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ABOUT THIS DOCUMENT

Purpose:

The purpose of this Handbook is to assist local State Housing Initiatives Partnership Program (SHIP) Administrators working with Contractors to implement Rehabilitation Programs funded by SHIP.

Description:

This Handbook is a tool to be used by SHIP Administrators, sponsors, and partners as a guide for selecting and working with Contractors under the City/County/Agency's SHIP Rehabilitation Program and other housing programs. It provides customizable templates that may be used to create policies, procedures, forms, and guidelines under a Rehabilitation Program. Users of this Handbook may adapt it to be consistent with the locally adopted and approved Local Housing Assistance Plan, program Policies and Procedures, and other local laws and requirements.

The Handbook consists of three parts:

- Part I provides an overview of SHIP rehabilitation program design, administration, and operation. Guidelines are provided for determining the nature and scope of your local rehabilitation programs; forming partnerships with Sub recipients, sponsors, and other local entities; recruiting, selecting, and working with contractors; conducting inspections; preparing work write-ups; creating rehabilitation standards and specifications; incorporating elements of green building, universal design/visitability, and disaster mitigation in rehabilitation activities; avoiding disputes, conflicts of interest, and other pitfalls; and preparing effective written agreements.
- Part II is a template for a Contractor Handbook that outlines policies and procedures for Contractor selection and participation in a local SHIP Rehabilitation Program. These policies and procedures represent best practices for collaboration between SHIP Administrators and Contractors for home rehabilitation, but may be changed and customized to reflect local needs, preferences, and ordinances. In customizing Part II, the SHIP Administrator should also fill in the blanks with project details and project-specific requirements, and should replace certain bold, italicized, and/or underlined text elements with the appropriate terms for the entity that administers the local SHIP Rehabilitation Programs.



- Part III consists of templates for forms and documents that are commonly used in SHIP Rehabilitation Programs, including Contractor applications; pre-bid walkthrough sheets; agreements among Contractors, property owners, and local governments; draw request forms; and mortgage documents for SHIP rehabilitation assistance. These forms should be adapted as necessary to reflect local government circumstances. Any form or document that is referenced in the main body of a local government's Contractor Handbook, as adapted from Part I of this document, should be included as an attachment, appendix, or exhibit in the Contractor Handbook.

This Handbook focuses primarily on owner-occupied rehabilitation programs, but most of its provisions are applicable to SHIP rental rehabilitation programs. When adapting this Handbook and the sample forms in Part III for use in rental rehabilitation programs, provisions addressing homeowners should be adjusted to apply to rental property owners.

Disclaimer:

The Florida Housing Finance Corporation does not require you to produce a local Handbook or to use the information, templates, or forms in this Handbook. This Handbook is provided as an optional tool to help SHIP Administrators carry out their Rehabilitation Programs; it is for information purposes only. This Handbook addresses many issues related to legal responsibilities between parties; neither the Florida Housing Coalition nor the Florida Housing Finance Corporation, is providing legal advice. Anyone using the information, templates, or forms in this Handbook should have these items reviewed/approved by their legal counsel, Board, City/County commission or governing body.

The Florida Housing Coalition expresses its appreciation to the following individuals for providing peer review based upon their professional experience. We are particularly grateful to our member Bill Lazar of the St. Johns Housing Partnership for his assistance.

Bill Lazar, St. Johns Housing Partnership

Leonard Grandio, City of Hialeah

Marie-Frantz Jean-Pharuns, City of North Miami

Dorothy Sinan, City of Port St. Lucie

Clay Milan, City of Hollywood

PART I. OVERVIEW OF SHIP REHABILITATION PROGRAMS

SHIP REHABILITATION PROGRAM DESIGN

Local governments have the ability to carry out one or several activities under Residential Rehabilitation Programs included in the Local Housing Assistance Plan (LHAP), which governs the local use of SHIP funds. Rehabilitation programs can include emergency repair programs, accessibility and disaster mitigation programs, energy-efficiency improvement programs, and general residential rehabilitation and reconstruction programs. Local governments should consider several factors when deciding which rehabilitation programs they will incorporate into their LHAP, including local needs, the staff capacity of the local government housing program, the extent to which rehabilitation funding sources other than SHIP are available, and local construction costs.

Housing Data

To determine which rehabilitation activities should be eligible for SHIP assistance, a local government should review available data on the community's housing stock, housing conditions, and the needs of residents.

