current on property taxes, on an approved payment plan or be awarded a tax deferral.
- Homeowner must agree to move to an area with reduced risk of flood.
- The buyout may be a result of environmental review restrictions in which the environmental review deems the property not eligible for other rehabilitation or reconstruction assistance.
- NFIP Check - The City will review all applications to determine if prior assistance was received on the home and if the homeowner met flood insurance requirements (if applicable).

Participants in the VHBP will be required to certify to all eligibility criteria and must sign an acknowledgement agreeing to the following false claims statement:

"Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001, and 31 U.S.C. 3729."

Proof of Ownership

The VHBP verifies ownership and primary residency through the provision of a deed to the property and/or tax records provided by associated municipality from the time of the storm. Ownership and primary residency must be maintained until project is complete and applicant is able to occupy the dwelling. Ownership can be documented as follows:

- Provide a copy of a valid deed of trust or warranty deed that is recorded in the City tax records which cites the applicant's name. For MHUs, a Statement of Ownership and Location (SOL) may be provided.
- For the purposes of federally funded disaster recovery programs, ownership may be

proven in the following manner:

- Applicants may prove ownership by providing alternative documentation and completing a notarized affidavit that certifies that one of the following circumstances applies:
 - there is nobody else who has the right to claim ownership
 - anyone who has a right to claim ownership has agreed to participate in the VHBP; or
 - anyone who has a right to claim ownership could not be located (after reasonable attempts to contact).
- The alternative documentation that can be provided instead of a copy of the deed includes (in order of preference):
 - tax receipts
 - home insurance
 - utility bills
 - other documentation deemed to be acceptable by the VHBP
- The documentation must show that the applicant was the person responsible for paying for these items at the time of the disaster.
- The above-referenced alternatives are not optional and must be provided to prove ownership.

Proof of residency can be provided through a homestead exemption. In the absence of a homestead exemption, the following hierarchy will be used to establish occupancy (all occupancy documentation must be from the time of the storm, in the applicant's or co-applicant's name, and reference the damaged address). Applicants will provide an Affidavit of Ownership and Affidavit of Principal Residency plus one of the following:

- Copy of water, electric, gas, credit card, or cable bill. The bill must confirm that service was provided at the time of the storm.
- Copy of FEMA letter showing payment received for home repairs or contents or insurance document showing content coverage.
- Letter from electric, gas, cable, or other utility service provider confirming that service was provided at the time of the storm.
- Other qualified documents may be presented for consideration as proof of occupancy or pre- storm residency; however, the acceptance of other documents is subject to approval by HUD and will be reviewed on a case-by-case basis.

Identity Verification

Owners' identity will be verified via a credible method including but not limited to current tax records, or by a credit check. An applicant's credit score is not taken into consideration in determining VHBP eligibility. If a credit report is reviewed, it is used to verify:

1. applicant's identity and
2. that there are no judgments or liens on the property (example - tax lien)

Applicants must be current on property taxes, on an approved payment plan or be awarded a tax deferral.

CDBG-DR funds may not be used to pay delinquent taxes or child support payments.

Second Homes

To help accomplish the overall goals of the VHBP, the City of Marathon wishes to provide buyout assistance to as many volunteers as possible within the City. However, owners who volunteer for buyout on homes that qualified as their second home at the time of the disaster, or following the disaster, often don't meet eligibility criteria in order to participate in the VHBP and are not eligible for residential incentives. A second home may or may not be held out for rent or for resale. The applicant does not have to reside in the home during the year to be a second home. Preference for benefits under the VHBP will be for primary residences, but clarification will be determined by the City when the VHBP is underway.

Occupancy

To confirm owner occupancy, the VHBP looks for a homestead exemption in the property tax records in the applicant's name at the time of the storm. This will be verified through the Monroe County Property Appraiser's Office. If the property tax records have established a homestead exemption, the property is considered occupied by the applicant. In the absence confirmation of a homestead exemption from records provided by the City, the following hierarchy will be used to establish occupancy (all occupancy documentation must be from one month prior to the storm, in the applicant or co- applicant's name, and the damaged address):

- Property tax records demonstrating homestead exemption for the property
- Copy of electric, gas, or water bill in the applicant or co-applicant's name. The bill must confirm that service was provided in the month of or the month prior to the storm. Letter from electric, gas, or water company. The letter must confirm that service was provided in the month of or the month prior to the storm.
- Letter from electric, gas, water, trash, sewage, cable, or landline phone company. The letter must confirm that service was provided in the month preceding or month of the applicable disaster event and must match name and address on the VHBP application.
- Voter registration records submitted together with valid driver's license (unexpired as of date of application) must match the name and address on the VHBP application.
- Title search results that yield proof of homestead exemption.

For all solutions, closing documents include certification that the applicant was the owner-occupant at the time of the disaster event event(s).

Special Circumstances Related to Occupancy

The following exceptions apply under special circumstances related to occupancy:

- Active-duty military personnel who own a storm-damaged home in The City of Marathon but are currently assigned to duty away from their home or were assigned to duty away from their home at the time of the storm are eligible.
- Applicants incapacitated due to illness who own a storm damaged home in The City of Marathon and are currently incapacitated or were incapacitated at the time of the storm are eligible.
- Applicants who were incarcerated at the time of the storm but are no longer incarcerated are eligible to apply for the VHBP. If the applicant is incarcerated at the time of application, the applicant must give someone Power of Attorney on his or her behalf.
- Applicants who were in a nursing home at the time of the storm but are no longer in a nursing home are eligible. If the applicant is in a nursing home at the time of application, the applicant must give someone Power of Attorney on his or her behalf.

Trust

Property held in trust for the benefit of natural persons can be eligible for assistance as long as at least one of the occupants is a current beneficiary of the Trust. The trustee's powers must include the ability to affect the damaged property. If the trustee's powers do not include the ability to affect the property, the beneficiaries with an interest in the property must sign the closing documents along with the Trustee. The following is required to confirm eligibility:

- The applicant must provide a copy of the trust document.
- The trust document or an abstract or extract of the trust must be recorded with the Clerk of the Circuit Court and Comptroller. The document may be recorded post-storm if necessary.

The applicable agreements must be executed by trustee(s) unless the trust distributes the property to a beneficiary, in which event the beneficiary receiving the property must execute the applicable agreement and occupy the residence after assistance. If the property was not serving as the primary residence for the current beneficiaries or trustee, the applicant(s) is not eligible for assistance.

Death of Eligible Owner

If the homeowner passes away before closing the transaction occurs, the heir to the property may be eligible to proceed with the sale of the property once succession has been established. The heir must meet all eligibility requirements. If an eligible owner dies and leaves their damaged property to a business entity, the application is ineligible for assistance.

Disaster Damage Documentation

Disaster damage will be documented as follows:

- FEMA, Small Business Administration (SBA) or Insurance Award Letters
- If the above-referenced documentation is not available, an inspection report/Damage Assessment (complete with photos of the damage and a written assessment of the damage with each photo taken) conducted by a certified or licensed inspector (HQS, TREC, or similar license) must be supplied that certifies the damage occurred because of the event
- If FEMA, SBA, or Insurance Award Letters are not available and an inspection report is inconclusive as to the cause of the damage, alternative evidence may be provided, such as neighborhood-level media reports or documentation of damage by disaster response/relief organizations. If an applicant was denied assistance by FEMA, assistance through the CDBG-DR Program may still be available. Applicants are not solely ineligible based on a denial by FEMA.

Award Determination

Amount of Assistance

The City of Marathon has been allocated funding from the U.S. Department of Housing and Urban Development (HUD) via the Florida Department of Economic Opportunity (DEO) for disaster recovery projects related to the 2017 federally declared disaster event. The City of Marathon will use the approximately \$5 million in Community Development Block Grant Disaster Recovery (CDBG-DR) funds for the acquisition of properties. Based on the availability of funds, there may be multiple rounds for the Disaster Recovery Buyout Program to assist additional properties as preliminary funds are exhausted.

Each application will be reviewed to determine if previous funding awarded to the applicant was appropriately used on the home and if any funds were received for the same purpose. Each applicant's home must be assessed to verify that it was damaged from the event. A damage assessment report along with pictures will be required for each applicant and will be used in the unmet need assessment. The applicant must have an unmet need to move forward in the VHBP. The unmet needs will be calculated by the case manager. Only applicants with an unmet need related to the CDBG-DR funded event will be eligible. Documentation evidencing impact from the event will be required as part of the unmet need's determination. The unmet needs assessment will be required for all applicants.

The maximum assistance amount of CDBG-DR buyout funds will be capped at \$750,000, based upon the 2021 FHA loan limit of \$608,350 and additional delivery costs described below. Eligible costs included in the buyout maximum assistance amount will include:

- buyout purchase price
- clearance and demolition (performed by the City)

- settlement costs
- a replacement housing incentive payment
- moving expenses incentive to be determined

Eligible Expense	Eligible Expense Cap
Buyout Purchase amount	FMV
Settlement Costs	Based on actual costs
Clearance and Demolition	Based on actual costs
Replacement Housing Incentive Payment	\$25,000 for LMI, \$10,000 for non-LMI

Projects which may exceed the program cap will be reviewed by program staff on a case-by-case basis.

Appraisal

As required under DEO Program Guidelines:

The appraisal methodology shall be used in the VHBP, and appraisals must be conducted by the City procured independent appraiser in accordance with the Uniform Standards of Professional Appraisal Practice. The appraiser must comply with relevant State laws and requirements and shall have the appropriate certification, qualifications, and competencies based on the type of property being appraised. When determining the value of many structures, the subrecipient may choose to perform appraisals to establish a statistical sampling of property values and develop an adjustment factor to apply to tax assessed values so that they reasonably reflect each property's market value. DEO will monitor each subrecipient's appraisal practices.

All properties will be appraised by a State licensed appraiser and in conformity 49 CFR 24.103- Criteria for Appraisal and 49 CFR 24.104-Review of Appraisals.

1. If appraisal exceeds the established maximum purchase limit as set by the City, the applicant may receive up to the City's established limit. Such cases will be evaluated on a case-by case basis and final determination made by the City.
2. If appraisal is below the City's established maximum purchase limit, applicant will be offered the pre-disaster fair market value. -

The properties will be purchased at a pre-storm fair market appraised value of the home, less any identified duplication of benefits and mortgage or other liens.

Incentives

The City of Marathon will provide eligible participants with housing incentives to relocate to areas with a reduced risk of flooding. The purpose of the incentives is to allow owners the ability to relocate to an area with reduced risk of flooding while not being made worse off

financially or in terms of housing quality by participating in the VHBP. While housing incentives are allowable, they must be justified and reasonable. Federal regulations prohibit the VHBP from providing compensation payment. LMI qualified applicants are eligible to receive \$25,000 in incentive funds and non-LMI qualified applicants are eligible to receive \$10,000 to help obtain housing in an area or lower hazard risk.

Title and Legal Services

The City of Marathon will conduct a title search for each property it plans to acquire. The purpose of the title search is to ensure that the owner is the sole and actual titleholder to the property, identify other persons with a property interest, and to ensure that the title is clear. In addition, there may not be incompatible easements or other encumbrances to the property that would make it either ineligible for acquisition or noncompliant with open space land use restrictions.

Other requirements include:

- A title insurance policy, demonstrating a clear (fee) title conveyance, must be obtained for each approved property that will be acquired site inspection for each property verifying the property has no physical encumbrances, which may require a site survey to clearly establish property boundaries.
- Title to the property must transfer by a warranty deed in all jurisdictions that recognize warranty deeds.
- All incompatible easements or encumbrances must be extinguished.
- The subrecipient shall take possession at settlement.
- The subrecipient must record the deed at the same time as and along with the VHBP programmatic deed restrictions.
- The deed transferring title to the property and the VHBP programmatic deed restrictions will be recorded according to State law and within 14 days after settlement.

Offer to Purchase

Once an applicant has been determined eligible and an assistance amount has been calculated, the applicant will receive an offer to purchase. An applicant must sign a voluntary participation or non-participation agreement within 14 days of buy-out offer. If applicant does not agree to the offer, they may counter-offer by providing their own pre-storm appraisal prepared by a licensed appraiser. The City will review the counteroffer and decide regarding the appraisal amount that is to be used. If applicant appeals, the City will have ten (10) days to review the counteroffer and decide regarding the appraisal amount that will be used. Applicant will be notified by mail and/or electronic mail of the final decision.

Documenting Eligibility and Acceptance of Offer

The City of Marathon will document the owner and property eligibility in the applicant file and will retain detailed copies of all award determinations as well as the applicant acceptance of the offered buyout and incentive amounts.

Demolition

The VHBP will procure a contractor to demolish existing structures on properties acquired by the City. Properties will be secured prior to demolition. After demolition, properties will be secured and maintained by the City.

The Grants Coordinator oversees demolition of structures on properties acquired through the Voluntary Home Buyout Program. The Grants Coordinator will work with the contractor procured to perform the demolition and removal tasks to ensure compliance with all Federal, State, and local regulations.

Restrictive Covenant

Properties acquired through the VHBP must have a restrictive covenant running with the property and require that the buyout property be dedicated and maintained for compatible uses in perpetuity. Compatible uses include:

1. Any property acquired, accepted, or from which a structure will be removed pursuant to the project will be dedicated and maintained in perpetuity for a use that is compatible with open space, recreational, or floodplain and wetlands management.
2. No new structure will be erected on property acquired, accepted, or from which a structure was removed under the acquisition or relocation program other than allowable uses under HUD.
3. After receipt of the assistance, with respect to any property acquired, accepted, or from which a structure was removed under the acquisition or relocation program, no subsequent application for additional disaster assistance for any purpose or to repair damage or make improvements of any sort will be made by the owner of the buyout property (including subsequent owners) to any Federal entity in perpetuity. The entity acquiring the property may lease it to adjacent property owners or other parties for compatible uses in return for a maintenance agreement. Although Federal policy encourages leasing rather than selling such property, the property may also be sold.

Property Disposition

Properties may be disposed to local governments or nonprofit entities, subject to covenants protecting their use as open space in perpetuity. Any entity assuming ownership of the property must submit a plan for operations and maintenance of the property consistent with the VHBP's purposes. The City may entertain the option to dispose of or lease in perpetuity, acquired properties to neighboring property owners for no cost. Properties disposed of or leased in such

a manner will be required to be deed restricted prohibiting construction of any structures on the parcel.

Property Acquired through Voluntary Buyout

The intent is to engage in CDBG-eligible activities that best serve the future goals of the community. Properties purchased through the Buyout component are dedicated in perpetuity for uses compatible with open space, recreation, or floodplain/wetlands management practices. Preservation of open space includes, but is not limited to, maintaining greenspace, wetlands restoration, flood mitigation and/or water quality projects, pocket parks, bike paths, and other recreational amenities.

Application Intake

Applicants will be required to complete a program application to be submitted to the VHBP case manager in a manner that is prescribed. Reasonable accommodations will be available as needed for submission of applications. Case Management consultation with the applicants will be conducted remotely in the order in which the applications are received. The consultations will include the submission of the application and all supporting documentation to verify eligibility criteria. Applications will be advanced as they are completed which may result in registrants being advanced out of the first come first served order due to a lag in the application completion process.

All applicants must sign the VHBP's Consent and Release, Fraud Acknowledgement, and other program-related documents as needed, in accordance with each applicant's particular situation. All owner-occupants should be listed on the VHBP application. All owner-occupants must sign all program forms.

All owner-occupants and non-occupant owners should be listed on the VHBP application. All owner-occupants must sign all program forms. Owners who are not occupants must agree to and sign off on any form required for the City to acquire the property. The VHBP is not liable for any dispute arising between owner-occupants and non-occupant owners. Once a person has completed an application, he or she will then be an active applicant to the VHBP. From that point forward, applicant(s) must abide by all VHBP policies and procedures outlined in this manual.

Recovery Center Management

VHBP staff will be responsible for coordinating the assignment of applicants under the supervision of the Grants Coordinator. To the extent feasible, the VHBP case manager will work with the applicant from application initiation through completion and referral to the City for eligibility determination. The case manager will access a language line or interpreter's services to provide consultation to applicants in their preferred language. The Grants Coordinator will provide direct supervision to the VHBP staff as appropriate. The Grants Coordinator will also work with City staff in performing spot file reviews to confirm understanding of the process and requirements. The Grants Coordinator is also responsible for securing additional training and "refresher" trainings based on the findings of the QA/QC

process.

Grants Coordinator Office Location

9805 Overseas Hwy
Marathon, FL 33050
Hours - 9:00am -5:00pm
(by appointment only)

Due to COVID-19 restrictions, intake and eligibility activities will occur remotely, to the extent possible. Communication will occur via telephone, text, email, and mail. Paperwork can be emailed, mailed, or sent via text to the VHBP case manager. In person office hours will not be available, except when all other options have been exhausted without result; in such cases a contactless visit will be scheduled through the VHBP case manager.

Environmental Review

CDBG-DR buyout assistance is contingent on compliance with the National Environmental Policy Act (NEPA) and related environmental, historic preservation legislation and executive orders. Accordingly, environmental review activities are carried out for site contamination, demolition control, and documented prior to commitment of funds. The City must complete an environmental review on the property prior to an award both acquired and allocated properties. Additionally, the new property must meet the minimum Department of Social Services Standards (DSS), as determined by the Housing Quality Standards (HQS) under HUD guidelines or an inspection equivalent if Program funding is used to purchase the new dwelling.

Duplication of Benefits

Federal law prohibits any person, business concern, or other entity from receiving Federal funds for any part of such loss as to which he has received financial assistance under any other program or from insurance or any other source. A duplication of benefits (DOB) occurs when:

- A beneficiary receives assistance, and
- the assistance is from multiple sources, and
- the assistance amount exceeds the need for a particular recovery purpose.

To ensure that The City of Marathon does not provide a duplication of benefits, the City will adhere to the following general process:

- examine the applicant's total need
- identify all potentially duplicative sources of assistance
- determine whether assistance was duplicative
- deduct duplicative assistance from the applicant's total need

Sources of Duplication of Benefits

The following are sources of funding assistance provided for structural damage and loss that are considered a duplication of benefits (DOB). Under federal law DOB must be deducted

from the assistance amount (the amount that will be offered for the purchase of the home):

- FEMA Individual Assistance (IA),
- FEMA National Flood Insurance Program (NFIP),
- Private Insurance, and/or
- Small Business Administration (SBA) and other sources.

Assistance received in the form of services instead of money, for home repairs from any source is not considered a duplication of benefits. Any additional duplication of benefits received by the applicant after the offer for purchase has been extended, the funding for the purchase of the home has been awarded or the purchase transaction has occurred, must be applied to reduce the award amount.

Funds received from any source including flood insurance, FEMA and hazard insurance that were used to cover repair to the applicant's home do not reduce the amount of disaster assistance if the evidence of expenditures at least equals the amount of assistance. Documentation must be provided demonstrating the cost and type of repair conducted. The City of Marathon will conduct a work write-up that will inspect, confirm, and estimate value of repairs based upon applicant's statement of repair work already completed, if needed by the applicant.

Contractor Fraud

If an applicant was a victim of contractor fraud, the amount paid to the contractor may not be counted as a duplication of benefit. The applicant would have had to file a police report or a report of fraud to local authorities before the date of the application submitted. If an applicant's mortgage company placed a force payment on insurance proceeds, the insurance amount may not count as a duplication of benefits. The applicant would have to provide the document proving that the mortgage company did not release the insurance proceeds.

Recapture Duplication of Benefits

If a duplication of benefits is identified, The City of Marathon will recapture CDBG-DR funds to the extent they are more than the need and duplicate other assistance received by the beneficiary for the same purpose.

FEMA Individual Assistance (FEMA IA)

FEMA IA will be determined and verified by the City of Marathon through the FEMA database. If the City of Marathon is unable to verify the FEMA IA amount through the FEMA database, the City of Marathon will use the payment amount provided by the applicant at the time of application. If an applicant can provide documentation demonstrating that the FEMA IA amount provided by the FEMA database includes amounts not paid to cover structural loss, the City of Marathon will use the documentation provided by the applicant to adjust the FEMA IA payout amount. The documentation provided by the applicant must come from FEMA.

FEMA National Flood Insurance Program (NFIP)

The City of Marathon will check all applicants for NFIP to verify whether they maintained flood insurance. Any payments for loss to the dwellings under NFIP insurance policies will be deducted from the amount the applicant is eligible to receive. Payments for contents or other expenses are not deducted from the applicant's award. The payment to applicants under NFIP policies will be documented and verified by the City of Marathon through the FEMA database and cross referenced with DEO data. If the City of Marathon is unable to verify the NFIP insurance proceeds through the NFIP database, the City of Marathon will use documentation supplied by the applicant. If an applicant is able to provide documentation demonstrating that the insurance proceeds amount provided by the FEMA database includes items not covered in the home evaluation or not paid to cover structural loss, the City of Marathon will use the documentation provided by the applicant to adjust the insurance payout. The documentation provided by the applicant must come from the insurance company which issued the payments.

Private Insurance

All private insurance settlement amounts for loss to dwellings are deducted from the applicant's award if the funding was not used to repair the damaged property. Private insurance payments for contents or other expenses such as fences, storage sheds, etc., are not deducted from the applicant's award. Insurance proceeds are documented and verified by the City of Marathon through the applicant's insurance settlement. If an applicant can provide documentation demonstrating that the insurance proceeds amount provided by the insurance company includes items not covered in the home evaluation or not paid to cover structural loss, the City of Marathon may use the documentation provided by the applicant to adjust the private insurance duplication of benefit (DOB). Mold remediation is not included in the home evaluation. Therefore, insurance payments to cover mold remediation are not deducted from an applicant's funding assistance award. The documentation provided by the applicant must come from the insurance company, which issued the payments.

The Small Business Administration (SBA)

SBA loan proceeds available to the applicant are a duplication of benefit. Any dispersed funds for repair to the dwellings less any verifiable expenditures used for temporary repairs to the dwelling under Small Business Administration Disaster Assistance are deducted from the amount the applicant is eligible to receive. Payments for contents or other expenses are not deducted from the applicant's award.

Other Sources of Duplication of Benefits

Following a disaster, charitable organizations provide many kinds of contributions, including donations, grants, or loans among other types of assistance. Grants and cash donations designated for specific eligible work, even when provided from non-Federal sources, but designated for the same purpose as Federal disaster funds generally are considered a duplication of benefit. Grants and cash donations received for unspecified purposes (e.g., "for disaster recovery/relief efforts"), or for work not eligible for federal assistance, do not constitute a duplication of benefits.

Increased Cost of Compliance (ICC)

The VHBP will determine duplication of benefits regarding Increased Cost of Compliance funds for elevation and/or demolition activities.

If severe property damage occurs as a result of Hurricane Irma, before repair or rebuild activities can occur, it may be required by law that the damaged property meet community ordinances and/or state floodplain management standards. ICC coverage provides funding to help cover the costs of meeting those requirements with the intent aimed at reducing future flood damage. ICC coverage is separate from and in addition to insurance coverage that provides for structural or personal flood damage.

Adjustments and Offset to the Amount of Assistance

Adjustments and offsets are deducted from the award amount.

No receipts provided

If the household is unable to provide receipts to show work completed for assistance amounts received for housing repair and/or replacement, the full amount of housing repair and/or replacement assistance previously received will be deducted from the amount of funding for which the household would otherwise be eligible.

Partial receipts provided

If partial receipts are provided by the household documenting that only a portion of the housing repair and/or replacement assistance previously received was used as intended, the amount received not supported by receipts will be deducted from the amount of funding for which the household would otherwise be eligible.

All receipts provided: If receipts are provided by the household documenting that the full amount of housing repair and/or replacement assistance previously received was used as intended, no deduction will be made from the award amount for which the household is eligible.

In instances where no receipts or only partial receipts were provided by the homeowner, the City of Marathon may consider self-certifications when calculating the amount of assistance that can be provided. In these instances, the following requirements apply:

1. The homeowner must provide a signed self-certified statement that documents in detail all labor and or repairs made to the damaged property following the 2017 hurricane; and
2. A Certified Inspector must determine with reasonable assurance that the repairs were made after the date of the disaster; and
3. The City of Marathon will document, through photographs, the repairs that were made.

A Certified Inspector(s) is a person or persons hired by the City of Marathon, qualified to inspect for labor and/ or repairs made to the damaged home in the absence of receipts. In conjunction with site inspections, self-certified statements of homeowners must be reviewed in detail by a Certified Inspector to determine:

1. Whether the home was repaired,
2. Whether the repairs could be reasonably determined as occurring after the 2017 hurricane, and
3. A reasonable value of the cost of repairs to the home (including labor).

Rental Assistance

Although Rental Assistance is not considered to be a source of DOB under the VHBP, temporary housing expenses can offset the potential DOB amount. To offset the total amount, the following applies:

1. The offsetting amount would be the amount of documented expenses that **exceed** the amount received for Rental Assistance.
2. Self-certifications of the amount spent on or the value of rental resources obtained is not sufficient to off-set potential DOB.

Applicants can provide documentation for allowable activities to off-set potential DOB. Allowable activities are temporary housing such as rent, hotel stays and applicable utilities that occurred because of temporary displacement from their primary residence because of the disaster. Eligible temporary displacement is from the time of the storm until the date of the verification letter. Evacuation costs are not eligible for DOB Offset.

Legal Fees

Legal fees that were paid to successfully obtain insurance proceeds will be credited to applicant and will not be deducted as part of the duplication of benefits calculation. Applicants must provide evidence of payment and self-certify in accordance with the City of Marathon policy to be credited.

Tax Filings

Tax filings related to losses to the home do not affect funding assistance awards and are not considered a duplication of benefits. Applicants should consult a personal tax consultant about any tax related matters.

Buyout Award Determination

The City of Marathon will provide eligible participants with the pre-disaster fair market value, less any duplication of benefits, plus moving and settlement costs, plus a Replacement Housing Incentive, Social Vulnerability Incentive, Rehabilitation Incentive, Down Payment Assistance, and an Equity Incentive.

Buyout Applicants with Negative Equity on Mortgage

The VHBP may assist people who owe more on their mortgage than their house is worth, also known as negative equity mortgage or being underwater on their mortgage, but assistance amounts are capped at the maximum total buyout assistance amount per household. Assistance will only be provided if the assistance will allow the household to move from the damaged home to an area of reduced flood risk. The City of Marathon reserves the right to review each applicant with negative equity on their mortgage on a case-by-case basis.

Buyout Applicants with Reverse Mortgage

The VHBP may assist people who have a reverse mortgage, but assistance amounts are capped at the maximum total buyout assistance amount per household. Assistance will only be provided if the assistance will allow the household to pay off the reverse mortgage and move from the damaged home to an area of reduced flood risk. The City of Marathon reserves the right to review each applicant on a case-by-case basis.

Buyout Applicants in Foreclosure

Applicants in foreclosure may be provided buyout assistance, however the assistance amounts are capped at the maximum total buyout assistance amount per household. Assistance will only be provided if the assistance will allow the household to pay off the mortgage and move from the damaged home to an area of reduced flood risk. The City of Marathon reserves the right to review each applicant on a case-by-case basis.

Contract for Deed/Land Leases/Mobile Homes

Properties where there is a different owner of the land than the owner of the dwelling unit(s), such as in Contracts for Deed, long-term land leases, and often with mobile homes, may be assisted through the VHBP only if the property owner converts the contract to full ownership. The City of Marathon reserves the right to review each application on a case-by-case basis.

Certification Requirements Prior to Receiving Assistance

All applicants must agree to the following to receive assistance:

- Sign an Authorization for the Release of Information so that information provided can be shared and/or verified with state, federal and other third-party agencies. (the applicant, co- applicant, and other adult household members are required to sign the release unless one of the eligible applicants has provided power of attorney to another to represent him/her.)
- Sign a Certification of Completeness attesting to the accuracy and completeness of all information provided to the VHBP under penalty of law.
- Agree to verification of their ownership status, the amount of disaster-related damage to the home, and assistance received.
- Power of attorney: Applicant(s) may grant power of attorney to someone who can

apply on their behalf, as applicable.

- All signed documents will include the following statement: 'Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.'

Applicant Closing

Property Before Closing

Participant must remove all personal property from the residence prior to the day of closing. Any personal property remaining after closing will be included in the demolition.

Once the purchase offer has been made, the Seller is notified of available resources to help applicant move.

Upon Homeowner acceptance of offer the following steps will occur:

- BOCC review and approval;
- The City of Marathon sends information to Title Company, requests title commitment, and invoice;
- The City of Marathon receives invoice, title commitment, and preliminary settlement statement from Title Company;
- The City of Marathon prepares set-up award statement including estimated closing and demolition costs;
- The City of Marathon prepares a setup file for DEO. Each Setup file includes an award statement with cost of acquisition, necessary soft costs, incentives and demolition costs (if applicable). Setup files will also contain:
 - Set-up form
 - Award Statement
 - Release of Funds
 - Sales Agreement
 - Title Commitment
 - Itemized Budget - includes closing costs based upon estimated closing date
 - The City of Marathon will submit the setup file to DEO.
 - DEO either reviews and approves or reviews and denies, based on setup file. If approved, the City of Marathon schedules closing.

Document Execution at Closing

The following documents will be signed by the applicant at the time of agreement:

1. Agreement for Sale
2. Subrogation Agreement
3. Promissory Note (if housing incentives are provided in addition to the pre-storm FMV)
4. Agreement to have all utilities disconnected within 10 days.

Subrogation Agreement

Subrogation is the process by which duplicative assistance paid to the Property Owner after receiving an award is remitted to the VHBP to rectify a duplication of benefit. All applicable claims (including insurance payments, unpaid claims, lawsuits, and settlements) paid to applicants not included in the original benefit determination calculation and/or received after their closing appointment, must be subrogated to the VHBP to prevent a duplication of benefits.

Assignment Relation to Funds Received Under the VHBP

In consideration of the Property Owner's award of funds and the commitment by the City of Marathon to evaluate the Property Owner's application for the award of funds under the City of Marathon Voluntary Home Buyout Program, the Property Owner assigns to the VHBP all future rights to reimbursement and all payments received under any insurance policy, including but not limited to any type of casualty or property damage insurance (the Policies); any reimbursement or relief program related to or administered by FEMA or the SBA for physical damage to the property (not including proceeds received to cover contents); any other assistance from non-profit organizations, faith based organizations, or disaster relief entities, and other governmental entities, that was the basis of the calculation of the Property Owner's award to the extent of the proceeds paid under the VHBP.

The proceeds or payments from the above-described duplicative assistance are referred to herein as "Proceeds." The rights the Property Owner assigns to the VHBP are specific to the Property with respect to which the Proceeds were paid. The Proceeds paid, as described in the Property Owner's application with the VHBP, arise out of physical damage to the Property originally caused by the federally declared disaster, but also includes Proceeds received for damage to the Property caused by any subsequent event that occurred (until the time of purchase of the Property using Program funds). The Policies include, but are not limited to, policies characterized as damage, flood, or any other type of casualty or property damage insurance coverage held by the Property Owner, which provides coverage for physical damage to the Property. Once the VHBP has recovered an amount equal to the award proceeds, the City of Marathon Voluntary Home Buyout Program reassigns any rights assigned to the City of Marathon pursuant to this Agreement to the Property Owner.

Cooperation and Further Documentation

The Property Owner agrees to assist and cooperate with the City of Marathon should City elect to pursue any of the claims the Property Owner has against the insurers for reimbursement under any such Policies. The Property Owner's assistance and cooperation includes allowing suit to be brought in the Property Owner's name(s), giving depositions, providing documents, producing records and other evidence, testifying at trial and any other form of assistance and cooperation reasonably requested by The City of Marathon. The Property Owner further agrees to assist and cooperate in the attainment and collection of any proceeds that the Property Owner would be entitled to under any applicable FEMA or SBA Programs. The Property Owner agrees to take necessary actions and to execute additional documents at the City of Marathon's request to assign Property Owner's insurance policies to the City, to the extent of the funds granted to the Property Owner under the VHBP and/or the disaster relief funds from FEMA or SBA.

Authorization for Program to Contact Third Parties

The Property Owner explicitly allows the VHBP to request of any company with which the Property Owner held Policies or FEMA or SBA, any non-public or confidential information needed by the VHBP to monitor/enforce its interest in the rights assigned to it under the Consent and Release Agreement, and to give the Property Owner's consent to such company to release said information to the City of Marathon Voluntary Home Buyout Program.

Closeout

The City of Marathon will work to ensure records are complete, that all affordability requirements are adhered to and that the City has performed all subrogation-monitoring processes. The City will create project and grant closeout checklists that will be maintained with the project file.

Property Maintenance After Closing

Following closing, the recorded deed is maintained by the Clerk of the Circuit Court and the County Comptroller and in the related program file with the City. The City will add the property to its list of properties to be maintained. The City of Marathon is responsible for the maintenance and/or demolition of the residential structure and any outbuildings and proper disposition of the debris, in accordance with state and federal environmental laws, rules and regulations. A covenant will be placed on the property being acquired to maintain it as open space. The City will provide mowing, tree trimming, weed eating, and debris removal services with City staff or through contractors, as necessary.

Program Contact

Website <https://www.ci.marathon.fl.us/community/page/hurricane-irma-recovery-information>

Office: Maria Covelli

Email: CovelliM@ci.marathon.fl.us

Phone Number: (305) 289-4109

The City of Marathon has the right to change, modify, waive, or revoke all or any part of these guidelines. The DEO will provide the option for a waiver only after the waiver request has been posted on sub-recipient's website for a public comment period of at least 7 days. The waiver request must demonstrate why the housing guidelines are not practicable for the sub-recipient. If these Guidelines conflict with local, state, or federal law, the more stringent requirement will prevail, provided that the requirement does not violate local, state, or federal law.

An aerial photograph of a long, multi-lane bridge stretching across a body of water. In the foreground, a small island with several buildings and lush greenery is visible. The water is a clear, light blue, and the sky is bright with some clouds. The bridge's shadow is cast onto the water below.

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Attachment 1: City of Marathon Local Prioritization Resolution

Sponsored by: Lindsey

CITY OF MARATHON, FLORIDA RESOLUTION 2019-81

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, PROVIDING FOR THE MONROE COUNTY VOLUNTARY HOME BUYOUT LOCAL PROGRAM PRIORITIZATION CRITERIA FOR SELECTION OF PROPERTIES INTERESTED IN THE VOLUNTARY HOME BUYOUT PROGRAM UTILIZING COMMUNITY DEVELOPMENT BLOCK GRANT - DISASTER RECOVERY FUNDING.

WHEREAS, Hurricane Irma impacted the Florida Keys in September 10, 2017 destroying or majorly damaging over 4000 residential structures in Monroe County, approximately 400 of which were within the City of Marathon, thus, severely impacting the workforce housing crises; and

WHEREAS, \$75 Million dollars have been allocated from the Community Development Block Grant — Disaster Recovery (CDBG-DR) funds with a \$10 Million set aside for Monroe County for the Voluntary Home Buyout Program; and

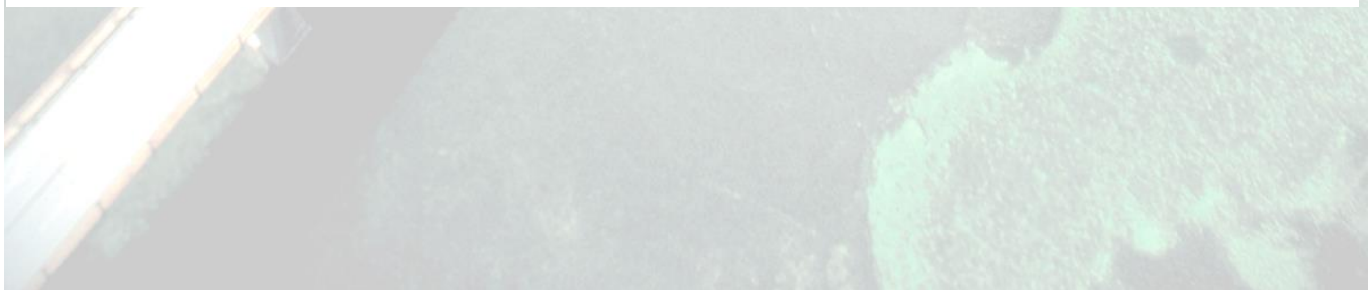
WHEREAS the purpose of Rebuild Florida's CDBG-DR Voluntary Home Buyout Program is to acquire properties that are in high-risk flood areas to help reduce the impact of future disasters, and to assist property owners to relocate to less risk prone areas. These funds will support property acquisition, structure demolition and conversion of the land to open space or storm water improvements that alleviate flooding. The property must be deed-restricted in perpetuity to open space uses or to restore and/or conserve the natural floodplain functions; and

WHEREAS the program specifies prioritization criteria which must be implemented within each jurisdiction in compliance with CDBG-DR regulations; and

WHEREAS, the County may develop additional local prioritization criteria in order to fairly and equitably prioritize homeowners for the voluntary home buyout program while focusing on the program's purpose to reduce community risk,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

- Section 1. The above recitals are true and correct and incorporated herein.
- Section 2. The City of Marathon proposes to prioritize property owners in the CDBG-DR Voluntary Home Buyout Program of primary homes that are not rental properties.
- Section 3. The local program will retain the BPAS from properties that have been purchased by the Voluntary Home Buyout Program for Administrative Relief.
- Section 4. The proposed City of Marathon point allocation criteria are as follows:

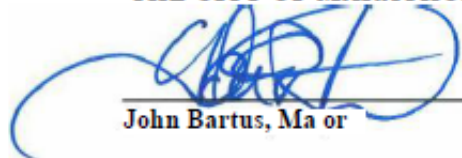


1. 5 pts for homes that were substantially damaged;
2. 5 pts for homes that are located in the V zone;
3. 5 pts for repetitive loss structures;
4. 10 pts for severe repetitive loss structures, and
5. 5 pts for high probability of sea level rise inundation (Surge Zone 1).

Section 5. Effective Date. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THIS 13TH DAY OF AUGUST, 2019.

THE CITY OF MARATHON, FLORIDA



John Bartus, Mayor

AYES: Cook, Gonzalez, Senmartin, Zieg, Bartus
NOES: None
ABSENT: None
ABSTAIN: None

ATTEST:




Diane Clavier, City Clerk

Diane Clavier, City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:



David Migut, City Attorney

Attachment 2: City of Marathon Volunteer Home Buyout Program Grant Application Project Site Data Summary Table

ROW	MAILING ADDRESS #1										PHONE #1	EMAIL #1	
	SURVEY COMPLETED BY		ACKNOWLEDGEMENT FORM COMPLETED BY		HOUSE NO (MAIL)	STREET NAME (MAIL)	UNIT NO (MAIL)	CITY (MAIL)	STATE (MAIL)	ZIP (MAIL)			C/O
	FIRST NAME	LAST NAME	FIRST NAME	LAST NAME									
1					1240	91st COURT OCEAN		MARATHON	FL	33050			
2					13844	OVERSEAS HWY		MARATHON	FL	33050			
3					383	112 ST OCEAN		MARATHON	FL	33050			
4						AVENUE D	307	MARATHON	FL	33050			
5					H28	MIRIAM ST		KEY WEST	FL	33040			
6					PO BOX 522632			MARATHON SHORES	FL	33052			
7					PO BOX 522632			MARATHON SHORES	FL	33052			
8					PO BOX 522632			MARATHON SHORES	FL	33052			
9					PO BOX 522632			MARATHON SHORES	FL	33052			
10					PO BOX 522632			MARATHON SHORES	FL	33052			
11					PO BOX 522632			MARATHON SHORES	FL	33052			
12					PO BOX 522632			MARATHON SHORES	FL	33052			
13					305	27 ST OCEAN		MARATHON	FL	33050			
14					2026	HARBOR DR		MARATHON	FL	33050			
15					14409	SW 141 PL		MIAMI	FL	33186			
16					8800	OVERSEAS HWY		MARATHON	FL	33050			
17					8036	PORPOISE DR		MARATHON	FL	33050			
18					PO BOX 500701			MARATHON	FL	33050			
19					474	83RD STREET		MARATHON	FL	33050			
20					3980	OVERSEAS HIGHWAY		MARATHON	FL	33050			
21						977 84TH STREET		MARATHON	FL	33050			

PROPERTY INFO																	
HOUSE NO (PROPERTY)	STREET NAME (PROPERTY)	UNIT NO (PROPERTY)	CITY/KEY (PROPERTY)	PARCEL	TITLE HOLDER	SF OF HOME	YEAR BUILT	FOUNDATION TYPE	FLOOD ZONE	FUM	BFE	SUBSTANTIAL DAMAGE	GIS COORD	DEMO PERMIT APPLIED FOR	LOCATION MAP	TOPO MAP	FIRM MAP
6099	OVERSEAS HWY	52E	MARATHON	00338830-001880		N/A	N/A	N/A	AE B	RH	8	NO	-81.070 24.715	NO	X	X	12087C1379K
6099	OVERSEAS HWY	93	MARATHON	00338830-002690		N/A	N/A	N/A	AE 10	RH	10	NO	-81.070 24.713	NO	X	X	12087C1379K
383	112 ST OCEAN		MARATHON	00344450-000000		1051	1955	CONCRETE SLAB	AE 8	RM	8	NO	-81.035 24.728	NO	X	X	12087C1381K
200	39 ST		MARATHON	00337670-000000		658	1965	CONCRETE SLAB	AE 8	RM	8	NO	-81.089 24.714	NO	X	X	12087C1379K
473	W 105 ST		MARATHON	00332710-000000		N/A	N/A	N/A	AE 7	RH	7	NO	-81.041 24.727	YES	X	X	12087C1381K
N/A	N/A		GRASSY KEY	00374650-000000		N/A	N/A	N/A	VE 13	MU	13	NO	-80.963 24.753	NO	X	X	12087C1164K
57478	OVERSEAS HWY		GRASSY KEY	00374660-000000		1280	1078	N/A	VE 13	MU	13	NO	-80.963 24.753	NO	X	X	12087C1164K
N/A	N/A		GRASSY KEY	00374680-000000		2492	1987	CONC PILINGS	VE 13	MU	13	NO	-80.963 24.753	NO	X	X	12087C1164K
57468	OVERSEAS HWY		GRASSY KEY	00374690-000000		N/A	N/A	N/A	VE 13	RL	13	NO	-80.964 24.753	NO	X	X	12087C1164K
305	27 ST OCEAN		GRASSY KEY	00374700-000000		634	1969	CONCRETE SLAB	VE 13	RL	13	NO	-80.964 24.753	NO	X	X	12087C1164K
2026	HARBOR DR		MARATHON	00321400-000000		634	1969	CONCRETE SLAB	AE 7	RM	7	NO	-81.099 24.709	NO	X	X	12087C1378K
495	110 ST OCEAN		MARATHON	00330730-000000		1347	1961	CONCRETE SLAB	AE 8	RM	8	NO	-81.060 24.727	NO	X	X	12087C1381K
856	85 ST		MARATHON	00345760-000000		921	1951	CONCR FTR	AE 9	RM	9	NO	-81.036 24.727	NO	X	X	12087C1381K
8036	PORPOISE DR		MARATHON	00347680-000000		N/A	N/A	N/A	AE 9	RH	9	NO	-81.055 24.721	YES	X	X	
592	83 ST		MARATHON	00329980-000000		N/A	N/A	CONCRETE SLAB	AE 9	RM	9	NO	-81.058 24.729	NO	X	X	
474	83RD STREET		MARATHON	00347630-000000		N/A	N/A	N/A	AE 8	RM	8	NO	-81.054 24.721	NO	X	X	
657	92ND STREET		MARATHON	00349880-000000		1634	1981	CONCRETE SLAB	AE 7	RM	7	NO	-81.055 24.721	NO	X	X	
977 84TH STREET			MARATHON	00350000-000000		420	1953	CONCRETE SLAB	AE 8	RM	8	NO	-81.049 24.723	NO	X	X	
			MARATHON	00347750-000000				CONCRETE SLAB	AE 8	RM	8	NO	-81.3.277 24.43.2	NO	X	X	

**Attachment 3: The City of Marathon Purchasing Manual,
Financial Policies, Grant Administration, Project
Implementation Procedure**

Attachment 2A; Chapter 2, Article VI, City of Marathon, Code of Ordinances

“Finance”

ARTICLE VI. - FINANCE

DIVISION 1. - GENERALLY

Sec. 2-141. - Vehicle Replacement Fund.

(a)The City shall maintain during each fiscal year a Vehicle Replacement Fund reserve as part of the total general fund.(b)The Vehicle Replacement Fund reserve shall be adopted as part of the City's annual budget.(c)The Vehicle Replacement Fund shall be utilized solely for the purchase of replacement vehicles.(d)The City Council may utilize the Vehicle Replacement Fund reserve for other lawful purposes other than those purposes specified in Subsection (c) by a four-fifth's vote of the Council.

(Ord. No. 2003-17, § 1, 9-23-2003)

Sec. 2-142. - Authority of City Manager; banking services; contracts.

(a)In accordance with the City Charter, the City Manager is authorized to draw and sign vouchers for all banking activities and accounts rendered for the City.(b)The City's banking services may be changed from time to time by resolution of the City Council.(c)In accordance with the City Charter, the City Manager is authorized to sign contracts on behalf of the City. The contractual limitation as to types of contractual services and monetary limitations may be established by resolution of the City Council.

(Ord. No. 00-05-01, §§ 2—4, 5-9-2000)

Secs. 2-143—2-167. - Reserved.

DIVISION 2. - PURCHASING

Sec. 2-168. - Definitions.

For the purposes of this chapter, the following words will be defined as follows:

Local business shall mean a business with a current required Monroe County occupational license and business tax receipt issued at least one (1) year prior to bid or proposal opening; 50 percent or more of its workforce lives in the middle keys; and has its headquarters within the corporate limits of the City or has a place of business located within the corporate limits of the City, in an area zoned for the conduct of such business, at which it operates or on a day-to-day basis produces the goods being purchased or perform the services being acquired by the City. Post office box numbers or residential addresses alone may not be

used to establish status as a local business. If a business is a joint venture, all of the joint venturers must meet the test set forth above to qualify as a local business.

Prime contractor means any person who has a contract with the City to provide construction services, equipment, labor, materials, professional services, sales, services and supplies.

Professional services shall mean services, the value of which is substantially measured by the professional competence of the person or persons performing them, and which are not susceptible to realistic competition of cost of service alone. Professional services shall include, but not be limited to, services customarily rendered by architects, engineers, attorneys, surveyors, certified public accountants and financial, personnel, systems, planning and management consultants.

(Ord. No. 2003-06, § 2, 3-11-2003; Ord. No. 2009-01, § 2, 1-27-2009; Ord. No. 2014-02, § 2, 6-10-2014)

Sec. 2-169. - Preference for local businesses.

(a) Any prime contractor qualifying as a local business that replies to a formal competitive sealed bid request shall receive a preference bonus of:

Ten (10) percent for bids, proposals or quotations of \$0.00—\$250,000.00;

Seven (7) percent for bids, proposals or quotations of \$250,001.00—\$500,000.00;

Five (5) percent for bids, proposals or quotations of \$500,001.00—\$750,000.00;

Four (4) percent for bids, proposals or quotations of \$750,001.00—\$1,000,000.00;

Two (2) percent for bids, proposals or quotation over \$1,000,000.00;

during the tabulation of the bid proposals. After comparing these adjusted dollar amounts to all other qualified bidders, should the adjusted value establish the local business as the lowest qualified bidder, then the local business shall be awarded the bid at the original amount submitted. Preference shall be calculated based on the total bid or quote price, including any alternate or optional service or product in the bid or quote selected by the City.

(b) If a prime contractor that does not qualify as a local business subcontracts 50 percent or more of the construction services, equipment, labor, materials, professional services, sales, services or supplies to one (1) or more local businesses as defined herein, the prime contractor shall be given one-half (½) of the preference afforded local prime contractors as

described in Subsection 2-169(a) hereinabove.(c)Any local business that submits a proposal or statement of qualifications as part of a request for proposals or qualifications process may be given a preference by the City of up to five (5) additional points in the overall scoring system if the evaluation criteria includes evaluation factors that recognize a preference for local businesses; such as, but not limited to, use of local workforce, response time, knowledge and compliance with local regulations, and local references. Based upon an analysis of the market place for each project, City staff shall make a determination for inclusion of a local preference in the criteria for consideration for each request for proposal or statement of qualifications.(d)If a local preference is to be employed as provided for by this section, the invitation for bid documents, the request for qualifications documents, or the request for proposal documents shall set forth such local preference requirements.

(Ord. No. 2003-06, § 2, 3-11-2003; Ord. No. 2009-01, § 2, 1-27-2009; Ord. No. 2014-02, § 2, 6-10-2014)

Sec. 2-170. - Applicability and exemptions.

(a)The local preference shall apply to the purchases of construction services, equipment, labor, materials, professional services, sales, services and supplies for which the City either solicits competitive, sealed bids, issues a request for proposals, or issues a request for qualifications.(b)The local preference provided for by this chapter shall not be applied where application of the preference would conflict with a statute, administrative rule, the terms of any grant funding the purchase or contract, or in the event of an emergency or sole source purchase.(c)The provisions of this chapter may be waived by the City Council upon the written recommendation of the City Manager that waiving the local preference is in the best interest of the City. The provisions of this chapter may be waived by the City Manager for purchases below the award authority of the City Council upon the written recommendation of the affected department director that waiving the local preference is in the best interest of the City. If the provisions of this chapter are waived for a particular award, the construction services, equipment, labor, materials, professional services, sales, services and supplies may be selected based on experience, skill, education, recommendations or any other qualifications the Council or City Manager finds relevant.(d)Should Monroe County extend preferences similar to those set forth herein to vendors whose business locations are within the geographic boundaries of the City, the preferences set forth herein shall be extended and made available to vendors whose business location is within the geographic boundaries of Monroe County. In no event shall the amount of the preference accorded by the City to non-Marathon vendors exceed the amount of preference that Monroe County extends to Marathon vendors competing for its contracts.

(Ord. No. 2003-06, § 2, 3-11-2003; Ord. No. 2009-01, § 2, 1-27-2009; Ord. No. 2014-02, § 2, 6-10-2014)

Sec. 2-171. - Enforcement and penalties.

(a)A prime contractor granted a local business preference under this division resulting in a written contract with the City shall stipulate to maintaining its status as a local business throughout the term of the contract, including subcontractors for which local preference is granted. This requirement shall be included in the contract between the prime contractor and subcontractor.(b)A prime contractor seeking a local business preference under this

chapter shall be required to disclose all subcontractors in its bid or proposal and stipulate to continued utilization of subcontractors for which local preference is granted under this chapter in any resulting contract unless approved in writing by the City and without change in price.(c)A vendor who misrepresents the local business status of its firm in a bid or proposal submitted to the City will lose the privilege to claim local business preference status for a period of up to one (1) year from the date of the award of the contract or upon completion of the contract whichever is greater. The City Manager, in his discretion, may also recommend that the firm be referred for suspension of eligibility to claim the privilege of local preference.(d)Any vendor that does not maintain its local business status or its 50 percent minimum subcontracting of local businesses which resulted in the awarded contract shall be in breach of contract and will be subject to termination of the contract, suspension of payments under the contract, loss of the local preference status on the contract awarded, and lose the privilege to claim local business preference status as set forth in Subsection (c) above.

(Ord. No. 2014-02, § 2, 6-10-2014)

Sec. 2-172. - Purpose.

The purpose of the purchasing procedures of the City of Marathon (hereinafter, "chapter") is to provide for the fair and equitable treatment of all persons involved in purchasing by the City, to maximize the purchasing value of public funds in procurement, and to provide safeguards for maintaining a procurement system of quality and integrity.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-173. - Applicability.

This chapter applies to contracts for the procurement of supplies, services and construction entered into by the City after the effective date of this chapter. It shall apply to every expenditure of public funds by the City for public purchasing irrespective of the source of the funds. When the procurement involves the expenditure of Federal assistance or State assistance of contract funds, the procurement shall be conducted in accordance with any mandatory applicable Federal law and regulations or State law or regulations. Nothing in this chapter shall prevent the City from complying with the terms and conditions of any grant, gift, or bequest that is otherwise consistent with law. This chapter and the process and procedures set forth herein shall supersede and render null and void any prior policy or procedure.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-174. - Public access to procurement information.

Procurement information shall be a public record to the extent provided in Fla. Stat. ch. 119 and shall be available to the public as required by such statute.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-175. - Establishment of Purchasing Agent.

The City Manager or his/her designee (for all purposes) shall be the Chief Purchasing Agent of the City. Subject to the terms of this chapter, and unless the City Attorney, when asked, determines there is an exception to the requirements herein, the Purchasing Agent shall contract for, procure or so process the procurement, purchase, storage and distribution [of] all supplies, materials, equipment and certain contractual services required by any office, department or agency of the City. The Purchasing Agent shall establish and enforce specifications, inspect or supervise the inspection of all deliveries and have full and complete charge of, and be responsible for, all supplies, materials, and equipment purchased for or belonging to the City. All expenditures pursuant to this chapter shall conform to the provisions of the City Charter and Code.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-176. - Unauthorized purchases.

Except as herein provided in this chapter, it shall be a violation of this chapter for any City officer, employee, or other person to order the purchase of, or make any contract for, materials, supplies or services within the purview of this chapter, in the name of or on behalf of the City other than through the Purchasing Agent or a designee of the Purchasing Agent, and the City shall not be bound by any purchase order or contract made contrary to the provisions herein.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-177. - Purchasing limitations and prohibitions; effect on competitive bidding requirement.

(a) Purchases less than \$5,000.00. Purchases of \$5,000.00 or less will not require use of formal or informal bidding procedures. However, the purchasing agent making the purchase is still required to make a reasonable attempt to insure that the City receives a competitive price that is consistent with the desired quality of materials, workmanship or level of performance. (b) Purchases in excess of \$5,000.00 but less than \$10,000.00. Purchases of, or contracts for, materials, supplies, equipment, improvements or services for which funds are provided in the budget, where the total amount to be expended is in excess of \$5,000.00 but less than \$10,000.00 may be made or entered into by the City Manager without submittal to the City Council and without formal competitive bidding except that at least three (3) verbal quotes which will be recorded in a quotation memo by the department head and/or manager shall be secured. (c) Purchases in excess of \$10,000.00 but less than \$35,000.00. Purchases in excess of \$10,000.00 but less than \$35,000.00 will require at least three (3) written quotes. A copy of the quotes will be sent to the Finance Department. The originating department will also retain the necessary documentation within their files to demonstrate compliance with these procedures. Purchases in excess of \$10,000.00 but less than \$35,000.00 may be made or entered into by the City Manager without submittal to the City Council. Purchases in excess of \$35,000.00 must be authorized by the City Manager and

placed on a City Council agenda for approval prior to execution of the contract or consummation of the purchase. The City Manager may approve change orders for capital improvement projects less than \$35,000.00 and necessary to address emergencies (that is, unforeseen circumstances) that occur between City Council meetings which would stop or significantly delay the progress of such capital improvement project. Said change orders will require an after-the-fact approval by the City Council at the next Council meeting if they are in an amount over \$35,000.00. Other provisions for emergency authorizations are set forth in Subsection 2-184(h)(1) herein below.

(d) Purchases in excess of \$35,000.00. For purchases in excess of \$35,000.00, the City Council shall follow the formal competitive bidding provisions below. Any contract extension or renewal of any existing contract requiring the expenditure of \$35,000.00 or more pursuant to the terms thereof shall be approved by the City Council, unless allowed under the terms stated in the contract originally approved by Council. Unless allowed under the terms stated in the contract originally approved by the Council. Any change order which results in a total contract value of \$35,000.00 or more will require City Council approval. Changes to purchase previously approved by the City Council may be authorized by the City Manager provided that total dollar amount and other substantial matters of the purchase do not exceed the City Council authorized maximum.

(e) Donated assets. Acceptance by the City of donated assets, such as equipment, land or vehicles, must be approved by the City Council.

(f) Budget approved appropriation. The City Manager may not purchase or contract for any item or service which exceeds any budget appropriation until such a time the City Council amends the budget to increase the appropriation to the applicable level. The City Manager is authorized to execute budget line item transfers.

(g) No financial interest. No member of the City Council or any employee of the City of Marathon shall have a financial interest or a personal beneficial interest, either directly or indirectly, in any purchase of items furnished to or used for or by the City.

(h) No split. It is an express violation of this chapter to intentionally "split" contracts, purchase orders or check requests for the purpose of avoiding dollar limitations set out in this policy.

(Ord. No. 2014-15, § 2, 10-14-2014; Ord. No. 2015-04 , § 2, 4-28-2015)

Sec. 2-178. - Competitive bidding procedure.

(a) Purchases between \$10,000.00 and under \$35,000.00.

(1) Whenever competitive bidding is required by this chapter, the City Manager shall direct that bid proposals which provide specifications for the purchase or contract be prepared.

(2) The City Manager shall solicit bids from at least three (3) persons or entities engaged in the business of furnishing such materials, supplies, equipment and public improvements or rendering such services.

(3) The City Manager may publish a public invitation to bid items under \$35,000.00.

(4) Bids shall be awarded to the lowest, most responsive, responsible bidder, as determined by the City Council and/or the City Manager as the case may be, subject to the right of the City to reject any and all bids, to waive any irregularity in the bids or bidding procedures and subject also to the right of the City to award bids and contracts to bidders other than the low bidder. Until a formal contract is executed, the City reserves the right to reject all bids.

(b) Purchases of \$35,000.00 or more. Bids for purchases of \$35,000.00 or more shall be awarded in the same manner as purchases as set forth in Subsection (a), except these additional requirements shall pertain:

(1) Conditions for use. All contracts with the City in amounts over \$35,000.00 shall be awarded by competitive sealed bidding except as otherwise provided in this chapter, or as otherwise approved by City Council.