Basic data on local housing stock and housing needs may be obtained from the following sources:

- Shimberg Center for Housing Studies, University of Florida
<http://www.shimberg.ufl.edu/>
- U.S. Census Bureau (American Community Survey and Decennial Census)
<http://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>
- U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS)
<https://www.huduser.gov/portal/datasets/cp.html>
- Consolidated Plans submitted to HUD by local government recipients of Community Planning & Development (CPD) grants, including the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funds
<https://www.hudexchange.info/consolidated-plan/con-plans-aaps-capers/>

To obtain detailed local data on interior and exterior problems with the local housing stock, it may be necessary to conduct windshield surveys, review code enforcement data,



administer surveys to very low-, low- and moderate-income homeowners, or work with a research institution to analyze American Housing Survey microdata for your area.

Program Staff

The local government should also consider staffing. The number of employees available to carry out your rehabilitation program and their housing experience are influential factors in deciding the type of assistance that will be provided in your community. If you have a program with one or two staff members, you may want to limit the activities authorized by the LHAP.

SHIP administrators should consider the use of qualified non-profit or for-profit organizations as “Sub recipients” to assist in carrying out day-to-day operations or a specific aspect of program administration, such as inspections and work write-ups. The role of Sub recipients is discussed in further detail in the next section, [**SHIP Rehabilitation Program Administration and Activity Delivery**](#). When using Sub recipients to carry out all or portions of your program, follow your selection process as outlined in the LHAP and in accordance with local procurement policies and procedures, execute written agreements with these agencies, and monitor them on a regular basis to ensure compliance.

Alternately, staff members from other City departments, such as the Building Department, may be able to assist with inspections and developing work write-ups. The duties of staff from other departments will be negotiated and should be clearly outlined in a Memorandum of Understanding or Agreement between the two departments.

Many residents in your community may have Limited English Proficiency. LEP persons are those whose proficiency in speaking, reading, writing, or understanding English, as a result of national origin, is such that it would deny or limit their meaningful access to programs and services provided by the local government if language assistance were not provided. HUD has issued Executive Order 13166, signed on August 11, 2000, which directs all federal agencies, including the Department of Housing and Urban Development (HUD), to work to ensure that programs receiving federal financial assistance provide meaningful access to LEP persons. If you have developed a plan to comply with this requirement under your federal programs, consider applying these same requirements under the SHIP program as a best practice. It is helpful to determine the largest language-minority population that your organization serves, and develop a plan to translate publications or hire a translator to ensure that the applicants understand the specific requirements of the program. Language barriers can create confusion and misunderstandings which will often lead to disputes.



The basic requirements of two key staff positions are described below. Additional details about the duties of rehabilitation program staff should be detailed in a Policies and Procedures manual.

Intake Counselor

The intake counselor responds to telephone inquiries from members of the public who are interested in rehabilitation assistance, reviews applications for rehabilitation assistance, and may also be responsible for maintaining the waiting list. Each rehabilitation strategy should have its own waiting list. The system for recording calls and telephone applications should include mechanisms to avoid human error by the intake counselor. The best practice is to serve applicants on a first-qualified, first served basis, rather than a first-come, first-served basis.

The pre-screening process is important. The intake counselor should ask questions about the household's program eligibility, unit eligibility and income eligibility. For example, the intake counselor should obtain information from each client on the location of the property to be rehabilitated, the type of property (single-family, duplex, etc.), the condition of the property, household size, household income, and other client needs (e.g. for wheelchair accessibility retrofits).

An applicant who is determined to be eligible on a preliminary basis will then be placed on the waiting list for the appropriate rehabilitation program. The intake counselor must keep records of waiting lists even after all clients have been assisted to document that the waiting list existed and that the clients were served. The waiting list should also document when the client was assisted or disqualified and removed from the list.

The intake counselor will then contact the applicant and will set up an appointment to meet with the applicant to review the application and all supporting documentation. The intake counselor should date-stamp all documents received, including the initial application. When reviewing a client's application for eligibility, the intake counselor is responsible for asking clarifying questions about the information provided, requesting any necessary documentation from the client, and obtaining third-party verifications, as detailed in the applicable Policies and Procedures manual.

Housing Inspector

A housing inspector is responsible for determining what repairs the home needs and if those repairs qualify under the program guidelines. A good housing inspector is crucial to your rehabilitation program, and must be able to:

- Balance the relationship between the local government, the homeowner and the contractor
- Provide clear work specifications to contractors as a means to reduce the likelihood of change orders
- Ensure that the work is of good quality and in accordance with the specifications
- Ensure that disputes about the quality of work or unforeseen obstacles to project completion are resolved in a manner that is fair to all parties
- Evaluate the need for change orders to the work scope

A SHIP administrator should review the experience and education of candidates for the Housing Inspector position. Inspectors should be familiar with the Florida Building Code as well as local codes that impact the repairs that will be performed in the program. They should be familiar with inspection techniques and inspection and cost estimating software programs; be able to read plans and drawings of the work to be performed; have knowledge of structural, mechanical, electrical and plumbing components; and have sufficient knowledge of labor and material costs in your area to provide a good cost estimate for the work to be performed. Inspectors should also have good communication and listening skills, with the ability to be tactful yet firm. Finally, inspectors should have good writing and computer skills, and should be safe drivers.