(2) Invitation for bids. An invitation for bids (including RFPs and RFQs) shall be issued and shall include

specifications and all contractual terms and conditions applicable to the procurement.(3)Public notice. Public notice of the invitation for bids shall be given not less than 14 calendar days prior to the date set forth in the notice for the opening of bids. Such notice may be given by publication in a subscription newspaper of general circulation in the City. The notice shall state the place, date, and time of bid opening. All bids shall be received in the City Manager's office on, or before, the date and time set forth in the notice.(c)Bid opening procedure; awarding of bids.(1)Sealed bids shall be opened by the City Manager or his appointed representative in the presence of two (2) witnesses; one (1) of which will be the City Clerk or the Clerk's appointed representative. The opening of the sealed bids shall be recorded by the City Clerk or the Clerk's representative at the date and time specified in the bid proposal. The names of the witnesses and of the City Manager or his appointed representative together with a copy of the bid proposal and the date and time of the opening of the bids shall be filed with the City Clerk.(2)Whenever required by the bid proposal, all bid bonds, cash, insurance, checks or other security accompanying the bid shall be received and maintained for safekeeping by the City Clerk. The City Clerk shall be responsible for the return of the bid bonds, cash, insurance, checks or other security of unsuccessful bidders.(3)Upon completion of the bid opening and reading, all bids received will be deposited with the City Manager or his designee for tabulation and/or recommendation to the City Council.(4)Upon submission of the bid tabulation and recommendation to the City Manager or City Council, as the case may be, the City Manager or the City Council shall accept, reject or refer for additional review the bid tabulation and recommendation.(5)The award of a bid will not have the same effect as the award of a contract. The award of a bid will signify the selection of a vendor with which the City will negotiate a contract. In the event that negotiations between the City and that vendor are unsuccessful, the City will thereafter negotiate with the next bidder on the recommended list created by the City Manager.(d)Cancellation of invitations for bids or requests for proposals. An invitation for bids, or request for proposals, or other solicitation may be canceled, or any or all bids or proposals may be rejected in whole, or in part, as may be specified in the solicitation, when it is in the best interests of the City. The reasons therefore shall be made part of the contract file. Each solicitation issued by the City shall state that the solicitation may be canceled and that any bid or proposal may be rejected, in whole or in part, in the best interests of the City. Notice of cancellation shall be sent to all businesses solicited. The notice shall identify the solicitation, explain the reason for cancellation and, where appropriate, explain that an opportunity will be given to compete on any resolicitation or any future procurement of similar items.(e)Correction or withdrawal of bids; cancellation of awards. In general, bids shall be unconditionally accepted without alteration or correction, except as authorized in this chapter. However, correction or withdrawal of inadvertently erroneous bids before or after bid opening, or cancellation of awards or contracts based on such bid mistakes, may be permitted, where appropriate. Mistakes discovered before bid opening may be modified, or the bid may be withdrawn by written or telegraphic notice received in the office designated in the invitation for bids prior to time set for bid opening. After bid opening, no changes in bid prices or other provisions of bids prejudicial to the interest of the City, or fair competition, shall be permitted. In lieu of bid correction, a low bidder alleging a material mistake of fact may be permitted to withdraw its bid if:(1)The mistake is clearly evident on the face of the bid document, but the intended correct bid is not similarly evident; or(2)The bidder submits evidence which clearly and convincingly demonstrates that a mistake was made. All decisions to permit the correction or withdrawal of bids, or to cancel awards or contracts based on bid mistakes, shall be supported by a written determination made by the Purchasing Agent.(3)Notwithstanding the foregoing, the City Council shall have the authority to waive

any and all irregularities in any and all proposals.

(Ord. No. 2014-15, § 2, 10-14-2014; Ord. No. 2015-04 , § 2, 4-28-2015)

Sec. 2-179. - Award.

(a)All contracts shall be awarded by the City Manager or City Council, as the case may be, as stated above, to the lowest responsible and responsive bidder. In addition to price, there shall be considered the following:(1)The capacity, ability and skill of the provider to perform the contract;(2)Whether the provider can perform the contract within the time specified without delay or interference;(3)The character, integrity, reputation, judgment, experience and efficiency of the provider;(4)Professional licensure required when service of a skilled nature as required by law to perform such service and/or skill;(5)The quality of performance of previous contracts;(6)The previous and existing compliance by the provider with laws and ordinances relating to the contract;(7)The ability of the provider regarding future maintenance and service for the use of the subject of the contract;(8)The City Manager may, by administrative order, establish a set of criteria of a numerical nature that may be utilized in awarding contracts hereunder.(b)The contract shall be awarded by the City Manager or the City Council, as the case may be, with reasonable promptness by appropriate written notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation for bids.(c)In the event the lowest, most responsive and responsible bid for a project exceeds available funds, and the City Council does not make available additional funds, the City Manager is authorized, when time or economic considerations preclude resolicitation of bids, to negotiate an adjustment of the bid price as long as the scope of work is not changed with the lowest, most responsive and responsible bidder, in order to bring the bid within the amount of available funds. Final negotiation shall be in written form as approved by the City Manager.(d)The City retains the right to reject all bids should negotiations fail. This negotiation may not be used to ascertain the lowest responsive and responsible bid.(e)Until a formal contract is executed, the City reserves the right to reject all bids.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-180. - Responsibility of bidders or offerors.

If a bidder or offeror who otherwise would have been awarded a contract is found nonresponsible, a written determination of nonresponsibility, setting forth the basis of the finding shall be prepared by the City Manager or the Purchasing Agent. Grounds for determination of nonresponsibility may include, but are not limited to, the unreasonable failure of a bidder or offeror to promptly supply information in connection with an inquiry with respect to nonresponsibility. A copy of the determination shall be sent promptly to the nonresponsible bidder or offeror. The final determination shall be made part of the contract file and be a public record.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-181. - One response.

If only one (1) responsive bid or proposal for commodity or contractual service is received

in response to an invitation for bid/proposal, an award may be made to the single bidder/proposer, if the City Manager finds the price submitted is fair and reasonable and that other prospective bidders had reasonable opportunity to respond, or there is not adequate time for resolicitation. Further, the City Manager reserves the right, if it is in the best interests of the City, to negotiate with the sole bidder/proposer for the best terms, conditions and price. The City Manager shall document the reasons that such action is in the best interest of the City. Otherwise, the bid/proposal may be rejected and:

(1)New bids or offers may be solicited;(2)The sole bid/proposal may be rejected;(3)If the City Manager determines in writing that the need for the supply or service continues but that the price of the one (1) bid/proposal is unreasonable and there is not time for resolicitation or resolicitation would likely be futile, the procurement may then be conducted under Subsection 2-184(6), as appropriate.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-182. - Bidding documentation to remain property of City.

All bids and accompanying documentation received from bidders in response to the invitation to bid shall become the property of the City and will not be returned to the bidders. In the event of contract award, all documentation and work product produced as part of the contract shall become the exclusive property of the City. This section is applicable to request for proposal and request for letter of interest documents, which also become property of the City.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-183. - Waiver of competitive bidding procedures.

The City Council may authorize at a public meeting after majority vote the waiver of competitive bidding procedures upon the recommendation of the City Manager that it is in the City's best interest to do so, to obtain goods and services which cannot be acquired through the normal purchasing process due to insufficient time, the nature of the goods or services, or other factors. Purchases authorized by waiver process shall be acquired after conducting a good faith review of available sources and negotiation as to price, delivery and terms.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-184. - Exemptions from competitive bidding.

The following shall be exempt from the competitive bidding procedures outlined in this chapter:

(1)Transactions described in Subsections 2-177(a) and (b) of this chapter.(2)Contracts for professional services, except for those contracts of more than \$35,000.00 for professional

services governed by Fla. Stat. § 287.055 (the Consultants Competitive Negotiations Act).(3)Purchases made under State general service administration contracts, Federal, County or other governmental contracts or competitive bids with other governmental agencies with a substantially similar competitive bidding process.(4)Purchases arising out of or because of emergencies which shall be defined as a situation, occurrence or matter necessitating immediate or quick action and not permitting adequate time to utilize the competitive bidding process. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file. As soon as practicable, a record of each emergency procurement shall be made and shall set forth the contractor's name, the amount and type of the contract, a listing of the item(s) procured under the contract, and the identification number of the contract file. Emergency purchases are further discussed in Subsection (8) herein below.(5)Under circumstances where time constraints do not permit the preparation of clearly drawn specifications or situations where, after competitive bidding, no bids meeting bid requirements are received, all compliant bids received are too high, or all bids are rejected for failure to meet bid requirements (i.e., bids are noncompliant).(6)Supplies, equipment or services available from a sole source only may be exempted from the bidding requirements of this chapter by the City Manager upon the filing of a written request by a department head to the City Manager outlining the conditions and circumstances involved, after conducting a good faith review of available sources, finding that there is only one source for the required supply, brand, service, or construction item capable of fulfilling the needs of the City. The City Manager or purchasing agent shall conduct negotiations, as appropriate, as to price, delivery, and terms. A record of sole source procurements shall be available as a public record and shall identify each purchase order and/or contract.(7)Exempt contractual services and products. Other exempt contractual services and products not subject to the competitive procurement requirements of this Code are listed as follows:a.Academic program reviews or lectures or seminars by individuals.b.Artistic services which are original and creative in character and skill in a recognized field of artistic endeavor such as music, dance, drama, painting, sculpture and the like. However, contracts for artistic instructors, coaches and assistants are deemed contractual services subject to the requirements of competitive procurement.c.Performing artists and entertainers as approved by the City Manager/Purchasing Agent when deemed in the City's best interests, for the benefit of the citizens of Marathon and the general public at any City function.d.Advertising.e.Utilities, including, but not limited to, electric, water and telephone.f.Items purchased for resale to the public.(8)Competitive proposals shall not be required when a purchase is made for materials, equipment, prefabricated elements and components, appliances, fixtures and supplies, bought under a sales tax saving procedure constituting part of a construction project award, which construction contract has been awarded in accordance with this chapter.a.As indicated in Subsection 2-177(d), the City Manager is hereby authorized to use his discretion to approve change orders with respect to the utility project in amounts not to exceed \$35,000.00 to address emergencies of unforeseen problems that occur between the City Council meetings which would stop or significantly delay the progress of the project provided, however, that this change order shall receive after-the-fact approval at the next scheduled Council meeting. Otherwise, in the event of an emergency situation which requires the immediate purchase of goods or supplies, the following procedures will apply:1.A state of emergency must be declared by either the President of the United States or the Governor of Florida or Monroe County.b.Purchases of \$35,000.00 or less may be approved by the City Manager without further approval of the City Council and without requirements for advertising and competitive bids.c.Purchases of more than \$35,00.00 may be approved by the City Council

at a public meeting without the requirements for advertising and competitive bidding.

In all cases, when purchases have been made under the authority granted above, the responsible department will submit a report to the City Manager documenting the nature, circumstances and declaration of the emergency and the necessity of the purchases. If the purchase would have required Council approval, a report of the entire matter will be forwarded to Council within 30 days of the purchase authorization.

(Ord. No. 2014-15, § 2, 10-14-2014; Ord. No. 2015-04 , § 2, 4-28-2015)

Sec. 2-185. - Contract administration.

(a)A contract administration system designed to ensure that a bidder/offeror/contractor is performing in accordance with the solicitation under which a contract was awarded and the terms and conditions of the contract shall be maintained by the City Manager.(b)All determinations and other written records pertaining to the solicitation, award or performance of a contract shall be maintained for the City in a contract file by the City Manager and be retained and disposed of in accordance with the records retention guidelines and schedules approved by the City Clerk.

(Ord. No. 2014-15, § 2, 10-14-2014)

Sec. 2-186. - Purchase orders and check requests.

(a)Purchase orders. A purchase order is required for purchases of any equipment, materials or contractual services whose cost is in excess of \$5,000.00. A purchase order represents both a request to acquire an item and the form on which to record the required authorizations. Purchase orders should be used whenever possible, as check requests are for purchases that have already been made. In those instances where a vendor will not accept a purchase order as a commitment of the City, a check request should be used. The originating department will be responsible for completely and accurately preparing the purchase order. This should include the following:(1)Complete name and address of the vendor and vendor number, if known.(2)Date prepared.(3)A description of the item(s) purchased in sufficient detail for adequate identification.(4)The account number(s) and amount(s) to be charged and the total amount of the purchase order.(5)The signature of the appropriate department director.

After the purchase order has been properly prepared, it must be signed by the appropriate department head and by the City Manager. Purchase orders charged to more than one (1) department must have the signature of all department heads affected.

After the purchase order has been prepared, the originating department shall send the purchase order to the Finance Department for review and approval. When a purchase order is received in the Finance Department, it will be reviewed for accuracy, completeness and verification that there are sufficient funds remaining in the budget. After all information has been checked, the Finance Department will authorize the purchase order by issuing a purchase order number.

Once all required authorizations have been obtained, the Finance Department will retain the original to enter into the accounts payable system and return a copy to the originating department. All open purchase orders will be shown as "encumbrances" of the account number(s) charged. Once paid, the encumbrance will be deleted and shown as an expenditure/expense on the monthly expenditure reports.

A purchase order will then be given to the vendor or supplier. Once the items have been received and accepted by the City, the invoice shall be signed indicating receipt and, along with all the other relevant supporting documentation, should be attached to a copy of the purchase order and forwarded to the Finance Department. Another copy of the purchase order should be retained in the originating department's files for auditing purposes. The Finance Department will verify that all required supporting documentation is attached including evidence that the items have actually been received and accepted by the City, that the correct account number(s) and amount(s) have been charged, and the information contained on the invoice agrees with the purchase order. Any differences or discrepancies between the purchase order and invoice must be documented and reconciled before payment will be made. The Finance Department will then initial the purchase order and process payment to the vendor.

(b)Check requests. A check request form records required authorization for disbursement of City funds. Check request forms should be used for, but are not limited to, the purchase and/or payment of seminar and conference registrations, travel expenses, payments for contractual services under existing contracts (such as maintenance contracts), professional services under approved contracts, minor office or operating supplies or similar types of transactions. Routine items such as utility bills (water, electric, and phone) do not require a check request. These items should be coded with the appropriate account number, approved by an authorized signer, and then forwarded to the Finance Department. The originating department will be responsible for completely and accurately preparing the check request. This should include the following:(1)Complete name and address of the vendor and the vendor number if known.(2)Date prepared and date check is required.(3)A description of the items purchased in sufficient detail for adequate identification.(4)The account number(s) and amount(s) to be charged and total amount of the check request.(5)If the check request is for a purchase of more than \$5,000.00, evidence of three (3) quotes must be attached and the City Manager must approve.(6)If the check request is for a purchase of less than \$5,000.00, written justification must be included.(7)If the check request is for a reimbursement, all required receipts must be attached.(8)The authorized signature of the appropriate department director.(9)If the vendor is a sole source, the check request must be approved if over \$5,000.00, in addition to all other required approvals, by the City Manager.(10)An invoice, along with packing slip, delivery receipt, or other appropriate documentation must be attached to the check request. Documentation must also include the initials or signature of the person verifying that the items have been received and accepted by the City if other documentation is not available and the account numbers to be charged.

After the department head has approved and signed the check request, it is then sent to the Finance Department for review and approval. Departments shall keep a copy of all check requests for review and fiscal/budgetary control purposes.

The Finance Department shall review the check request for accuracy and completeness, and

is responsible for verifying that:

(1)All required documentation supporting the check request is attached.(2)Supporting documentation that the items have been received and accepted by the City.(3)The correct account number(s) and amount(s) have been charged.(4)There are sufficient funds remaining in the line item(s) budget(s) to make the purchase.(5)The check request has been authorized for payment as indicated in Section 2-178.

(Ord. No. 2014-15, § 2, 10-14-2014; Ord. No. 2015-04 , § 2, 4-28-2015)

Sec. 2-187. - Ethics in public contracting.

In addition to all ethical rules and guidelines set forth by the State of Florida, the Code of the City of Marathon, Monroe County Code, if any and as applicable to the City of Marathon, the City Manager may impose any one (1) or more of the following sanctions on a City employee for violations of ethical standards including, but not limited to, oral or written warnings or reprimands, suspension with or without pay for specified periods of time or termination of employment. For nonemployees, for violations of ethical standards, the City Council may terminate any contract with the City of Marathon.

(Ord. No. 2014-15, § 2, 10-14-2014)

Secs. 2-188—2-193. - Reserved.

DIVISION 3. - CITY FUNDING OF NONPROFIT ORGANIZATIONS

Sec. 2-194. - Intent and purpose.

It is the intent and purpose of this division to establish a uniform policy and procedure for nonprofit agencies operating within the City to petition the City for grant funding, and establish review criteria to guide the City Council in awarding grant funding to nonprofit agencies.

(Ord. No. 2004-14, § 1.1, 7-13-2004)

Sec. 2-195. - Eligibility.

Only nonprofit organizations are eligible for grant funding. Organizations applying through a "fiscal agent" or other third party are not eligible for funding from the City. Such organization must demonstrate:

(1)Current nonprofit status.(2)Evidence of an established record of providing cultural, educational, recreational, or social services within the City of Marathon.

(Ord. No. 2004-14, § 1.2, 7-13-2004)

Sec. 2-196. - Application procedures.

All applications for grant funding shall be submitted in the particular year in which the grant funding is sought. The grant funding request shall be made on a form provided by the City Manager or designee. The grant application form must be accompanied by all of the required information as set forth in the application form. The City Manager or designee shall review the grant funding application for completeness. If the application is determined to be incomplete, the City Manager or designee shall reject the grant funding application and notify the applicant of such rejection, and the reasons therefore, within 15 working days.

(Ord. No. 2004-14, § 1.3, 7-13-2004; Ord. No. 2011-13, § 2, 10-25-2011)

Sec. 2-197. - Evaluation criteria.

In awarding grants to nonprofit organizations the City Council shall consider the following criteria:

(1)The organization will provide services that have been identified by the City as fulfilling a needed service with minimal or no duplication by other organizations.(2)The organization is able to provide the services cost efficiently and with a high quality of service.(3)The organization provides services in the City of Marathon.(4)The organization has/has not received funding from the City in previous years.(5)The organization has/has not received funding from Monroe County or other government agencies in previous years.(6)The organization has the administrative and financial stability to deliver the services for which it is requesting funding from the City.(7)The City Council may request additional documentation or information it deems necessary to evaluate any of the grant funding applications.

(Ord. No. 2004-14, § 1.4, 7-13-2004; Ord. No. 2011-13, § 2, 10-25-2011)

Sec. 2-198. - Limitation on City Council funding.

The maximum amount of money the City Council may annually appropriate for grant funding to nonprofit organizations shall not exceed one percent (1%) of the prior year's General Fund Operating Budget. No grant award shall exceed 24 percent of operating expenses of the total annual budget of the recipient nonprofit organization excluding one-time capital expenditures. The final decision to make a grant award pursuant to this article is at the sole discretion of the City Council and contingent on the availability of appropriated funds in the City's annual budget. The Council may choose not to appropriate any funds in a particular fiscal year.

(Ord. No. 2004-14, § 1.5, 7-13-2004)

City of Marathon Procurement Standards

2 CFR 200.317-326

§200.317 Procurements by states.

When procuring property and services under a Federal award, a state must follow the same policies and procedures it uses for procurements from its non-Federal funds. The state will comply with §200.322 Procurement of recovered *materials* and ensure that every purchase order or other contract includes any clauses required by section §200.326 Contract provisions. All other non-Federal entities, including subrecipients of a state, will follow §§200.318 General procurement standards through 200.326 Contract provisions.

§200.318 General procurement standards.

(a) The non-Federal entity must use its own documented procurement procedures which reflect applicable State, local, and tribal laws and regulations, provided that the procurements conform to applicable Federal law and the standards identified in this part.

(b) Non-Federal entities must maintain oversight to ensure that contractors perform in accordance with the terms, conditions, and specifications of their contracts or purchase orders.

(c)(1) The non-Federal entity must maintain written standards of conduct covering conflicts of interest and governing the actions of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-Federal entity may neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-Federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

(2) If the non-Federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-Federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-Federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

(d) The non-Federal entity's procedures must avoid acquisition of unnecessary or duplicative items. Consideration should be given to consolidating or breaking out procurements to obtain a more economical purchase. Where appropriate, an analysis will be made of lease versus purchase alternatives, and any other appropriate analysis to determine the most economical approach.

(e) To foster greater economy and efficiency, and in accordance with efforts to promote cost-effective use of shared services across the Federal Government, the non-Federal entity is encouraged

to enter into state and local intergovernmental agreements or inter-entity agreements where appropriate for procurement or use of common or shared goods and services.

(f) The non-Federal entity is encouraged to use Federal excess and surplus property in lieu of purchasing new equipment and property whenever such use is feasible and reduces project costs.

(g) The non-Federal entity is encouraged to use value engineering clauses in contracts for construction projects of sufficient size to offer reasonable opportunities for cost reductions. Value engineering is a systematic and creative analysis of each contract item or task to ensure that its essential function is provided at the overall lower cost.

(h) The non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. See also §200.213 Suspension and debarment.

(i) The non-Federal entity must maintain records sufficient to detail the history of procurement. These records will include, but are not necessarily limited to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the contract price.

(j)(1) The non-Federal entity may use a time and materials type contract only after a determination that no other contract is suitable and if the contract includes a ceiling price that the contractor exceeds at its own risk. Time and materials type contract means a contract whose cost to a non-Federal entity is the sum of:

(i) The actual cost of materials; and

(ii) Direct labor hours charged at fixed hourly rates that reflect wages, general and administrative expenses, and profit.

(2) Since this formula generates an open-ended contract price, a time-and-materials contract provides no positive profit incentive to the contractor for cost control or labor efficiency. Therefore, each contract must set a ceiling price that the contractor exceeds at its own risk. Further, the non-Federal entity awarding such a contract must assert a high degree of oversight in order to obtain reasonable assurance that the contractor is using efficient methods and effective cost controls.

(k) The non-Federal entity alone must be responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements. These issues include, but are not limited to, source evaluation, protests, disputes, and claims. These standards do not relieve the non-Federal entity of any contractual responsibilities under its contracts. The Federal awarding agency will not substitute its judgment for that of the non-Federal entity unless the matter is primarily a Federal concern. Violations of law will be referred to the local, state, or Federal authority having proper jurisdiction.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014; 80 FR 43309, July 22, 2015]

§200.319 Competition.

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, or invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

- (1) Placing unreasonable requirements on firms in order for them to qualify to do business;
- (2) Requiring unnecessary experience and excessive bonding;
- (3) Noncompetitive pricing practices between firms or between affiliated companies;
- (4) Noncompetitive contracts to consultants that are on retainer contracts;
- (5) Organizational conflicts of interest;
- (6) Specifying only a “brand name” product instead of allowing “an equal” product to be offered and describing the performance or other relevant requirements of the procurement; and
- (7) Any arbitrary action in the procurement process.

(b) The non-Federal entity must conduct procurements in a manner that prohibits the use of statutorily or administratively imposed state, local, or tribal geographical preferences in the evaluation of bids or proposals, except in those cases where applicable Federal statutes expressly mandate or encourage geographic preference. Nothing in this section preempts state licensing laws. When contracting for architectural and engineering (A/E) services, geographic location may be a selection criterion provided its application leaves an appropriate number of qualified firms, given the nature and size of the project, to compete for the contract.

(c) The non-Federal entity must have written procedures for procurement transactions. These procedures must ensure that all solicitations:

- (1) Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description must not, in competitive procurements, contain features which unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and, when necessary, must set forth those minimum essential characteristics and standards to which it must conform if it is to satisfy its intended use. Detailed product specifications should be avoided if at all possible. When it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equivalent” description may be used as a means to define the performance or other salient requirements of procurement. The specific features of the named brand which must be met by offers must be clearly stated; and
- (2) Identify all requirements which the offerors must fulfill and all other factors to be used in evaluating bids or proposals.

(d) The non-Federal entity must ensure that all prequalified lists of persons, firms, or products which are used in acquiring goods and services are current and include enough qualified sources to ensure maximum open and free competition. Also, the non-Federal entity must not preclude potential bidders from qualifying during the solicitation period.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

§200.320 Methods of procurement to be followed.

The non-Federal entity must use one of the following methods of procurement.

(a) Procurement by micro-purchases. Procurement by micro-purchase is the acquisition of supplies or services, the aggregate dollar amount of which does not exceed the micro-purchase threshold (§200.67 Micro-purchase). To the extent practicable, the non-Federal entity must distribute micro-purchases equitably among qualified suppliers. Micro-purchases may be awarded without soliciting competitive quotations if the non-Federal entity considers the price to be reasonable.

(b) Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.

(c) Procurement by sealed bids (formal advertising). Bids are publicly solicited and a firm fixed price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming with all the material terms and conditions of the invitation for bids, is the lowest in price. The sealed bid method is the preferred method for procuring construction, if the conditions in paragraph (c)(1) of this section apply.

(1) In order for sealed bidding to be feasible, the following conditions should be present:

(i) A complete, adequate, and realistic specification or purchase description is available;

(ii) Two or more responsible bidders are willing and able to compete effectively for the business; and

(iii) The procurement lends itself to a firm fixed price contract and the selection of the successful bidder can be made principally on the basis of price.

(2) If sealed bids are used, the following requirements apply:

(i) Bids must be solicited from an adequate number of known suppliers, providing them sufficient response time prior to the date set for opening the bids, for local, and tribal governments, the invitation for bids must be publicly advertised;

(ii) The invitation for bids, which will include any specifications and pertinent attachments, must define the items or services in order for the bidder to properly respond;

(iii) All bids will be opened at the time and place prescribed in the invitation for bids, and for local and tribal governments, the bids must be opened publicly;

(iv) A firm fixed price contract award will be made in writing to the lowest responsive and responsible bidder. Where specified in bidding documents, factors such as discounts, transportation cost, and life cycle costs must be considered in determining which bid is lowest. Payment discounts will only be used to determine the low bid when prior experience indicates that such discounts are usually taken advantage of; and

(v) Any or all bids may be rejected if there is a sound documented reason.

(d) Procurement by competitive proposals. The technique of competitive proposals is normally conducted with more than one source submitting an offer, and either a fixed price or cost-reimbursement type contract is awarded. It is generally used when conditions are not appropriate for the use of sealed bids. If this method is used, the following requirements apply:

(1) Requests for proposals must be publicized and identify all evaluation factors and their relative importance. Any response to publicized requests for proposals must be considered to the maximum extent practical;

(2) Proposals must be solicited from an adequate number of qualified sources;

(3) The non-Federal entity must have a written method for conducting technical evaluations of the proposals received and for selecting recipients;

(4) Contracts must be awarded to the responsible firm whose proposal is most advantageous to the program, with price and other factors considered; and

(5) The non-Federal entity may use competitive proposal procedures for qualifications-based procurement of architectural/engineering (A/E) professional services whereby competitors' qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services. It cannot be used to purchase other types of services though A/E firms are a potential source to perform the proposed effort.

(e) [Reserved]

(f) Procurement by noncompetitive proposals. Procurement by noncompetitive proposals is procurement through solicitation of a proposal from only one source and may be used only when one or more of the following circumstances apply:

(1) The item is available only from a single source;

(2) The public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation;

(3) The Federal awarding agency or pass-through entity expressly authorizes noncompetitive proposals in response to a written request from the non-Federal entity; or

(4) After solicitation of a number of sources, competition is determined inadequate.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014; 80 FR 54409, Sept. 10, 2015]

§200.321 Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms.

(a) The non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

(b) Affirmative steps must include:

(1) Placing qualified small and minority businesses and women's business enterprises on solicitation lists;

(2) Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;

(3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;

(4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises;

(5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and

(6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

§200.322 Procurement of recovered materials.

A non-Federal entity that is a state agency or agency of a political subdivision of a state and its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75885, Dec. 19, 2014]

§200.323 Contract cost and price.

(a) The non-Federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals.

(b) The non-Federal entity must negotiate profit as a separate element of the price for each contract in which there is no price competition and in all cases where cost analysis is performed. To establish a fair and reasonable profit, consideration must be given to the complexity of the work to be performed, the risk borne by the contractor, the contractor's investment, the amount of subcontracting, the quality of its record of past performance, and industry profit rates in the surrounding geographical area for similar work.

(c) Costs or prices based on estimated costs for contracts under the Federal award are allowable only to the extent that costs incurred or cost estimates included in negotiated prices would be allowable for the non-Federal entity under Subpart E—Cost Principles of this part. The non-Federal entity may reference its own cost principles that comply with the Federal cost principles.

(d) The cost plus a percentage of cost and percentage of construction cost methods of contracting must not be used.

§200.324 Federal awarding agency or pass-through entity review.

(a) The non-Federal entity must make available, upon request of the Federal awarding agency or pass-through entity, technical specifications on proposed procurements where the Federal awarding agency or pass-through entity believes such review is needed to ensure that the item or service specified is the one being proposed for acquisition. This review generally will take place prior to the time the specification is incorporated into a solicitation document. However, if the non-Federal entity desires to have the review accomplished after a solicitation has been developed, the Federal awarding agency or pass-through entity may still review the specifications, with such review usually limited to the technical aspects of the proposed purchase.

(b) The non-Federal entity must make available upon request, for the Federal awarding agency or pass-through entity pre-procurement review, procurement documents, such as requests for proposals or invitations for bids, or independent cost estimates, when:

(1) The non-Federal entity's procurement procedures or operation fails to comply with the procurement standards in this part;

(2) The procurement is expected to exceed the Simplified Acquisition Threshold and is to be awarded without competition or only one bid or offer is received in response to a solicitation;

(3) The procurement, which is expected to exceed the Simplified Acquisition Threshold, specifies a “brand name” product;

(4) The proposed contract is more than the Simplified Acquisition Threshold and is to be awarded to other than the apparent low bidder under a sealed bid procurement; or

(5) A proposed contract modification changes the scope of a contract or increases the contract amount by more than the Simplified Acquisition Threshold.

(c) The non-Federal entity is exempt from the pre-procurement review in paragraph (b) of this section if the Federal awarding agency or pass-through entity determines that its procurement systems comply with the standards of this part.

(1) The non-Federal entity may request that its procurement system be reviewed by the Federal

awarding agency or pass-through entity to determine whether its system meets these standards in order for its system to be certified. Generally, these reviews must occur where there is continuous high-dollar funding, and third party contracts are awarded on a regular basis;

(2) The non-Federal entity may self-certify its procurement system. Such self-certification must not limit the Federal awarding agency's right to survey the system. Under a self-certification procedure, the Federal awarding agency may rely on written assurances from the non-Federal entity that it is complying with these standards. The non-Federal entity must cite specific policies, procedures, regulations, or standards as being in compliance with these requirements and have its system available for review.

§200.325 Bonding requirements.

For construction or facility improvement contracts or subcontracts exceeding the Simplified Acquisition Threshold, the Federal awarding agency or pass-through entity may accept the bonding policy and requirements of the non-Federal entity provided that the Federal awarding agency or pass-through entity has made a determination that the Federal interest is adequately protected. If such a determination has not been made, the minimum requirements must be as follows:

(a) A bid guarantee from each bidder equivalent to five percent of the bid price. The “bid guarantee” must consist of a firm commitment such as a bid bond, certified check, or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of the bid, execute such contractual documents as may be required within the time specified.

(b) A performance bond on the part of the contractor for 100 percent of the contract price. A “performance bond” is one executed in connection with a contract to secure fulfillment of all the contractor's obligations under such contract.

(c) A payment bond on the part of the contractor for 100 percent of the contract price. A “payment bond” is one executed in connection with a contract to assure payment as required by law of all persons supplying labor and material in the execution of the work provided for in the contract.

§200.326 Contract provisions.

The non-Federal entity's contracts must contain the applicable provisions described in Appendix II to Part 200—Contract Provisions for non-Federal Entity Contracts Under Federal Awards.

Attachment 4: Citizen Participation Plan

Sponsored by: Hernstadt

CITY OF MARATHON, FLORIDA RESOLUTION 2013-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AMENDING THE COMMUNITY DEVELOPMENT BLOCK GRANT ("CDBG") CITIZEN PARTICIPATION PLAN; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Florida Small Cities Community Development Block Grant ("CDBG") program is a competitive grant program administered by the Florida Department of Community Affairs ("DCA"); and

WHEREAS, the Florida Administrative Code contains criteria and guidelines for the administration of Community Development Block Grants by local governments; including Rule, 73C-23.0041, F.A.C. concerning the complaint procedure contained in the Citizen Participation Plan ; and

WHEREAS, the City of Marathon desires to update the Citizen Participation Plan complaint procedure as requested by the Florida Department of Economic Opportunity.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The Community Development Block Grant ("CDBG") Citizen Participation Plan complaint procedure attached hereto as Exhibit "A" and made a part hereof by this reference is hereby adopted.

Section 3. This resolution shall take effect immediately upon its adoption.

THE CITY OF MARATHON, FLORIDA



Mike Cinque, Mayor

AYES: Bull, Keating, Ramsay, Snead, Cinque
NOES: None
ABSENT: None
ABSTAIN: None

ATTEST:



Diane Clavier, City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGALITY FOR THE USE
AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:



City Attorney

Community Development Block Grant (CDBG) Citizen Participation Plan

Overall Goal

Pursuant to 24 CFR Section 570.486, Rule 9B-43 FAC and Rule 73C-23.0041.3.b FAC, the purpose of this plan is to provide a process for community wide participation in the planning, development, implementation and performance evaluation of activities related to the City of Marathon's Community Development Block Grant (CDBG) Program.

Objectives

- To increase interchange of information between City staff and consultant(s) and the local citizens concerning community development and related concerns.
- To heighten public awareness of the purpose and function of the CDBG program and the types of assistance available, especially among low and moderate income persons and residents of CDBG targeted areas.
- To increase community participation in program planning and implementation and, thereby, create local support for CDBG goals.
- To allow affected or potentially affected citizens to directly assist in shaping and establishing guidelines related to the program's impact upon their neighborhood as well as the community at large.
- To accomplish these objectives, the City of Marathon shall create a CDBG Citizens Advisory Task Force (CATF).

Citizens Advisory Task Force

The role of the CATF shall be to encourage businesses and residents, to provide input relative to the CDBG projects. Further, the CATF may assist City staff and consultant(s) in overseeing the project, including development of plans, procedures, public hearings and amendments, if necessary.

Membership of the CATF will be in accordance with Resolution No. 2012-113 (as the same may be amended from time-to-time):

The CDBG Citizens Advisory Task Force shall consist of five (5) members. All members shall be residents of the City of Marathon. None shall be elected officials, and no more than one (1) shall be an employee of the City. Each member of the City Council shall appoint one (1) member to the CDBG Citizens Advisory Task Force. Members shall serve at the pleasure of the City Council with a maximum term of four (4) years. Each appointee may be reappointed to the CDBG Citizens Advisory Task Force.

The City of Marathon shall call CATF meetings on an as needed basis. These meetings are open to the general public and are readily accessible to interested parties. A copy of the agenda will be made available to all interested parties prior to the CATF meeting. During such meetings the CATF may assist City staff and consultant(s) in all aspects of the CDBG Program, including: designing and implementing surveys and questionnaires, gathering and assessing citizen input, selection of target areas, documentation and prioritization of needs, community outreach and public relations, public meetings, determination of program activities and service levels, quality assurance and program monitoring.

Exhibit 1: CDBG, Citizen's Advisory Task Force By-Laws

Public Meetings

In accordance with Federal and State regulations, the following Public Meetings are required:

Program Component	Number of Public Meetings
Pre-Application/Planning Stage	One Meeting, Publicly Noticed
Application Stage	One Meeting, Publicly Noticed
Substantial Amendment to CDBG Program	One Meeting, Publicly Noticed

All public meetings shall be publicly announced and noticed in the non-legal section of the Florida Keys Keynoter a minimum of five (5) days but not more than fourteen (14) days prior to the scheduled meeting. To ensure accessibility, meetings will be held at accessible designated facilities within the City of Marathon.

Access to Public Information

All CDBG Program information will be available for inspection by interested businesses and residents, including, at a minimum: CDBG CATF Meeting Minutes, CDBG Application, CDBG Program Regulations, Guidelines and Operating Procedures, Community Development Plan, and the Citizens Participation Plan. These documents are available during normal working hours, Monday - Friday, from 8:00am to 5:00pm at the City of Marathon, 9805 Overseas Highway, Marathon, FL 33050. This information will be made available for inspection at no charge.

In addition, specific information dissemination and technical assistance activities may be undertaken to educate low/moderate income persons residing in the CDBG target areas. Such activities include: neighborhood meetings at community centers, churches or other convenient locations, community outreach by the CDBG staff, direct contact by the CATF, neighborhood representative, and written information concerning the program. These activities provide excellent opportunities for interaction in a neutral setting between staff, CATF representatives and the businesses and residents served by the program. Citizen's views and recommendations are strongly encouraged.

Response to Program Comments and Inquiries

All inquiries concerning the CDBG Program will be promptly answered either by telephone, personal contact or in writing. All written inquiries will be answered in writing. The response period should not exceed fifteen (15) days from the date of the receipt of the inquiry. The following inquiries may be handled by the City of Marathon:

- Provide information concerning the amounts of funds available, including anticipated program income for various activities, and the range of activities that may be undertaken with

CDBG funds;

- Develop and publish a summary of the proposed application that will provide citizens with an opportunity to examine its contents and submit their comments; and
- Consider any comments and views expressed by the citizens on the proposed application and, if appropriate, modify the proposed application.
-

City of Marathon
Business and Resident Citizen Complaint Process
Community Development Block Grant (CDBG) Funds

The following citizen complaint procedures adopted by the City of Marathon, Monroe County, Florida (hereinafter called "City") are intended to provide a timely written response to all complaints and grievances made against the Community Development Block Grant (CDBG) efforts:

1. A person who has a comment or complaint about the services funded by a CDBG Program administered by the City; may submit such comment or complaint in writing to the City Manager.

2. The City Manager or designee shall, within fifteen working days of receiving the comments or complaints advise the person making the comment or complaint of when a response can be expected.

3. The City Manager or designee shall notify the person who made the comment or complaint, in writing, of the final results of the investigation. Unless unusual circumstances interfere, all investigative action and reports documenting the findings should be accomplished prior to the 30th working day after the comment or complaint was originally received. Should this final response be delayed, the person making the comment or complaint, shall be advised in writing, to include the problems being encountered and a new date for final resolution of the comment or complaint.

4. A copy of the above outlined comment and/or complaint procedures can be obtained at the Marathon City Hall between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday (except holidays).

Attachment 5: Ethics Policy

CDBG Ethics Policies and Procedures

Policies and Procedures City of Marathon CDBG- DR Program

1. **Ethics & Job Performance**

The City of Marathon adheres to a strict policy of personal, professional, and governmental code of ethics. Provided in Attachments 1A. and 1B. are Chapter 2, Section 2-42, "Code of Ethics," and Chapter 112, PART III, "Code Of Ethics For Public Officers And Employees."

2. **Uniform Administration – Cost Principles & Audit**

The City of Marathon, Florida herein adopts Chapter 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award as a general policy and procedure for the management of federal grants.

Adopted by reference. Not Attached herein

3. **Finance / Financial Reporting and Monitoring**

The City of Marathon, Florida herein provides Chapter 2, Article VI, "Finance" and the City's most recent Comprehensive Annual Financial Report (CAFR), provided as required by the State of Florida. See Attachments 2A. and 2B.

Through the CAFR, required statutorily to the State of Florida each year, the City maintains an Independent Financial Auditing Firm. The CAFR provides an Annual Report to the State which is audited by the City's Independent Auditor. The City will provide an independent report and audit through a similar process for this project.

4. **Procurement**

The City of Marathon, Florida herein adopts Chapter 2 CFR 200.317 to 200.326, a part of 2 CFR 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award" as a general policy and procedure for the management of federal grants. See Attachment 3. See Division 2 or Chapter 2, Article VI, provided as Attachment 2.B.

5. **Quality Assurance & Quality Control**

The City of Marathon provides the attached Quality Assurance / Quality Control Plan. It is intended to be utilized for City project development and planning related documents. I can be modified to serve. See Attachment 4.

6. Detection & Prevention of Fraud

The City of Marathon will utilize its Quality Assurance / Quality Control Plan to detect and prevent fraud in this CDBG-DR Voluntary Home Buyout Program. We see the greatest potential for fraud in several areas of review:

- Ownership
 - Including mortgage components
- Structural damage
 - Building & Property Value
 - Extent of damage
- Title

The City will utilize its in-house team to make sure that all applications are complete, including a review of ownership with the Monroe County Property appraiser's data. The City will then utilize its Legal Team to verify ownership and title. The City will utilize its Inspection Services Team to validate extent of damage resulting from Hurricane Irma. The City will utilize its Real Estate Appraisal Team to validate value. Note, the City will preliminarily utilize values from the Monroe County Property Appraiser's (MCPA) office. However, MCPA values are typically approximately twenty percent (20%) below value.

7. Information Concerning CDBG-DR Voluntary Home Buyout Program

The City maintains an area on its website which speaks to the CDBG-DR Voluntary Home Buyout (CDBG-DR VHB) Program.

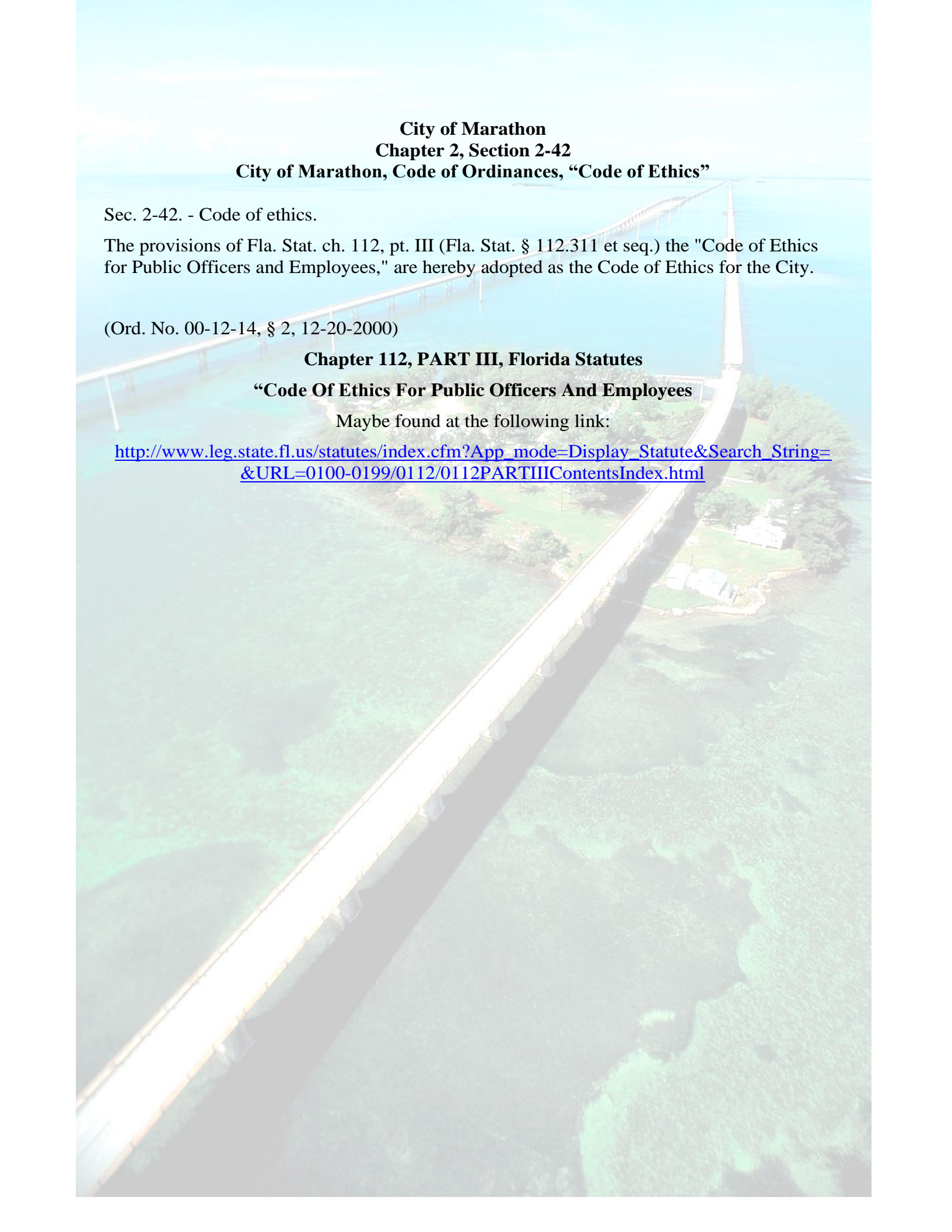
As the City has advertised and continues to do so, we provide information about the program. See Attachment 5.

8. Underwriting Criteria

- Application for a CDBG-DR VHB Award
- Confirm Application Completeness of Required Documents.
- Review Application Details – Accuracy and Eligibility
- Application to be Approved, Suspended or Denied. ...
- Clear any final contingencies.
- Close on your Applicant Residence.

9. Monitoring & Compliance

The City will utilize its in-house team to make sure that all applications are complete, including a review of ownership with the Monroe County Property appraiser's data. The City will then utilize its Legal Team to verify ownership and title. The City will utilize its Inspection Services Team to validate extent of damage resulting from Hurricane Irma. The City will utilize its Real Estate Appraisal Team to validate value. Note, the City will preliminarily utilize values from the Monroe County Property Appraiser's (MCPA) office. However, MCPA values are typically approximately twenty percent (20%) below value.



City of Marathon
Chapter 2, Section 2-42
City of Marathon, Code of Ordinances, "Code of Ethics"

Sec. 2-42. - Code of ethics.

The provisions of Fla. Stat. ch. 112, pt. III (Fla. Stat. § 112.311 et seq.) the "Code of Ethics for Public Officers and Employees," are hereby adopted as the Code of Ethics for the City.

(Ord. No. 00-12-14, § 2, 12-20-2000)

Chapter 112, PART III, Florida Statutes
"Code Of Ethics For Public Officers And Employees"

Maybe found at the following link:

http://www.leg.state.fl.us/statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0100-0199/0112/0112PARTIIIContentsIndex.html

Attachment 6: Excessive Force Resolution

Sponsored by: Garrett

CITY OF MARATHON, FLORIDA RESOLUTION 2021-03

A RESOLUTION OF THE CITY OF MARATHON, FLORIDA, PURSUANT TO THE DEPARTMENTS OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT OF 1990 AND IN SUPPORT OF THE CITY'S CDBG-DR GRANT WITH SAID AGENCIES AND THE FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY HEREBY ADOPTING AND AGREEING TO ENFORCE A POLICY PROHIBITING THE USE OF EXCESSIVE FORCE BY LAW ENFORCEMENT AGENCIES WITHIN THE JURISDICTION OF THE CITY OF MARATHON AGAINST ANY INDIVIDUAL(S) ENGAGED IN NONVIOLENT CIVIL RIGHTS DEMONSTRATIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City has accepted and is carrying out multiple projects funded by the Departments Of Veterans Affairs And Housing And Urban Development through the Florida Department of Economic Opportunity; and

WHEREAS, Pursuant to Public Law 101-144 – November 9, 1989, Section 519, None of the funds appropriated under title II of this Act under the heading entitled Community Planning and Development, Community Development Grants, to any department, agency, or instrumentality of the United States may be obligated or expended to any municipality that fails to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within the jurisdiction of said municipality against any individuals engaged in nonviolent civil rights demonstrations; and

WHEREAS, the City of Marathon supports this law in principal and practice.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The City hereby adopts and agrees to enforce a policy prohibiting the use of excessive force by law enforcement agencies within the jurisdiction of the city of marathon against any individuals engaged in nonviolent civil rights demonstrations.

Section 3. Effective Date. This Resolution shall become effective immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THIS 8TH DAY OF JANUARY 2021.

THE CITY OF MARATHON, FLORIDA



Luis Gonzales, Mayor

AYES: Bartus, Cook, Senmartin, Zieg, Gonzalez
NOES: None
ABSENT: None
ABSTAIN: None

ATTEST:



Diane Clavier, City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:



Steve Williams, City Attorney

An aerial photograph of a long, multi-lane bridge spanning a large body of water. The bridge is supported by numerous vertical piers. In the foreground, a small, lush green island with several buildings and trees is visible. The water is a deep blue, and the sky is a pale, hazy blue. The overall scene is serene and expansive.

Attachment 7: DEO Subrecipient Agreement and Resolution

(See following)



CITY OF MARATHON, FLORIDA

9805 Overseas Highway, Marathon, Florida 33050
Phone: (305) 289-4130 Fax: (305) 743-3667
www.ci.marathon.fl.us

May 19, 2020

Department of Economic Opportunity
Attn: Mr. Ken Lawson, Executive Director
107 E. Maddison Street
Tallahassee, FL 32399

RECEIVED
2020 MAY 21 AM 11:45
OFFICE OF THE DIRECTOR
DEO

Re: CDBG-DR Home Buyout Program Contract

Dear Mr. Lawson:

Please be advised that the Marathon City Council approved the above referenced contract by Resolution number 2020-26 on May 12, 2020.

Please sign the original, make a copy for yourself and return the original to us.

If you should have any questions, please do not hesitate to contact me.

Sincerely,
Hillary Palmer
Deputy City Clerk
Phone: 305-289-4130
Email: palmerh@ci.marathon.fl.us

Mailing Address:
City of Marathon
Attn: City Clerk Dept.
9805 Overseas Hwy.
Marathon, FL 33050

Encl.

Sponsored by: Lindsey

**CITY OF MARATHON, FLORIDA
RESOLUTION 2020-26**

APPROVAL OF A CONTRACT BETWEEN THE CITY OF MARATHON, FLORIDA AND THE FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY IN THE AMOUNT OF FIVE MILLION DOLLARS (\$5,000,000) FOR THE IMPLEMENTATION OF THE CDBG-DR HOME BUYOUT PROGRAM; PROVIDING SIGNATURE AUTHORITY, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Florida Department of Economic Opportunity has awarded the City a grant in the amount of \$5,000,000 for the purposes of implementing the CDBG-DR Home Buyout Program, and

WHEREAS, the grant has been awarded post Hurricane Irma as a part of the CDBG-DR Home Buyout Grant Program in order to reduce flood risk in future hurricane events, and

WHEREAS, it is the City's desire to accept the Grant Agreement, in furtherance of its desire to protect the citizens and resources of the Keys from future hurricane impacts,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

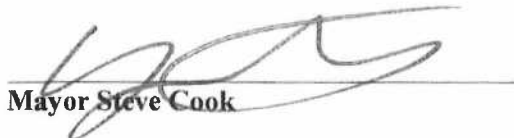
Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The City Council hereby authorizes the approval of a Grant Agreement between the City of Marathon and the Department of Economic Opportunity attached hereto as Exhibit "A."

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THIS 12th DAY OF MAY, 2020

THE CITY OF MARATHON, FLORIDA


Mayor Steve Cook

AYES: Bartus, Gonzalez, Senmartin, Zieg, Cook
NOES: None
ABSENT: None
ABSTAIN: None

ATTEST:



Diane Clavier, City Clerk

(City Seal)

**APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE USE
AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:**



City Attorney

EXHIBIT A

#205661 v1

State of Florida
Department of Economic Opportunity
Federally-Funded
Community Development Block Grant
Disaster Recovery (CDBG-DR) Voluntary Home Buyout Program
Subrecipient Agreement

THIS AGREEMENT is entered into by the State of Florida, Department of Economic Opportunity, (hereinafter referred to as "DEO") and the city of Marathon, hereinafter referred to as the "Subrecipient" (each individually a "Party" and collectively "the Parties").

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING REPRESENTATIONS:

WHEREAS, pursuant to Public Law (P.L.) 114-254, the "Further Continuing and Security Assistance Appropriations Act, 2017" and P.L. 115-31, the "Consolidated Appropriations Act, 2017, (hereinafter jointly referred to as the "Appropriation Acts"), and the "Allocations, Common Application, Waivers, and Alternative Requirements for Community Development Block Grant - Disaster Recovery DEOs", 81 Fed. Reg. 224 (November 21, 2016); 82 Fed. Reg. 11 (January 18, 2017); and 82 Fed. Reg. 150 (August 7, 2017) (hereinafter collectively referred to as the "Federal Register Guidance"), the U.S. Department of Housing and Urban Development (hereinafter referred to as "HUD") has awarded Community Development Block Grant - Disaster Recovery (CDBG-DR) funds to DEO for activities authorized under Title I of the Housing and Community Development Act of 1974 (42 United States Code (U.S.C.) 5301 *et seq.*) and described in the State of Florida Action Plan for Disaster Recovery (hereinafter referred to as the "Action Plan"). DEO is hereinafter referred to from time to time as "Grantee".

WHEREAS, CDBG-DR funds made available for use by the Subrecipient under this Agreement constitute a subaward of the DEO's Federal award, the use of which must be in accordance with requirements imposed by Federal statutes, regulations and the terms and conditions of DEO's Federal award.

WHEREAS, the Subrecipient has legal authority to enter into this Agreement and by signing this Agreement, the Subrecipient represents and warrants to DEO that it will comply with all the requirements of the subaward described herein.

WHEREAS, the aggregate use of CDBG-DR funds shall principally benefit low- and moderate-income persons in a manner that ensures at least 70 percent of the grant amount awarded under this Agreement is expended for activities that benefit such persons.

NOW THEREFORE, DEO and the Subrecipient agree to the following:

(1) Scope of Work. The Scope of Work for this Agreement includes Attachment A, Scope of Work. With respect to Attachment B, Project Budget Detail, and Attachment C, Activity Work Plan, the Subrecipient shall submit to DEO such Attachments in conformity with the current examples attached hereto as necessary and appropriate. Provided further, if there is a disagreement between the Parties, with respect to the formatting and

contents of such attachments, then DEO's decisions with respect to same shall prevail, at DEO's sole and absolute discretion.

(2) Incorporation of Laws, Rules, Regulations and Policies. The Subrecipient agrees to abide by all applicable State and Federal laws, rules and regulations, including but not necessarily limited to, the Federal laws and regulations set forth at 24 CFR 570 and the State's Action Plan.

(3) Period of Agreement. This Agreement begins upon execution by both Parties (effective date) and ends 24 months after execution by DEO, unless otherwise terminated as provided in this Agreement. DEO shall not grant any extension of the Agreement unless the Subrecipient provides justification satisfactory to DEO in its sole discretion, and the Director of DEO's Office of Disaster Recovery approves such extension.

(4) Modification of Agreement. Modifications to this Agreement shall be valid only when executed in writing by the Parties. Any modification request by the Subrecipient constitutes a request to negotiate the terms of this Agreement. DEO may accept or reject any proposed modification based on DEO's sole determination and absolute discretion, that any such acceptance or rejection is in the State's best interest.

(5) Records.

(a) The Subrecipient's performance under this Agreement shall be subject to 2 C.F.R. part 200 – Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.

(b) Representatives of DEO, the Chief Financial Officer of the State of Florida, the Auditor General of the State of Florida, the Florida Office of Program Policy Analysis and Government Accountability, and representatives of the Federal government and their duly authorized representatives shall have access to any of the Subrecipient's books, documents, papers and records, including electronic storage media, as they may relate to this Agreement, for the purposes of conducting audits or examinations or making excerpts or transcriptions.

(c) The Subrecipient shall maintain books, records and documents in accordance with generally accepted accounting procedures and practices which sufficiently and properly reflect all expenditures of funds provided by DEO under this Agreement.

(d) The Subrecipient will provide to DEO all necessary and appropriate financial and compliance audits in accordance with Paragraph (6) titled "Audit Requirements" and Attachments J and K herein and ensure that all related party transactions are disclosed to the auditor.

(e) The Subrecipient shall retain sufficient records to show its compliance with the terms of this Agreement and the compliance of all subrecipients, contractors, subcontractors and consultants paid from funds under this Agreement for a period of six (6) years from the date DEO issues the final closeout for this award. The Subrecipient shall also comply with the provisions of 24 CFR 570.502(a)(7)(ii). The Subrecipient shall further ensure that audit working papers are available upon request for a period of six (6) years from the date DEO issues the final closeout of this Agreement, unless extended in writing by DEO. The six-year period may be extended for the following reasons:

1. Litigation, claim or audit initiated before the six-year period expires or extends beyond the six-year period, in which case the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

2. Records for the disposition of non-expendable personal property valued at \$1,000 or more at the time of acquisition shall be retained for six (6) years after final disposition.

3. Records relating to real property acquired shall be retained for six (6) years after the closing on the transfer of title.

(f) The Subrecipient shall maintain all records and supporting documentation for the Subrecipient and for all contractors, subcontractors and consultants paid from funds provided under this Agreement,

including documentation of all program costs in a form sufficient to determine compliance with the requirements and objectives of the scope of work and all other applicable laws and regulations.

(g) The Subrecipient shall either (i) maintain all funds provided under this Agreement in a separate bank account or (ii) ensure that the Subrecipient's accounting system shall have sufficient internal controls to separately track the expenditure of all funds from this Agreement. Provided further, that the only option available for advanced funds is to maintain such advanced funds in a separate bank account. There shall be no commingling of funds provided under this Agreement with any other funds, projects or programs. DEO may, in its sole discretion, disallow costs made with commingled funds and require reimbursement for such costs as described herein, Subparagraph (21)(e), Repayments.

(h) The Subrecipient, including all of its employees or agents, contractors, subcontractors and consultants to be paid from funds provided under this Agreement, shall allow access to its records at reasonable times to representatives of DEO, the Chief Financial Officer of the State of Florida, the Auditor General of the State of Florida, the Florida Office of Program Policy Analysis and Government Accountability or representatives of the Federal government or their duly authorized representatives. "Reasonable" shall ordinarily mean during normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

(6) Audit Requirements

(a) The Subrecipient shall conduct a single or program-specific audit in accordance with the provisions of 2 C.F.R. part 200 if it expends seven hundred fifty thousand dollars (\$750,000) or more in Federal awards from all sources during its fiscal year.

(b) Within sixty (60) calendar days of the close of the fiscal year, on an annual basis, the Subrecipient shall electronically submit a completed Audit Compliance Certification to audit@deo.myflorida.com, and DEO's grant manager; a blank version of which is attached hereto as Attachment K. The Subrecipient's timely submittal of one completed Audit Compliance Certification for each applicable fiscal year will fulfill this requirement within all agreements (e.g., contracts, grants, memorandums of understanding, memorandums of agreement, economic incentive award agreements, etc.) between DEO and the Subrecipient.

(c) In addition to the submission requirements listed in Attachment J titled "Audit Requirements", the Subrecipient shall send an electronic copy of its audit report to DEO's grant manager for this Agreement by June 30 following the end of each fiscal year in which it had an open CDBG-DR subgrant.

(d) Subrecipient shall also comply with the Federal Audit Clearinghouse rules and directives, including but not limited to the pertinent Report Submissions provisions of 2 CFR 200.512, when such provisions are applicable to this Agreement.

(7) Reports. The Subrecipient shall provide DEO with all reports and information set forth in Attachment G titled "Reports." Both the monthly and quarterly reports, as well as the administrative closeout reports must include the status and progress of the Subrecipient and all subcontractors in completing the work described in the Scope of Work and the expenditure of funds under this Agreement. Upon request by DEO, the Subrecipient shall provide additional program updates or information. If all required reports and copies are not sent to DEO or are not completed in a manner acceptable to DEO, payments may be withheld until the reports are properly completed. DEO may also take other action as stated in Paragraph (12) Remedies or otherwise allowable by law.

(8) Inspections and Monitoring

(a) The Subrecipient shall permit DEO and auditors to have access to the Subrecipient's records and financial statements as DEO determines is necessary for DEO to meet the requirements of 2 C.F.R. part 200.

(b) The Subrecipient must submit to monitoring of its activities by DEO as DEO determines necessary to ensure that the subaward is used for authorized purposes in compliance with Federal statutes, regulations and the terms and conditions of this agreement.

(c) This review must include: (1) reviewing financial and performance reports required by DEO, (2) following-up and ensuring that the Subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Subrecipient from DEO as detected through audits, on-site reviews and other means and (3) issuing a management decision for audit findings pertaining to this Federal award provided to the Subrecipient from DEO as required by 2 C.F.R. §200.521.

(d) Corrective Actions:

DEO may issue management decisions and may consider taking enforcement actions if noncompliance is detected during audits. DEO may require the Subrecipient to take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Subrecipient from the pass-through entity as detected through audits, on-site reviews and other means. In response to audit deficiencies or other findings of noncompliance with this Agreement, DEO may impose additional conditions on the use of the CDBG-DR funds to ensure future compliance or provide training and technical assistance as needed to correct noncompliance.

(9) Duplication of Benefits. The Subrecipient shall not carry out any of the activities under this Agreement in a manner that results in a prohibited duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1974 (42 U.S.C. 5155 *et seq.*) and described in Appropriations Acts. The Subrecipient must comply with HUD's requirements for duplication of benefits, imposed by the Federal Register Guidance. The Subrecipient shall carry out the activities under this Agreement in compliance with DEO's procedures to prevent duplication of benefits. Subrecipient shall sign a Subrogation Agreement (See Attachment M).

(10) Liability.

(a) If the Subrecipient is a state agency or subdivision, as defined in Section 768.28(2), F.S., pursuant to Section 768.28(19), F.S., neither Party indemnifies nor insures or assumes any liability for the other Party for the other Party's negligence.

(b) The Subrecipient further agrees to assume sole responsibility, training and oversight of the parties it deals with or employs to carry out the terms of this Agreement to the extent set forth in Section 768.28, Florida Statutes. The subrecipient shall hold DEO harmless against all claims of whatever nature arises from the work and services performed by third parties under this Agreement. Nothing herein shall be construed as consent by the Subrecipient to be sued by third parties in any matter arising out of any agreement, contract or subcontract.

(c) If the Subrecipient is a state agency or subdivision, as defined in Section 768.28, F.S., then the Subrecipient agrees to be fully responsible for its negligent or tortious acts or omissions, which result in claims or suits against DEO. The subrecipient agrees to be liable for any damages proximately caused by the acts or omissions to the extent set forth in Section 768.28, F.S. Nothing herein shall be construed as consent by a state agency or subdivision of the State of Florida to be sued by third parties in any matter arising out of any agreement, contract or subcontract.

(d) Nothing herein is intended to serve as a waiver of sovereign immunity by DEO or the Subrecipient.

(11) Events of Default. If any of the following events occur ("Events of Default"), DEO may, in its sole and absolute discretion, elect to terminate any obligation to make any further payment of funds, exercise any of the remedies set forth in Paragraph (12) Remedies or pursue any remedy at law or in equity, without limitation:

(a) Any warranty or representation made by the Subrecipient, in this Agreement or any previous agreement with DEO, is or becomes false or misleading in any respect, or if the Subrecipient fails to keep or

perform any of the obligations, terms, or covenants in this Agreement or any previous agreement with DEO, and/or has not cured them in timely fashion and/or is unable or unwilling to meet its obligations under this Agreement and/or as required by statute, rule, or regulation;

(b) Any material adverse change occurs in the financial condition of the Subrecipient at any time during the term of this Agreement and the Subrecipient fails to cure this adverse change within thirty (30) calendar days from the date written notice is sent by DEO;

(c) The Subrecipient fails to submit any required report or submits any required report with incorrect, incomplete or insufficient information or fails to submit additional information as requested by DEO;

(d) The Subrecipient fails to perform or timely complete any of its obligations under this Agreement, including participating in DEO's Implementation Workshop.

The Parties agree that in the event DEO elects to make payments or partial payments after any Events of Default, it does so without waiving the right to exercise any remedies allowable herein or at law and without becoming liable to make any further payment.

(e) Neither Party shall be liable to the other for any delay or failure to perform under this Agreement if such delay or failure is neither the fault nor the negligence of the Party or its employees or agents and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Party's control or for any of the foregoing that affects subcontractors or suppliers if no alternate source of supply is available. However, in the event of delay from the foregoing causes, the Party shall take all reasonable measures to mitigate any and all resulting delay or disruption in the Party's performance obligation under this Agreement. If the delay is excusable under this paragraph, the delay will not result in any additional charge or cost under the Agreement to either Party. In the case of any delay the Subrecipient believes is excusable under this paragraph, Subrecipient shall notify DEO in writing of the delay or potential delay and describe the cause of the delay either: (1) within ten (10) calendar days after the cause that creates or will create the delay first arose, if Subrecipient could reasonably foresee that a delay could occur as a result or (2) within five (5) calendar days after the date Subrecipient first had reason to believe that a delay could result, if the delay is not reasonably foreseeable. **THE FOREGOING SHALL CONSTITUTE SUBRECIPIENT'S SOLE REMEDY OR EXCUSE WITH RESPECT TO DELAY.** Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. DEO, in its sole discretion, will determine if the delay is excusable under this paragraph and will notify Subrecipient of its decision in writing. No claim for damages, other than an extension of time, shall be asserted against DEO. Subrecipient shall not be entitled to an increase in the Agreement price or payment of any kind from DEO for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency arising because of delay, disruption, interference or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist, Subrecipient shall perform at no increased cost, unless DEO determines, in its sole discretion, that the delay will significantly impair the value of the Agreement to DEO or the State, in which case, DEO may do any or all of the following: (1) accept allocated performance or deliveries from Subrecipient, provided that Subrecipient grants preferential treatment to DEO with respect to products or services subjected to allocation; (2) purchase from other sources (without recourse to and by Subrecipient for the related costs and expenses) to replace all or part of the products or services that are the subject of the delay, which purchases may be deducted from the Agreement quantity or (3) terminate the Agreement in whole or in part.

(12) Remedies. If an Event of Default occurs, DEO shall provide thirty (30) calendar days written notice to the Subrecipient and if the Subrecipient fails to cure within those thirty (30) calendar days DEO may choose to exercise one or more of the following remedies, either concurrently or consecutively:

(a) Terminate this Agreement upon twenty-four (24) hour written notice by DEO sent in conformity with Paragraph (16) Notice and Contact;

- (b) Begin any appropriate legal or equitable action to enforce performance of this Agreement;
- (c) Withhold or suspend payment of all or any part of a request for payment;
- (d) Demand that the Subrecipient return to DEO any funds used for ineligible activities or unallowable costs under this Agreement or any applicable law, rule or regulation governing the use of the funds; and
- (e) Exercise any corrective or remedial actions, including but not limited to:
 1. Requesting additional information from the Subrecipient to determine the reasons for or the extent of non-compliance or lack of performance;
 2. Issuing a written warning to advise that more serious measures may be taken if the situation is not corrected; and/or
 3. Advising the Subrecipient to suspend, discontinue or refrain from incurring costs for any activities in question.

Pursuit of any of the above remedies does not preclude DEO from pursuing any other remedies in this Agreement or provided at law or in equity. Failure to exercise any right or remedy in this Agreement or failure by DEO to require strict performance does not affect, extend or waive any other right or remedy available or affect the later exercise of the same right or remedy by DEO for any other default by the Subrecipient.

(13) Dispute Resolution. DEO shall decide disputes concerning the performance of the Agreement, document dispute decisions in writing and serve a copy of same on the Subrecipient. All decisions are final and conclusive unless the Subrecipient files a petition for administrative hearing with DEO within twenty-one (21) days from the date of receipt of the decision. Exhaustion of administrative remedies prescribed in Chapter 120, F.S., is an absolute condition precedent to the Subrecipient's ability to pursue any other form of dispute resolution; provided however, that the Parties may mutually agree to employ the alternative dispute resolution procedures outlined in Chapter 120, F.S.

(14) Citizen Complaints. The goal of the State is to provide an opportunity to resolve complaints in a timely manner, usually within fifteen (15) business days as expected by HUD, if practicable, and to provide the right to participate in the process and appeal a decision when there is reason for an applicant to believe its application was not handled according to program policies. All applications, guidelines and websites will include details on the right to file a complaint or appeal and the process for filing a complaint or beginning an appeal.

Applicants are allowed to appeal program decisions related to one of the following activities:

- (a) A program eligibility determination
- (b) A program assistance award calculation and
- (c) A program decision concerning housing unit damage and the resulting program outcome.

Citizens may file a written complaint or appeal through the Office of Disaster Recovery email at CDBG-DR@deo.myflorida.com or submit by postal mail to the following address:

Attention: Office of Disaster Recovery
Florida Department of Economic Opportunity
107 East Madison Street
The Caldwell Building, MSC 160
Tallahassee, Florida 32399

The subrecipient will handle citizen complaints by conducting:

- (a) Investigations as necessary
- (b) Resolution or
- (c) Follow-up actions.

If the complainant is not satisfied by the Subrecipient's determination, then the complainant may file a written appeal by following the instructions issued in the letter of response. If, at the conclusion of the appeals process, the complainant has not been satisfied with the response, a formal complaint may then be addressed directly to the DEO at:

Department of Economic Opportunity
Caldwell Building, MSC-400
107 E Madison Street
Tallahassee, FL 32399

The Florida Office of Disaster Recovery operates in Accordance with the Federal Fair Housing Law (The Fair Housing Amendments Act of 1988). Anyone who feels he or she has been discriminated against may file a complaint of housing discrimination: 1-800-669-9777 (Toll Free), 1-800-927-9275 (TTY) or www.hud.gov/fairhousing.

(15) Termination.

- (a) DEO may suspend or terminate this Agreement for cause upon twenty-four (24) hour written notice, from the date notice is sent by DEO. Cause includes, but is not limited to the Subrecipient's improper or ineffective use of funds provided under this Agreement; fraud; lack of compliance with any applicable rules, regulations, statutes, executive orders, HUD guidelines, policies, directives or laws; failure, for any reason, to timely and/or properly perform any of the Subrecipient's obligations under this Agreement; submission of reports that are incorrect or incomplete in any material respect and refusal to permit public access to any document, paper, letter or other material subject to disclosure under law, including Chapter 119, F.S., as amended. The aforementioned reasons for Termination are listed in the immediately preceding sentence for illustration purposes but are not limiting DEO's sole and absolute discretion with respect to DEO's right to terminate this Agreement. In the event of suspension or termination, the Subrecipient shall not be entitled to recover any cancellation charges or unreimbursed costs.
- (b) DEO may unilaterally terminate this Agreement, in whole or in part, for convenience by providing the Subrecipient fourteen (14) days written notice from the date notice is sent by DEO, setting forth the reasons for such termination, the effective date and, in the case of partial termination, the portion to be terminated. However, if in the case of partial termination, DEO determines that the remaining portion of the award will not accomplish the purpose for which the award was made, DEO may terminate the portion of the award which will not accomplish the purpose for which the award was made. The Subrecipient shall continue to perform any work not terminated. In the event of termination for convenience, the Subrecipient shall not be entitled to recover any cancellation charges or unreimbursed costs for the terminated portion of work.
- (c) The Parties may terminate this Agreement for their mutual convenience in writing, in the manner agreed upon by the Parties, which must include the effective date of the termination.
- (d) In the event that this Agreement is terminated, the Subrecipient shall not incur new obligations under the terminated portion of the Agreement after the date the Subrecipient has received the notification of

termination. The Subrecipient shall cancel as many outstanding obligations as possible. DEO shall disallow all costs incurred after the Subrecipient's receipt of the termination notice. The Subrecipient shall not be relieved of liability to DEO because of any breach of the Agreement by the Subrecipient. DEO may, to the extent authorized by law, withhold payments to the Subrecipient for the purpose of set-off until the exact amount of damages due to DEO from the Subrecipient is determined.

- (e) Upon expiration or termination of this Agreement the Subrecipient shall transfer to DEO any CDBG-DR funds on hand at the time of expiration or termination and any accounts receivable attributable to the use of CDBG-DR funds.
- (f) Upon expiration or termination of this Agreement, the Subrecipient shall follow the agreement closeout procedures set forth in rule 73C- 23.0051 (5), FAC
- (g) Any real property under Subrecipient's control that was acquired or improved in whole or in part with CDBG-DR funds (including CDBG-DR funds provided to the subrecipient in the form of a loan) in excess of \$25,000 must either:
 1. Be used to meet a national objective until five years after expiration or termination of this Agreement, unless otherwise agreed upon by the Parties, or except as otherwise set forth herein; or
 2. If not used to meet a national objective, Subrecipient shall pay to DEO an amount equal to the current market value of the property less any portion of the value attributable to expenditures of non-CDBG-DR funds for the acquisition or improvement of the property for five years after expiration or termination of this Agreement.
- (h) The rights and remedies under this clause are in addition to any other rights or remedies provided by law or under this Agreement.

(16) Notice and Contact.

- (a) All notices provided under or pursuant to this Agreement shall be in writing, either by hand delivery, first class or certified mail with return receipt requested, to the representative identified below at the address set forth below or said notification attached to the original of this Agreement.
- (b) The name and address of DEO's Grant Manager for this Agreement is:

Joshua Bradt
107 East Madison Street - MSC 160
Tallahassee, Florida 32399-6508
(850) 717-8436
(850) 921-3117
joshua.bradt@deo.myflorida.com

- (c) The name and address of the Local Government Project Contact for this Agreement is:

George Garrett
9805 Overseas Highway
Marathon, FL 33050
Phone: 305-289-4111
Fax:
Email: garrettg@ci.marathon.fl.us

- (d) If different representatives or addresses are designated by either Party after execution of this Agreement, notice of the name, title and address of the new representative will be provided as stated in Paragraph (16) above.

(17) Contracts. If the Subrecipient contracts any of the work required under this Agreement, a copy of the proposed contract template and any proposed amendments, extensions, revisions or other changes thereto, must be forwarded to DEO for prior written approval. For each contract, the Subrecipient shall report to DEO as to whether that contractor or any subcontractors hired by the contractor, is a minority vendor, as defined in Section 288.703, F.S. The Subrecipient shall comply with the procurement standards in 2 C.F.R. §200.318 - §200.326 when procuring property and services under this Agreement (refer to Attachment D).

The Subrecipient shall include the following terms and conditions in any contract pertaining to the work required under this Agreement:

- (a) the period of performance or date of completion;
- (b) the performance requirements;
- (c) that the contractor is bound by the terms of this Agreement;
- (d) that the contractor is bound by all applicable State and Federal laws, rules, and regulations;
- (e) that the contractor shall hold DEO and the Subrecipient harmless against all claims of whatever nature arising out of the contractor's performance of work under this Agreement;
- (f) the obligation of the Subrecipient to document in Subrecipient's reports the contractor's progress in performing its work under this Agreement;
- (g) the requirements of 2 CFR Appendix II to Part 200 – Contract Provision for Non-Federal Entity Contract Under Federal Awards – (refer to Attachment L)

The Subrecipient must comply with CDBG regulations regarding debarred or suspended entities (24 C.F.R. 570.489(l)), pursuant to which CDBG funds must not be provided to excluded or disqualified persons and provisions addressing bid, payment, performance bonds, if applicable, and liquidated damages.

The Subrecipient must ensure all contracts and agreements clearly state the period of performance or date of completion and incorporate performance requirements.

The Subrecipient shall maintain oversight of all activities performed under this Agreement and shall ensure that its contractors perform according to the terms and conditions of the procured contracts or agreements and the terms and conditions of this Agreement.

(18) Terms and Conditions. This Agreement contains all the terms and conditions agreed upon by the Parties. There are no provisions, terms, conditions, or obligations other than those contained in this Agreement; and this Agreement supersedes all previous understandings. No waiver by DEO may be effective unless made in writing by an authorized DEO official

(19) Attachments.

- (a) If any inconsistencies or conflict between the language of this Agreement and the attachments arise, the language of the attachments shall control, but only to the extent of the conflict or inconsistency.
- (b) This Agreement contains the following attachments:
 - Attachment A – Scope of Work
 - Attachment B – Project Detail Budget (Example)
 - Attachment C – Activity Work Plan (Example)
 - Attachment D – Program and Special Conditions
 - Attachment E – State and Federal Statutes, Regulations and Policies
 - Attachment F – Civil Rights Compliance
 - Attachment G – Reports
 - Attachment H – Warranties and Representations

Attachment I – Audit Requirements
Exhibit 1 to Attachment I – Funding Sources
Attachment J – Audit Compliance Certification
Attachment K – SERA Access Authorization Form
Attachment L - 2 CFR Appendix II to Part 200
Attachment M – Subrogation Agreement

(20) Funding/Consideration.

(a) The funding for this Agreement shall not exceed \$5,000,000.00 subject to the availability of funds. The State of Florida and DEO's performance and obligation to pay under this Agreement is contingent upon annual appropriations by the Legislature and subject to any modification in accordance with Chapter 216, F.S. or the Florida Constitution.

(b) DEO will provide funds to the Subrecipient by issuing a Notice of Subgrant Award/Fund Availability ("NFA") through DEO's financial management information system. Each NFA may contain specific terms, conditions, assurances, restrictions or other instructions applicable to the funds provided by the NFA. By accepting funds made available through an NFA, the Subrecipient agrees to comply with all terms, conditions, assurances, restrictions or other instructions listed in the NFA.

(c) By execution of this Agreement, the Subrecipient certifies that necessary written administrative procedures, processes and fiscal controls are in place for the operation of its CDBG-DR program for which the Subrecipient receives funding from DEO. These written administrative procedures, processes and fiscal controls must, at minimum, comply with applicable state and federal law, rules, regulations, guidance and the terms of this Agreement. The Subrecipient agrees to comply with all the terms and conditions of Attachment D titled "Program and Special Conditions".

(d) The Subrecipient shall expend funds only for allowable costs and eligible activities, in accordance with the Scope of Work.

(e) The Subrecipient shall request all funds in the manner prescribed by DEO. The authorized signatory for the Subrecipient set forth on the SERA Access Authorization Form, Attachment L, to this Agreement, must approve the submission of each Request for Funds ("RF") on behalf of the Subrecipient.

(f) Except as set forth herein, or unless otherwise authorized in writing by DEO, costs incurred for eligible activities or allowable costs prior to the effective date of this Agreement are ineligible for funding with CDBG-DR funds.

(g) If the necessary funds are not available to fund this Agreement as a result of action by the United States Congress, the Federal Office of Management and Budget, the Florida Legislature, the State Chief Financial Officer or under Subparagraph (20)(i), Mandated Conditions of this Agreement, all obligations on the part of DEO to make any further payment of funds will terminate and the Recipient shall submit its administrative closeout report and subgrant agreement closeout package within thirty (30) calendar days from receipt of notice from DEO.

(h) The Subrecipient is ultimately responsible for the administration of this Agreement, including monitoring and oversight of any person or entity retained or hired by the Subrecipient.

(21) Repayments.

(a) The Subrecipient shall only expend funding under this Agreement for allowable costs resulting from obligations incurred during the Agreement period. The Subrecipient shall ensure that its contractors, subcontractors and consultants only expend funding under this Agreement for allowable costs resulting from obligations incurred during the Agreement period.

(b) In accordance with Section 215.971, F.S., the Subrecipient shall refund to DEO any unobligated funds which have been advanced or paid to the Subrecipient.

(c) The Subrecipient shall refund to DEO any funds paid in excess of the amount to which the Subrecipient or its contractors, subcontractors or consultants are entitled under the terms and conditions of this Agreement.

(d) The Subrecipient shall refund to DEO any funds received for an activity if the activity does not meet one of the three National Objectives listed in 24 C.F.R. § 570.483(b), (c) and (d); provided, however, the Subrecipient is not required to repay funds for subgrant administration unless DEO, in its sole discretion, determines the Subrecipient is at fault for the ineligibility of the activity in question.

(e) The Subrecipient shall refund to DEO any funds not spent in accordance with the conditions of this Agreement or applicable law. Such reimbursement shall be sent to DEO, by the Subrecipient, within thirty (30) calendar days from Subrecipient's receipt of notification of such non-compliance.

(f) In accordance with Section 215.34(2), F.S., if a check or other draft is returned to DEO for collection, the Subrecipient shall pay to DEO a service fee of \$15.00 or five percent of the face amount of the returned check or draft, whichever is greater. All refunds or repayments to be made to DEO under this Agreement are to be made payable to the order of "Department of Economic Opportunity" and mailed directly to DEO at the following address:

Department of Economic Opportunity
Community Development Block Grant Programs Cashier
107 East Madison Street – MSC 400
Tallahassee, Florida 32399-6508

(22) Mandated Conditions.

(a) The validity of this Agreement is subject to the truth and accuracy of all the information, representations and materials submitted or provided by the Subrecipient in this Agreement, in any later submission or response to a DEO request or in any submission or response to fulfill the requirements of this Agreement. All of said information, representations and materials are incorporated herein by reference.

(b) This Agreement shall be construed under the laws of the State of Florida and venue for any actions arising out of this Agreement shall be in the Circuit Court of Leon County. The Parties explicitly waive any right to jury trial.

(c) If any provision of this Agreement is in conflict with any applicable statute or rule, or is unenforceable, then that provision shall be null and void only to the extent of the conflict or unenforceability, and that provision shall be severable from and shall not invalidate any other provision of this Agreement.

(d) Any power of approval or disapproval granted to DEO under the terms of this Agreement shall survive the term of this Agreement.

(e) This Agreement may be executed in any number of counterparts, any one of which may be taken as an original.

(f) The Subrecipient shall comply with all applicable local, state and federal laws, including the Americans With Disabilities Act of 1990, as amended; the Florida Civil Rights Act, as amended, Chapter 760, Florida Statutes; Title VII of the Civil Rights Act of 1964, as amended; (P.L. 101-336, 42 U.S.C. § 12101 *et seq.*) and laws which prohibit discrimination by public and private entities on in employment, public accommodations, transportation, state and local government services and telecommunications.

(g) Pursuant to Section 287.133(2)(a), F.S., a person or affiliate, as defined in Section 287.133(1), F.S., who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor or consultant under a contract with any public entity; and may not transact business with any public entity in excess of thirty-five thousand dollars (\$35,000) for a period of thirty-six (36) months following the date of being placed

on the convicted vendor list. By executing this Agreement, the Subrecipient represents and warrants that neither it nor any of its affiliates is currently on the convicted vendor list. The Subrecipient shall disclose if it or any of its affiliates is placed on the convicted vendor list.

(h) Pursuant to Section 287.134(2)(a), F.S., an entity or affiliate, as defined in Section 287.134(1), who has been placed on the discriminatory vendor list may not submit a bid, proposal or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor or consultant under a contract with any public entity; and may not transact business with any public entity. By executing this Agreement, the Subrecipient represents and warrants that neither it nor any of its affiliates is currently on the discriminatory vendor list. The Subrecipient shall disclose if it or any of its affiliates is placed on the discriminatory vendor list.

(i) All bills for fees or other compensation for services or expenses shall be submitted in detail sufficient for a proper pre-audit and post-audit thereof.

(j) Any bills for travel expenses shall be submitted and reimbursed in accordance with Section 112.061, F.S., the rules promulgated thereunder and 2 C.F.R. § 200.474.

(k) If the Subrecipient is allowed to temporarily invest any advances of funds under this Agreement, any interest income shall either be returned to DEO or be applied against DEO's obligation to pay the Agreement award amount.

(l) The Subrecipient hereby acknowledges that the Subrecipient is subject to Florida's Government in the Sunshine Law (Section 286.011, F.S.) with respect to the meetings of the Subrecipient's governing board or the meetings of any subcommittee making recommendations to the governing board. The Subrecipient hereby agrees that all such aforementioned meetings shall be publicly noticed, open to the public and the minutes of all the meetings shall be public records made available to the public in accordance with Chapter 119, F.S.

(m) The Subrecipient shall comply with section 519 of P. L. 101-144, the Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1990; and section 906 of P.L. 101-625, the Cranston-Gonzalez National Affordable Housing Act, 1990, by having, or adopting within ninety (90) days of execution of this Agreement, and enforcing, the following:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

(23) Lobbying Prohibition.

(a) No funds or other resources received from DEO under this Agreement may be used directly or indirectly to influence legislation or any other official action by the Florida Legislature or any state agency.

(b) The Subrecipient certifies, by its signature to this Agreement, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement;

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the Subrecipient shall complete and

submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

3. The Subrecipient shall require that this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose as described in this Paragraph (22), above. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. § 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than ten thousand dollars (\$10,000) and not more than one hundred thousand dollars (\$100,000) for each such failure.

(24) Copyright, Patent and Trademark.

Any and all patent rights accruing under or in connection with the performance of this Agreement are hereby reserved to the State of Florida. Any and all copyrights accruing under or in connection with the performance of this Agreement are hereby transferred by the Subrecipient to the State of Florida.

(a) If the Subrecipient has a pre-existing patent or copyright, the Subrecipient shall retain all rights and entitlements to that pre-existing patent or copyright unless the Agreement provides otherwise.

(b) If any discovery or invention is developed in the course of or as a result of work or services performed under this Agreement or in any way connected with it, the Subrecipient shall refer the discovery or invention to DEO for a determination whether the State of Florida will seek patent protection in its name. Any patent rights accruing under or in connection with the performance of this Agreement are reserved to the State of Florida. If any books, manuals, films or other copyrightable material are produced, the Subrecipient shall notify DEO. Any copyrights accruing under or in connection with the performance under this Agreement are transferred by the Subrecipient to the State of Florida.

(c) Within thirty (30) calendar days of execution of this Agreement, the Subrecipient shall disclose all intellectual properties relating to the performance of this Agreement which he or she knows or should know could give rise to a patent or copyright. The Subrecipient shall retain all rights and entitlements to any pre-existing intellectual property which is so disclosed. Failure to disclose will indicate that no such property exists, and DEO shall have the right to all patents and copyrights which accrue during performance of the Agreement.

(25) Legal Authorization.

(a) The Subrecipient certifies that it has the legal authority to receive the funds under this Agreement and that its governing body has authorized the execution and acceptance of this Agreement. The Subrecipient certifies that the undersigned person has the authority to legally execute and bind the Subrecipient to the terms of this Agreement. DEO may, at its discretion, request documentation evidencing the undersigned has authority to bind the Subrecipient to this Agreement as of the date of execution; any such documentation is incorporated herein by reference.

(b) The Subrecipient warrants that, to the best of its knowledge, there is no pending or threatened action, proceeding, investigation or any other legal or financial condition that would in any way prohibit, restrain or diminish the Subrecipient's ability to satisfy its Agreement obligations. The Subrecipient shall immediately notify DEO in writing if its ability to perform is compromised in any manner during the term of the Agreement.

(26) Public Record Responsibilities.

(a) In addition to the Subrecipient's responsibility to directly respond to each request it receives for records, in conjunction with this Agreement and to provide the applicable public records in response to

such request, the Subrecipient shall notify DEO of the receipt and content of all such requests by sending an email to PRRequest@deo.nyflorida.com within one (1) business day from receipt of the request.

(b) The Subrecipient shall keep and maintain public records required by DEO to perform the Subrecipient's responsibilities hereunder. The Subrecipient shall, upon request from DEO's custodian of public records, provide DEO with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided by Chapter 119, F.S., or as otherwise provided by law. The Subrecipient shall allow public access to all documents, papers, letters or other materials made or received by the Subrecipient in conjunction with this Agreement, unless the records are exempt from Article I, Section 24(a) of the Florida Constitution and Section 119.07(1), F.S. For records made or received by the Subrecipient in conjunction with this Agreement, the Subrecipient shall respond to requests to inspect or copy such records in accordance with Chapter 119, F.S. For all such requests for records that are public records, as public records are defined in Section 119.011, F.S., the Subrecipient shall be responsible for providing such public records per the cost structure provided in Chapter 119, F.S., and in accordance with all other requirements of Chapter 119, F.S., or as otherwise provided by law.

(c) This Agreement may be terminated by DEO for refusal by the Subrecipient to comply with Florida's public records laws or to allow public access to any public record made or received by the Subrecipient in conjunction with this Agreement.

(d) If, for purposes of this Agreement, the Subrecipient is a "contractor" as defined in Section 119.0701(1)(a), F.S. ("Subrecipient-contractor"), the Subrecipient-contractor shall transfer to DEO, at no cost to DEO, all public records upon completion including termination, of this Agreement or keep and maintain public records required by DEO to perform the service. If the Subrecipient-contractor transfers all public records to the public agency upon completion of the Agreement, the Subrecipient-contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Subrecipient-contractor keeps and maintains public records upon completion of the Agreement, the Subrecipient-contractor shall meet all applicable requirements for retaining public records in accordance with Chapters 119 and 257, F.S. All records stored electronically must be provided to DEO, upon request from DEO's custodian of public records, in a format that is compatible with the information technology systems of DEO.

(e) If DEO does not possess a record requested through a public records request, DEO shall notify the Subrecipient-contractor of the request as soon as practicable, and the Subrecipient-contractor must provide the records to DEO or allow the records to be inspected or copied within a reasonable time. If the Subrecipient-contractor does not comply with DEO's request for records, DEO shall enforce the provisions set forth in this Agreement. A Subrecipient-contractor who fails to provide public records to DEO within a reasonable time may be subject to penalties under Section 119.10, F.S.

(f) The Subrecipient shall notify DEO verbally within twenty-four (24) chronological hours and in writing within seventy-two (72) chronological hours if any data in the Subrecipient's possession related to this Agreement is subpoenaed or improperly used, copied or removed (except in the ordinary course of business) by anyone except an authorized representative of DEO. The Subrecipient shall cooperate with DEO, in taking all steps as DEO deems advisable, to prevent misuse, regain possession or otherwise protect the State's rights and the data subject's privacy.

(g) The Subrecipient acknowledges that DEO is subject to the provisions of Chapter 119, F.S., relating to public records and that reports, invoices and other documents the Subrecipient submits to DEO under this Agreement constitute public records under Florida Statutes. The Subrecipient shall cooperate with DEO regarding DEO's efforts to comply with the requirements of Chapter 119, F.S.

(h) If the Subrecipient submits records to DEO that are confidential and exempt from public disclosure as trade secrets or proprietary confidential business information, such records should be identified as such by the Subrecipient prior to submittal to DEO. Failure to identify the legal basis for

each exemption from the requirements of Chapter 119, F.S., prior to submittal of the record to DEO serves as the Subrecipient's waiver of a claim of exemption. The Subrecipient shall ensure public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and following completion of the Agreement if the Subrecipient-contractor does not transfer the records to DEO upon completion, including termination, of the Agreement.

(i) IF SUBRECIPIENT-CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE SUBRECIPIENT-CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS by telephone at 850-245-7140, via email at PRRequest@deo.myflorida.com, or by mail at Department of Economic Opportunity, Public Records Coordinator, 107 East Madison Street, Caldwell Building, Tallahassee, Florida 32399-4128.

(j) To the extent allowable by law, the Subrecipient shall be fully liable for the actions of its agents, employees, partners, contractors and subcontractors and shall fully indemnify, defend, and hold harmless the State and DEO, and their officers, agents and employees, from suits, actions, damages, and costs of every name and description, including attorneys' fees, arising from or relating to public record requests or public record law violation(s), alleged to be caused in whole or in part by the Subrecipient, its agents, employees, partners, contractors or subcontractors, provided, however, that the Subrecipient does not indemnify for that portion of any costs or damages proximately caused by the negligent act or omission of the State or DEO. DEO, in its sole discretion, has the right, but not the obligation, to enforce this indemnification provision.

(k) DEO does not endorse any Subrecipient, commodity, or service. Subject to Chapter 119, F.S., Subrecipient shall not publicly disseminate any information concerning this Agreement without prior written approval from DEO, including, but not limited to, mentioning this Agreement in a press release or other promotional material, identifying DEO or the State as a reference, or otherwise linking Subrecipient's name and either a description of the Agreement or the name of DEO or the State in any material published, either in print or electronically, to any other entity that is not a Party to this Agreement, except potential or actual employees, agents, representatives or subcontractors with the professional skills necessary to perform the work services required by the Agreement.

(l) The Subrecipient shall comply with the requirements set forth in Section 119.0701, F.S., when entering into any public agency contract for services after the Effective Date of this Agreement. The Subrecipient shall amend each of the Subrecipient's public agency contracts for services already in effect as of the Effective Date of this Agreement and which contract will or may be funded in whole or in part with any public funds. DEO may terminate this Agreement if the Subrecipient does not comply with this provision.

(27) Employment Eligibility Verification.

(a) Executive Order 11-116, signed May 27, 2011, by the Governor of Florida, requires DEO contracts in excess of nominal value to expressly require the Subrecipient to:

1. Utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the Subrecipient during the Agreement term; and,
2. Include in all contracts under this Agreement the requirement that contractors, subcontractors, consultants and subrecipients performing work or providing services pursuant to this

Agreement use the E-Verify system to verify the employment eligibility of all new employees hired by the contractors, subcontractors, consultants and subrecipients during the term of the contract.

(b) The Department of Homeland Security's E-Verify system can be found at:

<http://www.uscis.gov/e-verify>

(c) If the Subrecipient does not have an E-Verify MOU in effect, the Subrecipient must enroll in the E-Verify system prior to hiring any new employee after the effective date of this Agreement.

(28) Program Income.

(a) The Subrecipient shall report to DEO all program income (as defined at 24 C.F.R. § 570.500(a) or in the Federal Register Guidance governing the CDBG-DR funds) generated by activities carried out with CDBG-DR funds made available under this Agreement as part of the Subrecipient's Quarterly Progress Report. The Subrecipient shall use program income in accordance with the applicable requirements of 2 C.F.R. part 200, 24 C.F.R. part 570.504, and the terms of this Agreement.

(b) Program income generated after closeout shall be returned to DEO. Program income generated prior to closeout shall be returned to DEO unless the program income is used to fund additional units of CDBG-DR activities, specified in a modification to this Agreement and duly executed prior to administrative closeout.

(29) National Objectives

All activities funded with CDBG-DR funds must meet the criteria for one of the CDBG program's National Objectives. The Subrecipient certifies that the activities carried out under this Agreement shall meet the following national objectives and satisfy the following criteria:

- (a) Benefit to low- and moderate- income persons;
- (b) Aid in prevention or elimination of slums or blight; and
- (c) Meet a need having particular urgency (referred to as urgent need).

(30) Independent Contractor.

a) In the Subrecipient's performance of its duties and responsibilities under this Agreement, it is mutually understood and agreed that the Subrecipient is at all times acting and performing as an independent contractor. Nothing in this Agreement is intended to or shall be deemed to constitute an employer/employee relationship, partnership or joint venture between the Parties. The Subrecipient shall at all times remain an independent contractor with respect to the services to be performed under this Agreement. Nothing in this Agreement shall be construed to create any agency or employment relationship between DEO and the Subrecipient, its employees, subcontractors or agents. Neither Party shall have any right, power or authority to assume, create or incur any expense, liability or obligation, express or implied, on behalf of the other.

(b) The Subrecipient, its officers, agents, employees, subcontractors or assignees, in performance of this Agreement shall act in the capacity of an independent contractor and not as an officer, employee, agent, joint venturer, or partner of the State of Florida.

(c) Subrecipient shall have sole right to control the manner, method and means by which the services required by this Agreement are performed. DEO shall not be responsible to hire, supervise or pay Subrecipient's employees. Neither the Subrecipient, nor its officers, agents, employees, subcontractors or assignees are entitled to State retirement or State leave benefits, or to any other compensation of State employment as a result of performing the duties and obligations of this Agreement.

(d) The Subrecipient agrees to take such actions as may be necessary to ensure that each subcontractor will be deemed to be an independent contractor and will not be considered or permitted to be an agent, employee, servant, joint venturer or partner of the State of Florida.

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DEO Agreement No.: I0094

(e) Unless justified by the Subrecipient and agreed to by DEO in the Scope of Work, DEO will not furnish services of support (e.g., office space, office supplies, telephone service, secretarial or clerical support) to the Subrecipient or its subcontractor or assignee.

(f) DEO shall not be responsible for withholding taxes with respect to the Subrecipient's use of funds under this Agreement. The Subrecipient shall have no claim against DEO for vacation pay, sick leave, retirement benefits, social security, workers' compensation, health or disability benefits, reemployment assistance benefits or employee benefits of any kind. The Subrecipient shall ensure that its employees, subcontractors and other agents, receive benefits and necessary insurance (health, workers' compensation, reemployment assistance benefits) from an employer other than the State of Florida.

(g) The Subrecipient, at all times during the Agreement, must comply with the reporting and Reemployment Assistance contribution payment requirements of Chapter 443, F.S.

(h) DEO shall not provide any training to Subrecipient, its employees, assigns, agents, representatives or subcontractors in the professional skills necessary to perform the work services required by the Agreement.


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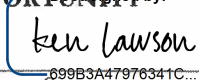
State of Florida
Department of Economic Opportunity
Federally Funded Subrecipient Agreement
Signature Page

IN WITNESS THEREOF, and in consideration of the mutual covenants set forth above and, in the attachments, and exhibits hereto, the Parties executed this Agreement by their duly authorized undersigned officials.

CITY OF MARATHON

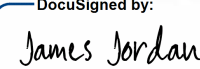
DEPARTMENT OF ECONOMIC OPPORTUNITY

By 
Signature
Steven Cook
Title Mayor
Date 5/13/20
Federal Tax ID # 450984873
DUNS # 148386910

By 
Signature
Ken Lawson
Title Executive Director
Date 6/4/2020

Approved as to form and legal sufficiency, subject only to full and proper execution by the Parties.

OFFICE OF GENERAL COUNSEL
DEPARTMENT OF ECONOMIC OPPORTUNITY

DocuSigned by:

By: 5757EE4917044C9
6/4/2020
Approved Date: _____

Attachment A – Scope of Work

1. Project Description

The U.S. Department of Housing and Urban Development (HUD) allocated Community Development Block Grant Disaster Recovery (CDBG-DR) funds to the State of Florida to be distributed in the Federal Emergency Management Agency (FEMA) declared counties impacted by Hurricane Irma for activities authorized under Title I of the Housing and Community Development Act of 1974 (42 United States Code (U.S.C.) 5301 et seq.) and described in the State of Florida Action Plan for Disaster Recovery.

The city of Marathon has been selected to participate in the Voluntary Home Buyout (VHB) CDBG-DR program. These funds will be used to principally benefit low- and moderate-income persons. Funds will be used to acquire properties that are in Special Flood Hazard Area (SFHA), and in high risk-flood areas to help reduce the impact of future disasters, and to assist property owners relocate outside the threat of flooding with the focus on properties that do not have flood insurance.

There are two options under this grant: The first option is to use the CDBG-DR funding as a leverage to match funding projects that are also eligible for the Hazard Mitigation Grant Program (HMGP) provided by the Federal government. The second option is to work directly with DEO to acquire contiguous parcels of properties of residential areas that meet low- and moderate- income area requirements, and/or assist low-and moderate-income households.

Necessary assistance will be provided in the form of buyout and demolition of existing housing units. Housing units whose occupants qualify as low- to moderate- income (LMI) households will be acquired and demolished in compliance with the local building code and the U.S. Department of Housing and Urban Development's standards outlined in the Federal Register Notices.

Awards to eligible homeowners will be based on the overall level of damage in the proposed buyout area, as determined by condemnation, flood levels and/or status as beyond reasonable repair for each property, and the extent to which the proposed buyout program supports overall flood mitigation plans for the area and community.

2. Subrecipient Responsibilities

A. CDBG-DR Voluntary Home Buyout Policies and Procedures and Implementation

The city of Marathon will conduct the program design and implementation services necessary to mobilize and launch its production implementation systems to support the programs and projects to help people, properties and communities recover from storm related damage due to Hurricane Irma as follows:

1. Complete and submit to DEO within 45 days of agreement execution, a staffing plan for the city of Marathon CDBG-DR Program that includes:
 - a. Organizational chart; and,
 - b. Job descriptions for Subrecipient's employees, contracted staff, vendors, and contractors.
 - c. Scope of work and procurement plan for all contracted staff, vendors, and contractors.

2. Develop and submit a copy of the following policies and procedures to the DEO Agreement Manager within 45 days of agreement execution:
 - a. Procurement policies and procedures that incorporate 2 CFR Part 200.317-326.
 - b. Administrative financial management policies, which must comply with all applicable HUD CDBG-DR and State of Florida rules.
 - c. Quality assurance and quality control system policies and procedures that comply with all applicable HUD CDBG-DR and DEO Policies
 - d. Policies and procedures that at a minimum, include information about the VHB application process, application requirements, underwriting criteria, compliance requirements, and reporting methodology
 - e. Policies and procedures to detect and prevent fraud, waste and abuse that describe how the subrecipient will verify the accuracy of applicant information, monitoring policy indicating how and why monitoring is conducted, the frequency of monitoring, and which items will be monitored, and procedure for referring instances of fraud, waste and abuse to HUD OIG Fraud Hotline (phone: 1-800-347-3735 or email: hotline@hudoig.gov).
 - f. Policies and procedures for the requirements under 2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award.
3. Establish and administer a system of record and production and grants management reporting systems within 45 days of agreement execution.
4. Complete and submit a Project Detail Budget (Attachment B) for approval by DEO no later than 60 days after the execution of the subrecipient agreement.
5. Complete and submit an Activity Work Plan (Attachment C) for approval by DEO no later than 30 days after the execution of the subrecipient agreement.
6. Maintain organized subrecipient agreement files and make them accessible to DEO or its representatives upon request.
7. Comply with all terms and conditions of the subrecipient agreement, Voluntary Home Buyout Program Guidelines and Design, Action Plan, Action Plan Amendments, and Federal, State and local laws.
8. Attend fraud related training by HUD OIG to assist in the proper management of CDBG-DR grant funds when available.
9. Update all applicable VHB policies and procedures as needed and upon DEO request.

10. Complete procurement of all vendors for internal grants management and compliance and direct program and project production, including:
 - a. Selection of vendors, subrecipients, and/or staff that will be responsible for managing applicant intake and related operations, compliance, finance and administration;
 - b. Selection of vendors, subrecipients, and/or staff that will be responsible for managing demolition and/or construction;
 - c. Selection of vendors, subrecipients, and/or staff that will be responsible for managing Land and Structure Buyout; and,
 - d. Selection of vendors, subrecipients, and/or staff that will be responsible for Appraisal, Environmental Review, title services, and legal services.
11. Meet or exceed federal underwriting standards. Subrecipients must establish underwriting criteria that, at a minimum, complies with CDBG underwriting criteria found at 24 CFR 570.209. Project costs must be demonstrated to be reasonable. All other sources of financing must be committed or otherwise unavailable to the applicant. Project costs must be need-based, and documentation must be sufficient to prove that CDBG funds will not supplant non-federal financial funding or support.
12. Include the following statement on all program materials and applications "Warning: Any person who knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729."
13. Ensure all projects seeking assistance under the current CDBG-DR funds for Hurricane Irma, and any future funds allocated for Hurricane Irma, provided by DEO, receive the required Environmental Clearance from DEO prior to the Subrecipient being able to commit CDBG-DR funds.
14. Evaluate each grant applicant for the potential for duplication of benefits and decline any grant amount that would constitute such a duplication.
15. Develop and submit a monthly revised detailed budget measuring the actual cost versus projected cost by the 10th day of the following month.
16. Develop and submit a monthly revised detailed timeline for implementation consistent with the milestones outlined in the VHB program guidelines and report actual progress against the projected progress.
17. Develop and submit both a monthly and quarterly report to DEO by the 10th day of the following month or quarter, that outlines the progress made to date, the projected activities to be completed in the upcoming month or quarter, and any risks or issues identified for the delivery of the project. The reports must include metrics that demonstrate the implementation costs to date with projected spending, and any other information DEO determines is necessary.

18. Obtain approval from DEO and FEMA before conveying ownership.
19. Provide scope of land use in accordance with DEO's direction, prior to closing.
20. Enforce the proper land use according to *83 Fed. Reg. 5863* in perpetuity for a use that is compatible with open space, recreational, or floodplain and wetlands management practices.
21. Enforce and monitor all deed restrictions.
22. Approve the conveying of property and the proper use of land.
23. Utilize a certified appraiser for each property that is eligible to be acquired.
24. Utilize a certified damage inspector to assess damages of each property to assure that damages were caused by Hurricane Irma.
25. The Subrecipient shall adhere to the following deadlines for the project. If the Subrecipient is unable to meet a deadline, the subrecipient shall request an extension of such deadline from DEO in writing no later than thirty (30) business days prior to the deadline. Deadlines shall not be extended outside of the Term of this agreement except by a formal amendment executed in accordance with section (4) Modification of Agreement.

<u>Activity</u>	<u>Deadline</u>
Program Design and Implementation, as outlined in Section 2., B.	9/15/2020
Completion of Homeowner buyout and Incentives, as outlined in Section 2., C.	6/15/2021
Completion of Demolition and Closeout as outlined in Section 2., D.	6/15/2022

B. Deliverable I: Program Design and Implementation

Task 1: Perform Intake for VHB applicants, which shall include the following components:

- Intake application processing
- Phone calls and/or in-person meetings with applicants
- Assist applicants with proper documentation
- Review and analyze submitted documentation
- Analyze for priority, if applicable

Task 2: Perform VHB Eligibility analysis which shall include the following components:

- Perform application authorizations
- Confirming ownership
- Confirming primary residence
- Identify priority status
- Perform damage assessment

- Identify tieback to disaster
- Income Certifications
- National Objectives Determination

Task 3: Perform Duplication of Benefits (DOB) analysis, which shall include the following components:

- Perform FEMA data analysis
- Perform SBA data analysis
- Perform NFIP data analysis
- Perform Private Insurance data analysis
- Perform Non-profits data analysis
- Perform other assistance analysis
- Analyze spent funds
- Verify funds were spent for their intended purpose
- Complete DOB review
- Complete DOB final worksheet

Task 4: Perform the Review and Approval of VHB applicants, which shall include the following components:

- Review applicant files for completeness
- Determine pre-disaster fair market value
- Determine final applicant eligibility/ award amount
- Issue grant award to eligible applicant
- Applicant appeal process

Task 5: Complete the Environmental Review Record (ERR), which shall include the following components:

- Analyze applicant housing to determine proper ERR
- Inspection of property
- Complete tier 1 review
- Complete tier 2 review
- Complete and analyze lead-based paint testing
- Complete and analyze asbestos testing

Task 6: Perform Final Scope and Feasibility assessments, which shall include the following components:

- Revise scope for State Historic Preservation Office (SHPO) requirements
- Revise scope for lead-based paint mitigation
- Revise scope for asbestos mitigation
- Analyze for cost reasonableness and feasibility of the project
- Complete and review final inspection reports

Task 7: Complete the necessary Procurement and Closing activities which shall include the following components:

- Prepare statement of work for contractor bid
- Prepare and advertise procurement documents
- Review and respond to procurement questions
- Revise bid documents if necessary
- Review submissions and select contractor
- Conduct debarment check and contractor licensing
- Award bid
- Review and modify agreement and award amounts
- Closing coordination
- Prepare and receive escrow
- Execute agreement with contractor

C. Deliverable II: Homeowner Buyout and Incentives

Task 1 Complete the Homeowner Buyout and Incentive Program activities which shall include the following components:

- Property Appraisals
- Legal Services
- Conduct Title and lien searches
- Uniform Relocation Act (URA) compliance, when applicable
- Recording fees
- Perform homeowner buyout
- Perform homeowner incentives, if applicable
- Execute closing documents

D. Deliverable III: Demolition and Closeout

Task 1: Complete Demolition activities which shall include the following components:

- Notice to Proceed (NTP)
- Contractor obtains all permits
- Conduct inspections
- Conduct final walkthrough
- Process payments

Task 2: Complete grant agreement Closeout Packages which shall include the following components:

- Complete final inspection report
- Review project files prior to final closeout
- Compile closeout documentation

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3. DELIVERABLES:

The Subrecipient agrees to provide the following services as specified:

Deliverable I	Minimum Level of Service (to submit for request for payment)	Financial Consequences
<p>Project Design and Implementation Subrecipient shall complete an eligible deliverable task as detailed in Attachment A, Section 2., B. Above.</p>	<p>The Subrecipient shall be reimbursed upon completion of a minimum of one deliverable task per housing unit as detailed in Attachment A, Section 2, B., evidenced by invoices(s) noting completed tasks with supporting documentation (such as payroll, invoices from contractors, etc.) as applicable upon the approval from DEO along with the submission of both a monthly report and a quarterly report detailing the work completed in Deliverable I. The completion of the monthly and quarterly reports alone does not meet the minimum level of service required for payment.</p>	<p>Failure to perform the minimum level of service shall result in nonpayment for this deliverable for each payment request.</p>
Deliverable II	Minimum Level of Service (to submit for request for payment)	Financial Consequences
<p>Homeworker Buyout and Incentives Subrecipient shall complete an Eligible deliverable task as detailed in Attachment A, Section 2., C. above</p>	<p>The Subrecipient shall be reimbursed upon completion of a minimum of one project deliverable task as detailed in Attachment A, Section 2. C; evidenced by invoices(s) noting completed tasks with supporting documentation (such as payroll, invoices from contractors, etc.) as applicable upon the approval from DEO and along with the submission of both a monthly and quarterly report detailing the work completed in Deliverable II. The completion of the monthly and quarterly reports alone does not meet the minimum level of service required for payment.</p>	<p>Failure to perform the minimum level of service shall result in nonpayment for this deliverable for each payment request.</p>
Deliverable III	Minimum Level of Service (to submit for request for payment)	Financial Consequences
<p>Demolition and Closeout Subrecipient shall complete an Eligible deliverable task as detailed in Attachment A, Section 2., D. above</p>	<p>The Subrecipient shall be reimbursed upon completion of a minimum of one project deliverable task as detailed in Attachment A, Section 2. D; evidenced by invoices(s) noting completed tasks with supporting documentation (such as payroll, invoices from contractors, etc.) as applicable upon the</p>	<p>Failure to perform the minimum level of service shall result in nonpayment for this deliverable for each payment request.</p>

	<p>approval from DEO and along with the submission of both a monthly and quarterly report detailing the work completed in Deliverable III. The completion of the monthly and quarterly reports alone does not meet the minimum level of service required for payment.</p> <p>The Subrecipient shall be reimbursed upon completion of a minimum of 100 percent of the demolition activities for each project; evidenced by the final inspection of the site after the activities have been completed, signed by the contractor, certified by the housing specialist or building inspector for the project</p>	
TOTAL AWARD NOT TO EXCEED \$5,000,000.00		

4. DEO Responsibilities:

DEO shall receive and review the Deliverables and, upon DEO's acceptance of the Deliverables and receipt of the Subrecipient's pertinent invoices in compliance with the invoice procedures of this Agreement, DEO shall process payment to the Subrecipient in accordance with the terms and conditions of this Agreement.

DEO will administer and oversee the jurisdiction in which the program applies. DEO will be responsible for the following:

1. Provide the Voluntary Home Buyout Program Guidelines and Design, Action Plan, and Action Plan Amendments to the Subrecipient.
2. Provide updates of policies and procedures to the Subrecipient.
3. Approve the outreach campaign established by the Subrecipient that will target homeowners impacted by Hurricane Irma.
4. Approve the application process, application requirements, compliance requirements, and reporting methodology provided by the Subrecipient.
5. Review the detailed budget and measure actual cost versus projected cost on a monthly basis.
6. Review the progress made to date, the projected activities to be completed in the upcoming month, and any risks or issues identified for the delivery of the project as reported in the subrecipients required monthly and quarterly report.

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Attachment B – Project Budget Detail (Example)

Subrecipient: _____ Contract Number: _____ Modification Number: _____

Activity/Project		National Objective			Beneficiaries					Budget			
Activity	Description	LMI	Slum & Blight	Urgent Need	VLI	LI	MI	Non-LMI	Total	CDBG-DR Amount	Other Funds	Source*	Total Funds
1. Land & Structure Buyout													
	Appraisal												
	Environmental Review												
	Legal Services												
	Title Services												
	Inspection												
	Permitting												
2. Demolition													
3. Audit & Closeout													
4. Administration													
	Application Development												
	Policies & Procedures Development												
	Develop Underwriting Criteria												
	Implement Public Outreach												

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Relocation Activities																					
Reporting																					
	Totals:																				

*Show the sources and amounts of Other Funds needed to complete the project below, including local funds, grants from other agencies and program income.

Source of Other Funds		Amount
1.	Leveraged Funding	
2.	Match	
3.		
4.		

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Attachment C – Activity Work Plan (Example)

Subrecipient _____ Activity: _____ Project Budget: _____
 Contract Number: _____ Date Prepared: _____ Modification Number: _____

Start Date (month/year)	End Date (month/year)	Describe Proposed Action to be Completed by the "End Date." <i>Examples of Actions: Procure Administrator or Engineer, Complete Environmental Review and Obtain Release of Funds, Request Wage Decision, Complete and Submit Design and Specifications, Advertise for and Open Bids, Issue Notice to Proceed, Construction Completion (33, 66, and 100 percent or 25, 50, 75, and 100 percent), Complete Construction Procurement Process, Advertise Availability of Housing Rehabilitation Funds, Complete Rankings of Homes per HAP, Number of Houses Rehabilitated and Submit Closeout Package to DEO.</i>	Estimated Units to be Completed by the "End Date"	Estimated Funds to be Requested by the "End Date"

Attachment D – Program and Special Conditions

Program Conditions

1. The Subrecipient shall demonstrate that progress is being made in completing project activities in a timely fashion pursuant to the activity work plan. If the Subrecipient does not comply with the activity work plan schedule, a justification for the delay and a plan for timely accomplishment shall be submitted to DEO within 21 calendar days of receiving DEO's request for justification for the delay. Any project for which the Subrecipient has not completed the activities listed in the Activity Work Plan may be rescinded unless DEO agrees that the Subrecipient has provided adequate justification for the delay.
2. The Subrecipient shall maintain records of expenditure of funds from all sources that will allow accurate and ready comparison between the expenditures and the budget/activity line items as defined in the Project Detail Budget and Activity Work Plan.
3. The Subrecipient shall request DEO's approval for all professional services contracts and/or agreements that will be reimbursed with CDBG-DR funds. Copies of the following procurement documents must be provided to DEO for review:
 - a. When publication of a Request for Proposal (RFP) is used as a means of solicitation, a copy of the advertisement, including an affidavit of publication;
 - b. DEO will either approve the procurement or notify the Subrecipient that the procurement cannot be approved because it violates State, Federal or local procurement guidelines. The Subrecipient shall notify DEO in writing no later than 90 calendar days from the effective date of this agreement if it will not be procuring any professional services or if it will be using non-CDBG-DR funds to pay for professional services.
4. Prior to the obligation or disbursement of any funds, except for administrative expenses and not to exceed \$5000, the Subrecipient shall complete the following:
 - a. Submit for DEO's approval the documentation required in paragraph 3 above for any professional services contract. The Subrecipient proceeds at its own risk if more than the specified amount is incurred before DEO approves the procurement. If DEO does not approve the procurement of a professional services contract, the local government will not be able to use CDBG-DR funds for that contract beyond \$5,000.
 - b. Comply with 24 C.F.R. part 58 and the regulations implementing the National Environmental Policy Act, 40 C.F.R. §§ 1500-1508. When the Subrecipient has completed the environmental review process, it shall submit a Request for Release of Funds and Certification. DEO will issue an Authority to Use Grant Funds (form HUD-7015.16) when this condition has been fulfilled to the satisfaction of DEO. If DEO has not issued an Authority to use Grant Funds within 15 days of Subrecipient's submission of the required documentation, DEO shall provide the Subrecipient a written update regarding the status of the review process. **SUBRECIPIENT SHALL NOT BEGIN CONSTRUCTION BEFORE DEO HAS ISSUED THE "AUTHORITY TO USE GRANT FUNDS."**
5. The Subrecipient agrees to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (42 U.S.C. §§ 4601-4655; hereinafter, the "URA"), implementing regulations at 24 C.F.R. part 42, 49 C.F.R. part 24 and 24 C.F.R. § 570.606(b), the requirements of 24 C.F.R. § 42.325 – 42.350 governing the Residential Anti-displacement and Relocation Assistance Plan under

section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. § 5304(d)), and the requirements in 24 C.F.R. § 570.606(d), governing optional relocation assistance policies.

6. If the Subrecipient undertakes any activity subject to the URA, the Subrecipient shall document completion of the acquisition by submitting all documentation required for a desk monitoring of the acquisition, including a notice to property owners of his or her rights under the URA, an invitation to accompany the appraiser, all appraisals, offer to the owner, acceptance, contract for sale, statement of settlement costs, copy of deed, waiver of rights (for donations), as applicable. The documentation shall be submitted prior to completing the acquisition (closing) so that DEO can determine whether remedial action may be needed. The Subrecipient shall provide relocation assistance to displaced persons as defined by 24 C.F.R. § 570.606(b)(2), that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a CDBG-assisted project.
7. Certification Regarding Debarment, Suspension, and Other Responsibility Matters (Primary Covered Transactions); Section 3 Participation Report (Construction Prime Contractor); Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion (Subcontractor), (if applicable); and Section 3 Participation Report (Construction Subcontractor), (if applicable).
8. In addition, each construction contract or agreement for new or replacement housing must contain language that requires the contractor to meet the Green Building Standard for Replacement and New Construction of Residential Housing, as defined in the Allocation notice published in the Federal Register Volume 81, Number 224 on Monday, November 21, 2016.
9. For each Request for Funds (RFF) that includes reimbursement of construction costs, the Subrecipient shall provide a copy of the American Institute of Architects (AIA) form G702, Application and Certification for Payment, or a comparable form approved by DEO, signed by the contractor and inspection engineer, and a copy of form G703, Continuation Sheet, or a comparable form approved by DEO. For each RFF that includes construction costs, the Subrecipient shall provide a copy of AIA form G702, or a comparable form approved by DEO, if applicable, signed by the contractor and the local building inspector or housing specialist and a copy of form G703, or a comparable form approved by DEO, if applicable.
10. For each project, when the Subrecipient issues the Notice to Proceed to the contractor(s), copies of the following documents shall be sent to DEO:
 - a. Notice to Proceed;
 - b. The contractor's performance bond (100 percent of the contract price); and
 - c. The contractor's payment bond (100 percent of the contract price).
11. The Subrecipient shall undertake an activity each quarter to affirmatively further fair housing pursuant to 24 C.F.R. § 570.487(b)(4).
12. The CDBG-DR portion of the cost of post-administrative closeout audits.

13. The Subrecipient shall ensure that a deed restriction is recorded on any real property or facility, excluding easements, acquired with CDBG-DR funds. This restriction shall limit the use of that real property or facility to the use stated in the subgrant application and that title shall remain in the name of the Subrecipient. Such deed restriction shall be made a part of the public records in the Clerk of Court of the county in which the real property is located. Any future disposition of that real property shall be in accordance with 24 C.F.R. § 570.505. Any future change of use of real property shall be in accordance with 24 C.F.R. § 570.489(j).
14. The Subrecipient shall comply with the historic preservation requirements of the National Historic Preservation Act of 1966, as amended, the procedures set forth in 36 C.F.R. part 800, and the Secretary of the Interior's Standards for Rehabilitation, codified at 36 C.F.R. 67, and Guidelines for Rehabilitating Historic Buildings.
15. Pursuant to section 102(b), Public Law 101-235, 42 U.S.C. § 3545, the Subrecipient shall update and submit Form HUD 2880 to DEO within thirty (30) calendar days of the Subrecipient's knowledge of changes in situations which would require that updates be prepared. The Subrecipient must disclose:
 - a. All developers, contractors, consultants and engineers involved in the application or in the planning, development or implementation of the project or CDBG-DR-funded activity; and
 - b. Any person or entity that has a financial interest in the project or activity that exceeds \$50,000 or 10 percent of the grant, whichever is less.
16. If required, the Subrecipient shall submit a final Form HUD 2880, to DEO with the Subrecipient's request for administrative closeout, and its absence or incompleteness shall be cause for rejection of the administrative closeout.
17. Conflicts of interest relating to procurement shall be addressed pursuant to 24 C.F.R. § 570.489(g). Title 24 C.F.R. § 570.489(h) shall apply in all conflicts of interest not governed by 24 C.F.R. § 570.489(g), such as those relating to the acquisition or disposition of real property; CDBG-DR financial assistance to beneficiaries, businesses or other third parties; or any other financial interest, whether real or perceived. Additionally, the Subrecipient agrees to comply with, and this Agreement is subject to, Chapter 112 F.S.
18. Any payment by the Subrecipient using CDBG-DR funds for acquisition of any property, right-of-way, or easement that exceeds fair market value as determined through the appraisal process established in HUD Handbook 1378 shall be approved in writing by DEO prior to distribution of the funds. Should the Recipient fail to obtain DEO pre-approval, any portion of the cost of the acquisition exceeding Fair Market Value shall not be paid or reimbursed with CDBG-DR funds.
19. The Subrecipient shall take photographs or video of all activity locations prior to initiating any construction. As the construction progresses, additional photography or videography shall document the ongoing improvements. Upon completion of construction, final documentation of the activity locations will be provided to DEO with the administrative closeout package for this Agreement.
20. If an activity is designed by an engineer, architect or other licensed professional, it shall be certified upon completion by a licensed professional as meeting the specifications of the design, as may have been amended by change orders. The date of completion of construction shall be noted as part of the certification. This certification shall be accomplished prior to submission of an administrative closeout package and a copy of the certification shall be submitted with the administrative closeout package.

Attachment E – State and Federal Statutes, Regulations, and Policies

The CDBG-DR funds available to the Subrecipient through this agreement constitute a subaward of the DEO's Federal award under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200. This agreement includes terms and conditions of the DEO's Federal award that are imposed on the Subrecipient and the Subrecipient agrees to carry out its obligations in compliance with all of the obligations described in this agreement.

The Subrecipient agrees to, and, by signing this Agreement, certifies that, it will comply with all applicable provisions of the Housing and Community Development Act of 1974, as amended, and the regulations at 24 CFR part 570, as modified by the Federal Register notices that govern the use of CDBG-DR funds available under this agreement. These Federal Register notices include, but are not limited to, Federal Register Guidance (82 FR 5591 & 82 FR 36812 and 81 FR 83254). Notwithstanding the foregoing, (1) the Subrecipient does not assume the any of DEO's responsibilities for environmental review, decision-making and action, described in 24 CFR part 58 and (2) the Subrecipient does not assume any of the DEO's responsibilities for initiating the review process under the provisions of 24 CFR Part 52. The Subrecipient shall also comply with all other applicable Federal, state and local laws, regulations and policies that govern the use of the CDBG-DR funds in complying with its obligations under this agreement, regardless of whether CDBG-DR funds are made available to the Subrecipient on an advance or reimbursement basis.

The Subrecipient also agrees to use funds available under this Agreement to supplement rather than supplant funds otherwise available. The Subrecipient further agrees to comply with all other applicable Federal, State and local laws, regulations and policies governing the funds provided under this Agreement, including, but not limited to the following:

I. State of Florida Requirements

State of Florida Requirements are stated throughout this Agreement and Attachments thereto.

II. Audits, Inspections, and Monitoring

1. Single Audit

The Subrecipient must be audited as required by 2 CFR part 200, subpart F when it is expected that the Subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 Audit requirements.

2. Inspections and Monitoring

The Subrecipient shall permit DEO and auditors to have access to the Subrecipient's records and financial statements as necessary for DEO to meet the requirements of 2 CFR part 200.

The Subrecipient must submit to monitoring of its activities by DEO as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of this Agreement.

This review must include: (1) reviewing financial and performance reports required by the DEO; (2) following-up and ensuring that the Subrecipient takes timely and appropriate action on all deficiencies pertaining to the Federal award provided to the Subrecipient from DEO detected through audits, on-site reviews, and other means; and (3) issuing a management decision for audit findings pertaining to this Federal award provided to the Subrecipient from DEO as required by 2 CFR §200.521.

3. Corrective Actions

The Subrecipient shall be subject to reviews and audits by DEO, including onsite reviews of the Subrecipient as may be necessary or appropriate to meet the requirements of 42 U.S.C. 5304(e)(2). DEO may issue management decisions and may consider taking enforcement actions if noncompliance is detected during audits. DEO may require the Subrecipient to take timely and appropriate action on all deficiencies pertaining to the Federal award provided to the subrecipient from the pass-through entity detected through audits, on-site reviews and other means. In response to audit deficiencies or other findings of noncompliance with this agreement, DEO may impose additional conditions on the use of the CDBG-DR funds to ensure future compliance or provide training and technical assistance as needed to correct noncompliance.

III. Drug-Free Workplace

Drug-free workplace. The Subrecipient must comply with drug-free workplace requirements in Subpart B of part 2429, which adopts the government-wide implementation (2 CFR part 182) of sections 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 701-707).

IV. Procurement and Contractor Oversight

The Subrecipient shall comply with the procurement standards in 2 CFR §200.318 - §200.326 when procuring property and services under this agreement. The Subrecipient shall impose the Subrecipient's obligations under this agreement on its contractors, specifically or by reference, so that such obligations will be binding upon each of its contractors.

The Subrecipient must comply with CDBG regulations regarding debarred or suspended entities at [insert 24 CFR 570.609 or 24 CFR 570.489(l) as appropriate]. CDBG funds may not be provided to excluded or disqualified persons.

The Subrecipient shall maintain oversight of all activities under this agreement and shall ensure that for any procured contract or agreement, its contractors perform according to the terms and conditions of the procured contracts or agreements, and the terms and conditions of this Agreement.

V. Property Standards

Real property acquired by the Subrecipient under this agreement shall be subject to 24 CFR 570.489(j) and 24 CFR 570.200(j). The Subrecipient shall also comply with the Property Standards at 2 CFR 200.310, 2 CFR 200.312, 2 CFR 200.314 through 2 CFR 200.316. The Subrecipient shall also comply with 2 CFR 200.313 Equipment, except that when the equipment is sold, the proceeds shall be program income and equipment not needed by the Subrecipient for activities under this agreement shall be transferred to DEO for its CDBG-DR program or shall be retained after Subrecipient appropriately compensates DEO

The Subrecipient shall also comply with the Property Standards in 2 CFR 200.310 through 2 CFR 200.316, except to the extent they are inconsistent with 24 CFR 570.200(j) and 24 CFR 570.489(j), in which case Subrecipient shall comply with 24 CFR 570.200(j) and 24 CFR 570.489(j), except to the extent that proceeds from the sale of equipment are program income and subject to the program income requirements under this agreement, pursuant to 24 CFR 570.489(e)(1)(ii).

VI. Federal Funding Accountability and Transparency Act (FFATA)

The Subrecipient shall comply with the requirements of 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The Subrecipient must have an active registration in SAM in accordance with 2 CFR part 25, appendix A, and must have a Data Universal Numbering System (DUNS) number. The Subrecipient must also comply with provisions of the Federal Funding Accountability and Transparency Act,

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which includes requirements on executive compensation, 2 CFR part 170 Reporting Subaward and Executive Compensation Information.

VII. Relocation and Real Property Acquisition

The Subrecipient shall comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), 42 USC 4601 – 4655, 49 CFR part 24, 24 CFR part 42, and 24 CFR 570.606. In addition to other URA requirements, these regulations (49 CFR § 24.403(d)) implement Section 414 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 USC § 5181, which provides that "Notwithstanding any other provision of law, no person otherwise eligible for any kind of replacement housing payment under the URA shall be denied such eligibility as a result of his being unable, because of a major disaster as determined by the President, to meet the occupancy requirements set by such Act".

VIII. Nondiscrimination

1. 24 CFR part 6

The Subrecipient will comply with 24 CFR part 6, which implements the provisions of section 109 of title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. 5309). Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion or sex, be excluded from participation in, be denied the benefits of or be subjected to discrimination under any program or activity funded in whole or in part with Federal financial assistance. The Subrecipient will adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) (Age Discrimination Act) and the prohibitions against discrimination on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (Section 504). Section 109 of the HCDA makes these requirements applicable to programs or activities funded in whole or in part with CDBG-DR funds. Thus, the Subrecipient shall comply with regulations of 24 CFR part 8, which implement Section 504 for HUD programs, and the regulations of 24 CFR part 146, which implement the Age Discrimination Act for HUD programs.

2. Architectural Barriers Act and the Americans with Disabilities Act

The Subrecipient shall ensure that its activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act. The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain Federal and Federally funded buildings and other facilities to be designed, constructed or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed or altered with funds allocated or reallocated under this part after December 11, 1995 and meets the definition of "residential structure" as defined in 24 CFR 40.2 or the definition of "building" as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings).

The Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225) (ADA) provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, State and local government services and telecommunications. It further provides that discrimination includes a failure to design and construct facilities for first occupancy no later than January 26, 1993, that are readily accessible to and usable by individuals with disabilities. Further, the ADA requires the removal of architectural barriers and communication barriers that are structural in nature in existing facilities, where such removal is readily achievable—that is, easily accomplishable and able to be carried out without much difficulty or expense.

3. State and Local Nondiscrimination Provisions

The Subrecipient must comply with the Florida Small and Minority Business Assistance Act (§§ 288.703-288.706, F.S.);

Title VI of the Civil Rights Act of 1964 (24 CFR part 1)

(i) General Compliance:

The Subrecipient shall comply with the requirements of Title VI of the Civil Rights Act of 1964 (P.L. 88-352), as amended. No person in the United States shall, on the ground of race, color or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this agreement. The specific nondiscrimination provisions at 24 CFR 1.4 apply to the use of these funds. The Subrecipient shall not intimidate, threaten, coerce or discriminate against any person for the purpose of interfering with any right or privilege secured by title VI of the Civil Rights Act of 1964 or 24 CFR part 1, or because he has made a complaint, testified, assisted or participated in any manner in an investigation, proceeding or hearing under 24 CFR part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 24 CFR part 1, including the conduct of any investigation, hearing or judicial proceeding arising thereunder.

(ii) Assurances and Real Property Covenants:

As a condition to the approval of this Agreement and the extension of any Federal financial assistance, the Subrecipient assures that the program or activities described in this Agreement will be conducted and the housing, accommodations, facilities, services, financial aid or other benefits to be provided will be operated and administered in compliance with all requirements imposed by or pursuant to this part 1.

If the Federal financial assistance under this Agreement is to provide or is in the form of personal property or real property or interest therein or structures thereon, the Subrecipient's assurance herein shall obligate the Subrecipient or, in the case of a subsequent transfer, the transferee, for the period during which the property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits, or for as long as the recipient retains ownership or possession of the property, whichever is longer. In all other cases, the assurance shall obligate the Subrecipient for the period during which Federal financial assistance is extended pursuant to the contract or application. This assurance gives DEO and the United States a right to seek judicial enforcement of the assurance and the requirements on real property.

In the case of real property, structures or improvements thereon, or interests therein, acquired with Federal financial assistance under this Agreement or acquired with CDBG-DR funds and provided to the Subrecipient Under this Agreement, the instrument effecting any disposition by the Subrecipient of such real property, structures or improvements thereon, or interests therein, shall contain a covenant running with the land assuring nondiscrimination for the period during which the real property is used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits. If the Subrecipient receives real property interests or funds or for the acquisition of real property interests under this Agreement, to the extent that rights to space on, over, or under any such property are included as part of the program receiving such assistance, the nondiscrimination requirements of this part 1 shall extend to any facility located wholly or in part in such space.

Affirmative Action

(iii) Approved Plan

The Subrecipient agrees that it shall carry out pursuant to the DEO's specifications an Affirmative Action Program in compliance with the President's Executive Order 11246 of September 24, 1966, as amended, and implementing regulations at 42 CFR 60. DEO shall provide Affirmative Action guidelines to the Subrecipient to assist in the formulation of such program. The Subrecipient shall submit a plan for an Affirmative Action Program for approval prior to the release of funds under this agreement.

(iv) Women- and Minority-Owned Businesses (W/MBF)

The Subrecipient shall take the affirmative steps listed in 2 CFR 200.321(b)(1) through (5) to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible when the Subrecipient procures property or services under this Agreement.

(v) Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(vi) Equal Employment Opportunity and Affirmative Action (EEO/AA) Statement

The Subrecipient shall, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is an Equal Opportunity or Affirmative Action employer.

IX. Labor and Employment

1. Labor Standards

The Subrecipient shall comply with the in labor standards in Section 110 of the Housing and Community Development Act of 1974, as amended and ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this Agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis- Bacon Act, as amended (40 U.S.C. 3141, *et seq.*) and 29 CFR part 1, 3, 5, 6 and 7, provided, that this requirement shall apply to the rehabilitation of residential property only if such property contains not less than 8 units.

The Subrecipient agrees to comply with the Copeland Anti- Kick Back Act (18 U.S.C. 874) and its implementing regulations of the U.S. Department of Labor at 29 CFR part 3 and part 5. The Subrecipient shall maintain documentation that demonstrates compliance with applicable hour and wage requirements. Such documentation shall promptly be made available to DEO for review upon request.

X. Section 3 of the Housing and Urban Development Act of 1968

1. A low-income person, as this term is defined in Section 3 (b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)). Section 3(b)(2) of the 1937 Act defines this term to mean families (including single persons) whose incomes do not exceed 80 per centum of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher and or lower than 80 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of prevailing levels of construction costs or unusually high or low—income families; or (ii) A very low-income person, as this term is defined in Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437 a(b)(2)). Section 3(b)(2) of the 1937 Act (42 U.S.C. 1437a(b)(2)) defines this term to mean families (including single persons) whose incomes do not exceed 50 per centum of the median family income for the area, as determined by the Secretary with adjustments for smaller and larger families, except that the Secretary may establish income ceilings higher or lower than 50 per centum of the median for the area on the basis of the Secretary's findings that such variations are necessary because of unusually high or low family incomes.

2. Compliance

The Subrecipient shall comply with the provisions of Section 3 of the Housing Urban Development Act of 1968, as amended, 12 USC 1701u, and implementing its implementing regulations at 24 CFR part 135. The Subrecipient shall include the following "Section 3 clause" at 24 CFR 135.38 in every "Section 3 covered contract" (as defined in 24 CFR 135.5).

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

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

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

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

E. The Subrecipient will require its contractors to certify any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135. F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

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

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

3. Recipients of HUD federal financial assistance shall meet the following hiring and contract numerical goals to achieve compliance with Section 3 as found at 24 CFR 135.30 (Numerical goals for meeting the greatest extent feasible requirement).

(3) Recipients of Section 3 covered community development assistance, and their contractors and subcontractors (unless the contract or subcontract awards do not meet the threshold specified in Section 135.3(a)(3)) may demonstrate compliance with the requirements of this part by committing to employ Section 3 residents as:

- (i) 10 percent of the aggregate number of new hires for the one-year period beginning in FY 1995;

- (ii) 20 percent of the aggregate number of new hires for the one-year period beginning in 1996; and
- (iii) 30 percent of the aggregate number of new hires for the one-year period beginning in FY 1997 and continuing thereafter.
 - (c) Contracts. Numerical goals set forth in paragraph (c) of this section apply to contracts awarded in connection with all Section 3 covered projects and Section 3 covered activities. Each recipient and contractor and subcontractor (unless the contract or subcontract awards do not meet the threshold specified in Section 135.3(a)(3)) may demonstrate compliance with the requirements of this part by committing to award to Section 3 business concerns:
 - (1) At least 10 percent of the total dollar amount of all Section 3 covered contracts for building trades work for maintenance, repair, modernization or development of public or Indian housing, or for building trades work arising in connection with housing rehabilitation, housing construction and other public construction; and
 - (2) At least three
 - (3) percent of the total dollar amount of all other Section 3 covered contracts.

XI. Conduct

1. Hatch Act

The Subrecipient shall comply with the Hatch Act, 5 USC 1501 – 1508, and shall ensure that no funds provided, nor personnel employed under this agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V of the U.S.C.

Conflict of Interest

In the procurement of supplies, equipment, construction and services pursuant to this agreement, the Subrecipient shall comply with the conflict of interest provisions in the DEO's procurement policies and procedures. In all cases not governed by the conflict of interest provisions in the DEO's procurement policies and procedures, the Subrecipient shall comply with the conflict of interest provisions in 24 CFR 570.489(h).

Lobbying Certification

The Subrecipient hereby certifies that:

- (i) No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan, or cooperative agreement;
- (ii) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
- (iii) The language of paragraph (a) through (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and

contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly; and

- (iv) This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is required by section 1352, title 31, U.S.C. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

XII. Religious Activities

The Subrecipient agrees that funds provided under this agreement shall not be utilized for inherently religious activities prohibited by 24 CFR 570.200(j), such as worship, religious instruction or proselytization.

XIII. Environmental Conditions

1. Prohibition on Choice Limiting Activities Prior to Environmental Review

The Subrecipient must comply with the limitations in 24 CFR 58.22 even though the Subrecipient is not delegated the requirement under Section 104(g) of the HCD Act for environmental review, decision-making and action (see 24 CFR part 58) and is not delegated the DEO's responsibilities for initiating the review process under the provisions of 24 CFR Part 52. 24 CFR 58.22 imposes limitations on activities pending clearance and specifically limits commitments of HUD funds or non-HUD funds by any participant in the development process before completion of the environmental review. A violation of this requirement may result in a prohibition on the use of Federal funds for the activity. If DEO has not issued an Authority to Use Grant Funds within 15 days of Subrecipient's submission of the required documentation, DEO shall provide the Subrecipient a written update regarding the status of the review process.

Air and Water

The Subrecipient shall comply with the following requirements insofar as they apply to the performance of this agreement:

- Air quality. (1) The Clean Air Act (42 U.S.C. 7401 et. seq.) as amended; particularly section 176(c) and (d) (42 U.S.C. 7506(c) and (d)); and (2) Determining Conformity of Federal Actions to State or Federal Implementation Plans (Environmental Protection Agency—40 CFR parts 6, 51, and 93); and
- Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251, *et seq.*, as amended, including the requirements specified in Section 114 and Section 308 of the Federal Water Pollution Control Act, as amended, and all regulations and guidelines issued thereunder.

Flood Disaster Protection

The Subrecipient shall comply with the mandatory flood insurance purchase requirements of Section 102 of the Flood Disaster Protection Act of 1973, as amended by the National Flood Insurance Reform Act of 1994, 42 USC 4012a. Additionally, the Subrecipient shall comply with Section 582 of the National Flood Insurance Reform Act of 1994, as amended, (42 U.S.C. 5154a), which includes a prohibition on the provision of flood disaster assistance, including loan assistance, to a person for repair, replacement or restoration for damage to any personal, residential, or commercial property if that person at any time has received Federal flood disaster assistance that was conditioned on the person first having obtained flood insurance under applicable Federal law and the person has subsequently failed to obtain and maintain flood insurance as required under applicable Federal law on such property. Section 582 also includes a responsibility to notify property owners of their responsibility to notify transferees about mandatory flood purchase requirements. More information about these requirements is available in the Federal Register notices governing the CDBG-DR award and listed at the beginning of this Attachment.

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Lead-Based Paint

The Subrecipient shall follow DEO approved procedures with respect to CDBG assistance that fulfill the objectives and requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821-4846), the Residential Lead-Based Paint Hazard Reduction Act of 1992 (42 U.S.C. 4851-4856), and implementing regulations at part 35, subparts A, B, J, K, and R of this title.

Historic Preservation

The Subrecipient shall comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended, codified in title 54 of the United States Code, and the procedures set forth in 36 CFR part 800 insofar as they apply to the performance of this Agreement.

In general, this requires concurrence from the State Historic Preservation Officer for all rehabilitation and demolition of historic properties that are fifty years old or older or that are included on a Federal, state or local historic property list.

Civil Rights Regulations

As a condition for the receipt of CDBG-DR funds, each Subrecipient must certify that it will abide by the following Federal laws and regulations:

1. Title VI of the Civil Rights Act of 1964 – Prohibits discrimination by government agencies that receive Federal funding;
2. Title VII of the Civil Rights Act of 1964 – prohibits employment discrimination on the basis of race, color, religion, sex or national origin;
3. Title VIII of the Civil Rights Act of 1968 – as amended (the Fair Housing Act of 1988);
4. 24 C.F.R. § 570.487(b) – Affirmatively Furthering Fair Housing;
5. 24 C.F.R. § 570.490(b) – Unit of general local government's record;
6. 24 C.F.R. § 570.606(b) – Relocation assistance for displaced persons at URA levels;
7. Age Discrimination Act of 1975;
8. Executive Order 12892 – Leadership and Coordination of Fair Housing in Federal Programs: Affirmatively Furthering Fair Housing;
9. Section 109 of the Housing and Community Development Act of 1974 – No person shall be excluded from participation in, denied benefits of or subjected to discrimination under any program or activity receiving CDBG-DR funds because of race, color, religion, sex or national origin;
10. Section 504 of the Rehabilitation Act of 1973 and 24 C.F.R. part 8, which prohibits discrimination against people with disabilities;
11. Executive Order 11063 – Equal Opportunity in Housing;
12. Executive Order 11246 – Equal Employment Opportunity; and
13. Section 3 of the Housing and Urban Development Act of 1968, as amended – Employment/Training of Lower Income Residents and Local Business Contracting.

I hereby certify that City of Marathon shall comply with all of the provisions and Federal regulations listed in this attachment.

By:  Date: 02 Jun 20

Name: Steven W. Cook

Title: Mayor/Council mbr.

Equal Employment Opportunity

As a condition for the receipt of CDBG-DR funds, the Subrecipient must certify that it and the contractors, subcontractors, subrecipients and consultants that it hires with CDBG-DR funds will abide by the Equal Employment Opportunity (EEO) Laws of the United States. The Subrecipient shall demonstrate its commitment to abide by the laws through the actions listed below.

Each Subrecipient shall:

- 1) Have in place an equal employment opportunity resolution or ordinance that protects its applicants and employees and the applicants and employees of its contractors, subcontractors, subrecipients and consultants from discrimination in hiring, promotion, discharge, pay, fringe benefits, job training, classification, referral and other aspects of employment, on the basis of race, color, religion, sex, national origin, disability, age or genetics;
- 2) Designate an employee as the EEO Coordinator who is available during regular business hours to receive EEO calls;
- 3) Publish the EEO Coordinator's contact information quarterly in a newspaper of general circulation in the Subrecipient's jurisdiction so that people know who to call to ask EEO questions or register a complaint. Alternatively, the Subrecipient can post the coordinator's contact information throughout the quarter on the home page of its website; and
- 4) Establish a system to record the following for each EEO call:
 - a) The nature of the call,
 - b) The actions taken in response to the call and
 - c) The results of the actions taken;

Each Subrecipient shall maintain a list of certified minority-owned business enterprises (MBE) and women-owned business enterprises (WBE) that operate in its region. The Subrecipient shall use this list to solicit companies to bid on CDBG-DR-funded construction activities and shall provide a copy of the list to the prime contractor(s) to use when it hires subcontractors and consultants. The Department of Management Services maintains a list of certified minority- and women-owned businesses that can be used to develop a local MBE/WBE list at the following website: <https://osd.dms.myflorida.com/directories>.

Section 504 and the Americans with Disabilities Act (ADA)

As a condition for the receipt of CDBG-DR funds, the Subrecipient must certify that it provides access to all federally funded activities to all individuals, regardless of handicap. The Subrecipient shall demonstrate its commitment to abide by the laws through the actions listed below.

The Subrecipient shall:

- 1) Have in place a resolution or ordinance that is designed to eliminate discrimination against any person who:
 - a) Has a physical or mental impairment which substantially limits one or more major life activities,
 - b) Has a record of such an impairment, or
 - c) Is regarded as having such an impairment;
- 2) Designate an employee as the Section 504/ADA Coordinator who is available during regular business hours to receive Section 504/ADA calls;
- 3) Publish the Section 504/ADA Coordinator's contact information quarterly in a newspaper of general circulation in the Subrecipient's jurisdiction so that people know who to call to ask Section 504/ADA questions or register a complaint. Alternatively, the Subrecipient can post the coordinator's contact information throughout the quarter on the home page of its website; and
- 4) Establish a system to record the following for each Section 504/ADA call:
 - a) The nature of the call,
 - b) The actions taken in response to the call and

c) The results of the actions taken.

Section 504 prohibitions against discrimination (see 45 C.F.R. part 84) apply to service availability, accessibility, delivery, employment and the administrative activities and responsibilities of organizations receiving Federal financial assistance. A Subrecipient of Federal financial assistance may not, on the basis of disability:

- Deny qualified individuals the opportunity to participate in or benefit from Federally funded programs, services or other benefits,
- Deny access to programs, services, benefits or opportunities to participate as a result of physical barriers, or
- Deny employment opportunities, including hiring, promotion, training and fringe benefits, for which they are otherwise entitled or qualified.

The ADA regulations (Title II, 28 C.F.R. part 35, and Title III, 28 C.F.R. part 36) prohibit discrimination on the basis of disability in employment, State and local government, public accommodations, commercial facilities, transportation, and telecommunications. To be protected by the ADA, one must have a disability or have a relationship or association with an individual with a disability.

Title II covers all activities of state and local governments regardless of the government entity's size or receipt of Federal funding. Title II requires that State and local governments give people with disabilities an equal opportunity to benefit from all of their programs, services and activities (e.g. public education, employment, transportation, recreation, health care, social services, courts, voting and town meetings). State and local governments are required to follow specific architectural standards in the new construction and alteration of their buildings. They also must relocate programs or otherwise provide access in inaccessible older buildings, and communicate effectively with people who have hearing, vision or speech disabilities.

Title III covers businesses and nonprofit service providers that are public accommodations, privately operated entities offering certain types of courses and examinations, privately operated transportation and commercial facilities. Public accommodations are private entities who own, lease, lease to or operate facilities such as restaurants, retail stores, hotels, movie theaters, private schools, convention centers, doctors' offices, homeless shelters, transportation depots, zoos, funeral homes, day care centers and recreation facilities including sports stadiums and fitness clubs. Transportation services provided by private entities are also covered by Title III.

Section 3 - Economic Opportunities for Low- and Very Low-Income Persons

The Subrecipient shall encourage its contractors to hire qualified low- and moderate-income residents for any job openings that exist on CDBG-DR-funded projects in the community. The Subrecipient and its contractors shall keep records to document the number of low- and moderate-income people who are hired to work on CDBG-DR-funded projects. The number of low- and moderate-income residents who are hired to work on the project shall be reported in the comment section of the quarterly report.

The following clause from 24 C.F.R. § 135.38 is required to be included in CDBG-DR-funded contracts of \$100,000 or more.

Section 3 Clause

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. § 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are Subrecipients of HUD assistance for housing.
- B. The Parties to this contract agree to comply with HUD's regulations in 24 C.F.R. part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. part 135.
- E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. part 135.
- F. Noncompliance with HUD's regulations in 24 C.F.R. part 135 may result in sanctions, termination of this contract for default and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. § 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

Civil Rights Regulations

As a condition for the receipt of CDBG-DR funds, each Subrecipient must certify that it will abide by the following Federal laws and regulations:

1. Title VI of the Civil Rights Act of 1964 – Prohibits discrimination by government agencies that receive Federal funding;
2. Title VII of the Civil Rights Act of 1964 – prohibits employment discrimination on the basis of race, color, religion, sex or national origin;
3. Title VIII of the Civil Rights Act of 1968 – as amended (the Fair Housing Act of 1988);
4. 24 C.F.R. § 570.487(b) – Affirmatively Furthering Fair Housing;
5. 24 C.F.R. § 570.490(b) – Unit of general local government's record;
6. 24 C.F.R. § 570.606(b) – Relocation assistance for displaced persons at URA levels;
7. Age Discrimination Act of 1975;
8. Executive Order 12892 – Leadership and Coordination of Fair Housing in Federal Programs: Affirmatively Furthering Fair Housing;
9. Section 109 of the Housing and Community Development Act of 1974 – No person shall be excluded from participation in, denied benefits of or subjected to discrimination under any program or activity receiving CDBG-DR funds because of race, color, religion, sex or national origin;
10. Section 504 of the Rehabilitation Act of 1973 and 24 C.F.R. part 8, which prohibits discrimination against people with disabilities;
11. Executive Order 11063 – Equal Opportunity in Housing;
12. Executive Order 11246 – Equal Employment Opportunity; and
13. Section 3 of the Housing and Urban Development Act of 1968, as amended – Employment/Training of Lower Income Residents and Local Business Contracting.

I hereby certify that _____ shall comply with all of the provisions and Federal regulations listed in this attachment.

By: _____ Date: _____

Name: _____

Title: _____

Attachment G – Reports

The following reports must be completed and submitted to DEO in the time frame indicated below. Failure to timely file these reports constitutes an Event of Default, as defined in Paragraph (10) Default, of this Agreement.

1. A **Monthly Progress Report** must be submitted to DEO on forms to be provided by DEO ten (10) calendar days after the end of each month.
2. A **Quarterly Progress Report**, must be submitted to DEO on forms to be provided by DEO no later than the tenth day of every April, July, October, and January.
3. A **Contract and Subcontract Activity** form, Form HUD-2516, currently available at <http://www.flrules.org/Gateway/reference.asp?No=Rcf.05360>; which is incorporated herein by reference, must be submitted by April 15 and October 15 each year through the DEO's SERA reporting system. The form must reflect all contractual activity for the period, including Minority Business Enterprise and Woman Business Enterprise participation. If no activity has taken place during the reporting period, the form must indicate "no activity".

The Subrecipient shall closeout its use of the CDBG-DR funds and its obligations under this Agreement by complying with the closeout procedures in 2 CFR § 200.343. Activities during this close-out period may include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances and accounts receivable to DEO) and determining the custodianship of records.

Notwithstanding the terms of 2 CFR 200.343, upon the expiration of this Agreement, the Subrecipient shall transfer to the recipient any CDBG funds on hand at the time of expiration and any accounts receivable attributable to the use of CDBG funds. Further, any real property under the Subrecipient's control that was acquired or improved in whole or in part with CDBG funds (including CDBG funds provided to the Subrecipient in the form of a loan) shall be treated in accordance with 24 CFR 570.503(b)(7).

4. In accordance with 2 C.F.R. part 200, should the Subrecipient meet the threshold for submission of a single or program specific audit, the audit must be conducted in accordance with 2 C.F.R. part 200 and submitted to DEO no later than nine months from the end of the Subrecipient's fiscal year. If the Subrecipient did not meet the audit threshold, an **Audit Certification Memo** must be provided to DEO no later than nine months from the end of the Subrecipient's fiscal year.
5. A copy of the **Audit Compliance Certification** form, Attachment K, must be emailed to audit@deo.myflorida.com within sixty (60) calendar days of the end of each fiscal year in which this subgrant was open.
6. The **Section 3 Summary Report**, form HUD-60002, must be completed and submitted through DEO's SERA reporting system by July 31, annually. The form must be used to report annual accomplishments regarding employment and other economic opportunities provided to persons and businesses that meet Section 3 requirements.

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7. Request for Funds must be submitted as required by DEO and in accordance with the ***Project Description and Deliverables; Project Narrative, Project Budget Detail and Activity Work Plan.***

8. All forms referenced herein are available online or upon request from DEO's grant manager for this Agreement.

Attachment H – Warranties and Representations

Financial Management

The Subrecipient's financial management system must comply with the provisions of 2 C.F.R. part 200 (and particularly 2 C.F.R. 200.302 titled "Financial Management"), Section 218.33, F.S., and include the following:

- (1) Accurate, current and complete disclosure of the financial results of this project or program.
- (2) Records that identify the source and use of funds for all activities. These records shall contain information pertaining to grant awards, authorizations, obligations, unobligated balances, assets, outlays, income and interest.
- (3) Effective control over and accountability for all funds, property and other assets. The Subrecipient shall safeguard all assets and assure that they are used solely for authorized purposes.
- (4) Comparison of expenditures with budget amounts for each Request for Funds (RFF). Whenever appropriate, financial information should be related to performance and unit cost data.
- (5) Written procedures to determine whether costs are allowed and reasonable under the provisions of the 2 C.F.R. part 200 (and particularly 2 C.F.R. 200 Subpart E titled "Costs Principles") and the terms and conditions of this Agreement.
- (6) Cost accounting records that are supported by backup documentation.

Competition

All procurement transactions must follow the provisions of 2 C.F.R. §§ 200.318-200.326 and be conducted in a manner providing full and open competition. The Subrecipient shall be alert to conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, invitations for bids or requests for proposals shall be excluded from competing for such procurements. Awards must be made to the responsible and responsive bidder or offeror whose proposal is most advantageous to the program, considering the price, quality and other factors. Solicitations shall clearly set forth all requirements that the bidder or offeror must fulfill in order for the bid or offer to be evaluated by the Subrecipient. Any and all bids or offers may be rejected if there is a sound, documented reason.

Codes of Conduct

The Subrecipient shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts. No employee, officer or agent shall participate in the selection, award or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict would arise when the employee, officer or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated, has a financial or other interest in a tangible personal benefit from a firm considered for a contract. The officers, employees and agents of the Subrecipient shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or parties to subcontracts. The standards of conduct must provide for disciplinary actions to be applied for violations of the standards by officers, employees or agents of the Subrecipient. (*See* 2 C.F.R. § 200.318(c)(1).)

Business Hours

The Subrecipient shall have its offices open for business, with the entrance door open to the public, and at least one employee on site at all reasonable times for business. "Reasonable" shall be construed according to circumstances, but ordinarily shall mean normal business hours of 8:00 a.m. to 5:00 p.m., local time, Monday through Friday.

Licensing and Permitting

All contractors or employees hired by the Subrecipient shall have all current licenses and permits required for all of the particular work for which they are hired by the Subrecipient.

Attachment I – Audit Requirements

The administration of resources awarded by DEO to the Subrecipient may be subject to audits and/or monitoring by DEO as described in this section.

MONITORING

In addition to reviews of audits conducted in accordance with 2 CFR 200 Subpart F (Audit Requirements) and Section 215.97, F.S., as revised (see “AUDITS” below), monitoring procedures may include, but not be limited to, on-site visits by DEO staff, limited scope audits as defined by 2 CFR part 200, as revised, and/or other procedures. By entering into this Agreement, the Subrecipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by DEO. In the event DEO determines that a limited scope audit of the Subrecipient is appropriate, the Subrecipient agrees to comply with any additional instructions provided by DEO staff to the Subrecipient regarding such audit. The Subrecipient further agrees to comply and cooperate with any inspections, reviews, investigations or audits deemed necessary by the Chief Financial Officer (CFO) or Auditor General.

AUDITS

PART I: FEDERALLY FUNDED

This part is applicable if the Subrecipient is a State or local government or a non-profit organization as defined in 2 CFR 200, as revised.

1. In the event that the Subrecipient expends \$750,000 or more in federal awards in its fiscal year, the Subrecipient must have a single or program-specific audit conducted in accordance with the provisions of 2 CFR 200 Subpart F (Audit Requirements), as revised. In determining the federal awards expended in its fiscal year, the Subrecipient shall consider all sources of federal awards, including federal resources received from DEO. The determination of amounts of federal awards expended should be in accordance with the guidelines established by 2 CFR 200 Subpart F (Audit Requirements), as revised. An audit of the Subrecipient conducted by the Auditor General in accordance with the provisions of 2 CFR 200 Subpart F (Audit Requirements), as revised, will meet the requirements of this part.
2. In connection with the audit requirements addressed in Part I, paragraph 1, the Subrecipient shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR 200 Subpart F (Audit Requirements), as revised.
3. If the Subrecipient expends less than \$750,000 in federal awards in its fiscal year, an audit conducted in accordance with the provisions of 2 CFR 200 Subpart F (Audit Requirements), as revised, is not required. In the event that the Subrecipient expends less than \$750,000 in federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 CFR 200 Subpart F (Audit Requirements), as revised, the cost of the audit must be paid from non-federal resources (i.e., the cost of such an audit must be paid from Subrecipient resources obtained from other than federal entities).
4. Although 2 CFR 200 Subpart F (Audit Requirements) does not apply to commercial (for-profit) organizations, the pass-through entity has an obligation to ensure that for-profit subrecipients that

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expend \$750,000 or more in federal awards must comply with federal awards guidelines (see 2 CFR 200.501(h)). Additionally, for-profit entities may be subject to certain specific audit requirements of individual federal grantor agencies.

Additional Federal Single Audit Act resources can be found at:

<https://harvester.census.gov/facweb/Resources.aspx>

PART II: STATE FUNDED

This part is applicable if the Subrecipient is a non-state entity as defined by Section 215.97(2), F.S.

1. In the event that the Subrecipient expends a total amount of state financial assistance equal to or in excess of \$750,000 in any fiscal year of such Subrecipient, the Subrecipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, F.S.; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. In determining the state financial assistance expended in its fiscal year, the Subrecipient shall consider all sources of state financial assistance, including state financial assistance received from DEO, other state agencies and other non-state entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a non-state entity for federal program matching requirements.
2. In connection with the audit requirements addressed in Part II, paragraph 1, the Subrecipient shall ensure that the audit complies with the requirements of Section 215.97(8), F.S. This includes submission of a financial reporting package as defined by Section 215.97(2), F.S., and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If the Subrecipient expends less than \$750,000 in state financial assistance in its fiscal year, an audit conducted in accordance with the provisions of Section 215.97, F.S., is not required. In the event that the Subrecipient expends less than \$750,000 in state financial assistance in its fiscal year and elects to have an audit conducted in accordance with the provisions of Section 215.97, F.S., the cost of the audit must be paid from the non-state entity's resources (i.e., the cost of such an audit must be paid from the Subrecipient's resources obtained from other than State entities).

Additional information regarding the Florida Single Audit Act can be found at:

<https://apps.fldfs.com/fsaa/>

PART III: OTHER AUDIT REQUIREMENTS

(NOTE: This part would be used to specify any additional audit requirements imposed by the State awarding entity that are solely a matter of that State awarding entity's policy (i.e., the audit is not required by Federal or State laws and is not in conflict with other Federal or State audit requirements). Pursuant to Section 215.97(8), F.S., State agencies may conduct or arrange for audits of state financial assistance that are in addition to audits conducted in accordance with Section 215.97, F.S. In such an event, the State awarding agency must arrange for funding the full cost of such additional audits.)

N/A

PART IV: REPORT SUBMISSION

1. Copies of reporting packages, to include any management letter issued by the auditor, for audits conducted in accordance with 2 CFR 200 Subpart F (Audit Requirements), as revised, and required by PART I of this Exhibit Agreement shall be submitted by or on behalf of the Subrecipient directly to each of the following at the address indicated:
 - A. Department of Economic Opportunity
Financial Monitoring and Accountability (FMA)
The copy submitted to the FMA section should be sent via email to: FMA-RWB@deo.myflorida.com
 - B. The Federal Audit Clearinghouse designated in 2 CFR 200 Subpart F (Audit Requirements), as revised, electronically at: <https://harvester.census.gov/facweb/>
2. Copies of audit reports for audits conducted in accordance with 2 CFR 200 Subpart F (Audit Requirements), as revised, and required by Part I (in correspondence accompanying the audit report, indicate the date that the Subrecipient received the audit report); copies of the reporting package described in Section .512(c), 2 CFR 200 Subpart F (Audit Requirements), as revised, and any management letters issued by the auditor; copies of reports required by Part II of this Exhibit must be sent to DEO at the addresses listed in paragraph three (3) below.
3. Copies of financial reporting packages required by PART II of this Agreement shall be submitted by or on behalf of the Subrecipient directly to each of the following:
 - A. DEO at the following address:

Electronic copies: Audit@deo.myflorida.com
 - B. The Auditor General's Office at the following address:

Auditor General
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-1450

Email Address: flaudgen_localgovt@aud.state.fl.us
4. Any reports, management letter or other information required to be submitted to DEO pursuant to this Agreement shall be submitted timely in accordance with 2 CFR 200 Subpart F, 215.97 F.S., and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.
5. Recipients and subrecipients, when submitting financial reporting packages to DEO for audits done in accordance with Chapter 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit

organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the recipient/subrecipient in correspondence accompanying the reporting package.

PART V: RECORD RETENTION

The Subrecipient shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of six (6) years from the date the audit report is issued, or five (5) state fiscal years after all reporting requirements are satisfied and final payments have been received, whichever period is longer, and shall allow DEO, or its designee, the Chief Financial Officer (CFO) or Auditor General access to such records upon request. In addition, if any litigation, claim, negotiation, audit, or other action involving the records has been started prior to the expiration of the controlling period as identified above, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the controlling period as identified above, whichever is longer. The Subrecipient shall ensure that audit working papers are made available to DEO, or its designee, CFO or Auditor General upon request for a period of five (5) years from the date the audit report is issued, unless extended in writing by DEO.

Exhibit 1 to Attachment I – Funding Sources

Federal Resources Awarded to the Subrecipient Pursuant to this Agreement Consist of the Following:

Federal Awarding Agency: U.S. Department of Housing and Urban Development

Federal Funds Obligated to Subrecipient: \$5,000,000.00

Catalog of Federal Domestic Assistance Title: Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii

Catalog of Federal Domestic Assistance Number: 14.228

Project Description: The purpose of Rebuild Florida’s CDBG-DR Voluntary Home Buyout Program is to acquire properties that are in a Special Flood Hazard Area (SFHA), and in high-risk flood areas to help reduce the impact of future disasters, and to assist property owners to relocate outside the threat of flooding.

This is not a research and development award.

Compliance Requirements Applicable to the Federal Resources Awarded Pursuant to this Agreement are as Follows:

Federal Program

1. The Subrecipient shall perform its obligations in accordance with Sections 290.0401- 290.048, F.S.
2. The Subrecipient shall perform its obligations in accordance with 24 C.F.R. §§ 570.480 – 570.497.
3. The Subrecipient shall perform the obligations as set forth in this Agreement, including any attachments or exhibits thereto.
4. The Subrecipient shall perform the obligations in accordance with chapter 73C-23.0051(1) and (3), F.A.C.
5. The Subrecipient shall be governed by all applicable laws, rules and regulations, including, but not necessarily limited to, those identified in Award Terms & Conditions and Other Instructions of the Subrecipient’s Notice of Subgrant Award/Fund Availability (NFA).

State Resources Awarded to the Subrecipient Pursuant to this Agreement Consist of the Following:

N/A

Matching Resources for Federal Programs: *N/A*

Subject to Section 215.97, Florida Statutes: *N/A*

Compliance Requirements Applicable to State Resources Awarded Pursuant to this Agreement are as Follows: *N/A*

NOTE: Title 2 C.F.R. § 200.331 and Section 215.97(5), F.S., require that the information about Federal Programs and State Projects included in Exhibit 1 and the Notice of Subgrant Award/Fund Availability be provided to the Subrecipient.

Attachment J – Audit Compliance Certification

<i>Email a copy of this form within 60 days of the end of each fiscal year in which this subgrant was open to audit@deo.myflorida.com.</i>	
Subrecipient:	
FEIN:	Subrecipient's Fiscal Year:
Contact Name:	Contact's Phone:
Contact's Email:	
<p>1. Did the Subrecipient expend state financial assistance, during its fiscal year that it received under any agreement (e.g., contract, grant, memorandum of agreement, memorandum of understanding, economic incentive award agreement, etc.) between the Subrecipient and the Department of Economic Opportunity (DEO)? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the above answer is yes, answer the following before proceeding to item 2.</p> <p>Did the Subrecipient expend \$750,000 or more of state financial assistance (from DEO and all other sources of state financial assistance combined) during its fiscal year? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, the Subrecipient certifies that it will timely comply with all applicable State single or project-specific audit requirements of Section 215.97, Florida Statutes and the applicable rules of the Department of Financial Services and the Auditor General.</p>	
<p>2. Did the Subrecipient expend federal awards during its fiscal year that it received under any agreement (e.g., contract, grant, memorandum of agreement, memorandum of understanding, economic incentive award agreement, etc.) between the Subrecipient and DEO? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If the above answer is yes, also answer the following before proceeding to execution of this certification:</p> <p>Did the Subrecipient expend \$750,000 or more in federal awards (from DEO and all other sources of federal awards combined) during its fiscal year? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If yes, the Subrecipient certifies that it will timely comply with all applicable single or program-specific audit requirements of 2 C.F.R. part 200, subpart F, as revised.</p>	
<p>By signing below, I certify, on behalf of the Subrecipient, that the above representations for items 1 and 2 are true and correct.</p>	
Signature of Authorized Representative	Date
Printed Name of Authorized Representative	Title of Authorized Representative

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**Attachment K – Subrecipient Enterprise Resource Application
(SERA) Form**

Current SERA Form will be provided under separate cover.

Attachment L

2 CFR Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

Appendix II to Part 200 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the non-Federal entity under the Federal award must contain provisions covering the following, as applicable.

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by [41 U.S.C. 1908](#), must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be affected and the basis for settlement.

(C) Equal Employment Opportunity. Except as otherwise provided under [41 CFR Part 60](#), all contracts that meet the definition of "federally assisted construction contract" in [41 CFR Part 60-1.3](#) must include the equal opportunity clause provided under [41 CFR 60-1.4\(b\)](#), in accordance with [Executive Order 11246](#), "Equal Employment Opportunity" ([30 FR 12319](#), [12935](#), [3 CFR Part, 1964-1965 Comp.](#), p. 339), as amended by [Executive Order 11375](#), "Amending [Executive Order 11246](#) Relating to Equal Employment Opportunity," and implementing regulations at [41 CFR part 60](#), "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor."

(D) [Davis-Bacon Act](#), as amended ([40 U.S.C. 3141-3148](#)). When required by Federal program legislation, all prime construction contracts in excess of \$2,000 awarded by non-Federal entities must include a provision for compliance with the [Davis-Bacon Act](#) ([40 U.S.C. 3141-3144](#), and [3146-3148](#)) as supplemented by Department of Labor regulations ([29 CFR Part 5](#), "Labor Standards Provisions Applicable to Contracts Covering Federally Financed and Assisted Construction"). In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. In addition, contractors must be required to pay wages not less than once a week. The non-Federal entity must place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation. The decision to award a contract or subcontract must be conditioned upon the acceptance of the wage determination. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency. The contracts must also include a provision for compliance with the Copeland "Anti-Kickback" Act ([40 U.S.C. 3145](#)), as supplemented by Department of Labor regulations ([29 CFR Part 3](#), "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States"). The Act provides that each contractor or subrecipient must be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he or she is otherwise entitled. The non-Federal entity must report all suspected or reported violations to the Federal awarding agency.

(E) [Contract Work Hours and Safety Standards Act](#) ([40 U.S.C. 3701-3708](#)). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with [40 U.S.C.](#)

3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(F) Rights to Inventions Made Under a Contract or Agreement. If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

(G) Clean Air Act (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended - Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding agency and the Regional Office of the Environmental Protection Agency (EPA).

(H) Debarment and Suspension (Executive Orders 12549 and 12689) - A contract award (see 2 CFR 180.220) must not be made to parties listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension." SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

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

(J) See § 200.322 Procurement of recovered materials.

[78 FR 78608, Dec. 26, 2013, as amended at 79 FR 75888, Dec. 19, 2014]

Attachment M

State of Florida Department of Economic Opportunity

Federally-Funded Community Development Block Grant Disaster Recovery (CDBG-DR) Subrogation Agreement

This Subrogation and Assignment Agreement ("Agreement") is made and entered into on this 13 day of May, 2020 by and between City of Marathon (hereinafter referred to as "Subrecipient") and the State of Florida, Department of Economic Opportunity (hereinafter referred to as "DEO").

In consideration of Subrecipient's receipt of funds or the commitment by DEO to evaluate Subrecipient's application for the receipt of funds (collectively, the "Grant Proceeds") under the DEO Community Development Block Grant-Disaster Recovery Program (the "CDBG-DR Program") administered by DEO, Subrecipient hereby assigns to DEO all of Subrecipient's future rights to reimbursement and all payments received from any grant, subsidized loan, lawsuit or insurance policies of any type or coverage or under any reimbursement or relief program related to or administered by the Federal Emergency Management Agency ("FEMA") or the Small Business Administration ("SBA") (singularly, a "Disaster Program" and collectively, the "Disaster Programs") that was the basis of the calculation of Grant Proceeds paid or to be paid to Subrecipient under the CDBG-DR Program and that are determined in the sole discretion of DEO to be a duplication of benefits ("DOB") as provided in this Agreement.

The proceeds or payments referred to in the preceding paragraph, whether they are from insurance, FEMA or the SBA or any other source, and whether or not such amounts are a DOB, shall be referred to herein as "Proceeds," and any Proceeds that are a DOB shall be referred to herein as "DOB Proceeds." Upon receiving any Proceeds, Subrecipient agrees to immediately notify DEO who will determine in its sole discretion if such additional amounts constitute a DOB. If some or all of the Proceeds are determined to be a DOB, the portion that is a DOB shall be paid to DEO, to be retained and/or disbursed as provided in this Agreement. The amount of DOB determined to be paid to DEO shall not exceed the amount received from the CDBG-DR Program.

Subrecipient agrees to assist and cooperate with DEO to pursue any of the claims Subrecipient has against the insurers for reimbursement of DOB Proceeds under any such policies. Subrecipient's assistance and cooperation shall include but shall not be limited to allowing suit to be brought in Subrecipient's name(s) and providing any additional documentation with respect to such consent, giving depositions, providing documents, producing record and other evidence, testifying at trial and any other form of assistance and cooperation reasonably requested by DEO. Subrecipient further agrees to assist

and cooperate in the attainment and collection of any DOB Proceeds that the Subrecipient would be entitled to under any applicable Disaster Program.

If requested by DEO, Subrecipient agrees to execute such further and additional documents and instruments as may be requested to further and better assign to DEO, to the extent of the Grant Proceeds paid to Subrecipient under the CDBG-DR Program, the Policies, any amounts received under the Disaster Programs that are DOB Proceeds and/or any rights thereunder, and to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by DEO to consummate and make effective the purposes of this Agreement.

Subrecipient explicitly allows DEO to request of any company with which Subrecipient held insurance policies, or FEMA or the SBA or any other entity from which Subrecipient has applied for or is receiving Proceeds, any non-public or confidential information determined to be reasonably necessary by DEO to monitor/enforce its interest in the rights assigned to it under this Agreement and give Subrecipient's consent to such company to release said information to DEO.

If Subrecipient (or any lender to which DOB Proceeds are payable to such lender, to the extent permitted by superior loan documents) hereafter receives any DOB Proceeds, Subrecipient agrees to promptly pay such amounts to DEO, if Subrecipient received Grant Proceeds under the CDBG-DR Program in an amount greater than the amount Subrecipient would have received if such DOB Proceeds had been considered in the calculation of Subrecipient's award.

In the event that the Subrecipient receives or is scheduled to receive any subsequent Proceeds, Subrecipient shall pay such subsequent Proceeds directly to DEO, and DEO will determine the amount, if any, of such subsequent Proceeds that are DOB Proceeds ("Subsequent DOB Proceeds"). Subsequent Proceeds in excess of Subsequent DOB Proceeds shall be returned to the Subrecipient. Subsequent DOB Proceeds shall be disbursed as follows:

1. If the Subrecipient has received full payment of the Grant Proceeds, any Subsequent DOB Proceeds shall be retained by DEO.
2. If the Subrecipient has received no payment of the Grant Proceeds, any Subsequent DOB Proceeds shall be used by DEO to reduce payments of the Grant Proceeds to the Subrecipient, and all Subsequent DOB Proceeds shall be returned to the Subrecipient.
3. If the Subrecipient has received a portion of the Grant Proceeds, any Subsequent DOB Proceeds shall be used, retained and/or disbursed in the following order: (A) Subsequent DOB Proceeds shall first be used to reduce the remaining payments of the Grant Proceeds, and Subsequent DOB Proceeds in such amount shall be returned to the Subrecipient; and (B) any remaining Subsequent DOB Proceeds shall be retained by DEO.
4. If DEO makes the determination that the Subrecipient does not qualify to participate in the CDBG-DR Program or the Subrecipient determines not to participate in the CDBG-DR Program, the Subsequent DOB Proceeds shall be returned to the Subrecipient, and this Agreement shall terminate.

Once DEO has recovered an amount equal to the Grant Proceeds paid to Subrecipient, DEO will reassign to Subrecipient any rights assigned to DEO pursuant to this Agreement.

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Subrecipient represents that all statements and representations made by Subrecipient regarding Proceeds received by Subrecipient shall be true and correct as of the date of the signing of this Agreement.


Warning: Any person who intentionally or knowingly makes a false claim or statement to HUD may be subject to civil or criminal penalties under 18 U.S.C. 287, 1001 and 31 U.S.C. 3729.

The person executing this Agreement on behalf of the Subrecipient hereby represents that he\she has received, read, and understands this notice of penalties for making a false claim or statement regarding Proceeds received by Subrecipient.

In any proceeding to enforce this Agreement, DEO shall be entitled to recover all costs of enforcement, including actual attorney's fees.

SUBRECIPIENT

[insert Subrecipient name]

By: 
Name: Steven Cook
Title: Mayor

DEO:

[insert name of administrative entity]

DocuSigned by:

By: Ken Lawson
Name: Ken Lawson
Title: Executive Director