Once an inspector is hired, their duties and responsibilities should be clear. The inspector should be able to provide clear and well-written rehabilitation standards, work write-ups, and other specifications, which help to reduce change orders and improve the quality of work performed by Contractors that participate in your programs. Specific duties include:

- Conducting the initial property inspection
- Developing the work write-up and specifications
- Conducting the pre-bid walkthrough

- Providing project oversight
- Conducting required inspections for approval of draw requests
- Approving payments
- Maintaining communication between all parties
- Preparing and approving change orders
- Ensuring that inspections have passed
- Preparing the punch list
- Approving final payment
- Following up on warranty issues

Inspectors should be provided with continuous training opportunities and the tools needed to perform their work, and should receive support from the housing program's clerical staff. The SHIP administrator should solicit feedback on the inspector's performance from homeowners and contractors who participate in the rehabilitation programs, and the inspector should be rewarded for good performance.

Rather than hiring an "in-house" inspector, your local government SHIP administrator may prefer to contract with a third-party firm to conduct inspections, or may develop an interdepartmental agreement with another local government department (e.g. the Building Department) to jointly fund the salaries of qualified inspectors. For more information on staffing decisions for rehabilitation inspectors, please visit the following link for a recording of an online training provided by the Florida Housing Coalition:

<https://vimeo.com/142914189>

Funding Sources

Another factor to consider when determining the type of rehabilitation programs your organization will administer is the availability of funding sources other than SHIP. Cities and Counties with federal grants, such as CDBG and HOME, have more resources available for the administration of their programs and the type of activities they can carry out. For local governments that administer multiple funding sources for rehabilitation, it is far more feasible to support expensive activities such as reconstruction. Using SHIP funds to leverage other funding sources is encouraged, and will assist local governments in expending SHIP rehabilitation funds in a timely manner.

Always remember that when combining multiple funding sources governed by different sets of requirements to carry out a single activity, the most stringent requirements should be followed.

Construction Costs

The cost of construction in different parts of the state of Florida can impact the activities you undertake, as different regions have different costs for the same work. In the more urban areas, such as South Florida, the cost of labor and materials can be double the costs in rural areas of the state. These costs must be considered as they impact the total project cost. Staff should consider the use of cost estimating software programs that can provide cost breakdowns for specific activities (see [Work Write-Ups and Cost Estimates](#) below).

Preparing Local Housing Assistance Plan Rehabilitation Strategies

A rehabilitation strategy for your Local Housing Assistance Plan must follow the template for SHIP strategies provided by the Florida Housing Finance Corporation. This template includes the items listed below; guidance for SHIP rehabilitation strategies is provided *in italics*.

- a. **Summary of Strategy:** *Briefly summarize which rehabilitation items will be allowed. For example, a rehabilitation strategy may be limited to health and life safety issues and code violations, or it may allow a broader range of activities. Be clear about what will be included.*
- b. **Fiscal Years Covered:** *Identify the three fiscal years covered by the LHAP.*
- c. **Income Categories to be served:** *State the income categories that are eligible for assistance under the strategy, using the categories specified in the SHIP statute (very low, low, or moderate income). Some communities restrict eligibility to very low- and low-income households.*
- d. **Maximum award:** *State the maximum dollar amount that will be awarded to eligible applicants. Some rehabilitation strategies have a tiered award system, with higher maximum award levels for lower income brackets.*
- e. **Terms:**
 1. **Loan/deferred loan/grant:** *“Grant” is a term which means there are no payments expected (do not use “grant” as a generic term when describing loans). Florida Housing has the ability to accept grant terms for specific strategies. Typically, Florida Housing will accept grant terms for: Disaster/Emergency, Rental Assistance, Foreclosure Prevention, and*

Accessibility/Barrier Removal strategies. All other strategies should be designed as loans.

When referring to loan terms always state “secured by a recorded mortgage and note” rather than other less clear terms such as “contractually obligated”.

- 2. Interest Rate:** *Always state the interest rate of the loan even if it is zero. State this as “0%” rather than in text form or with terms such as “non-interest” bearing.*
- 3. Term:** *If assistance is provided as a loan, state the life of the loan in years (e.g. 10 years, 15 years).*
- 4. Forgiveness/Repayment:** *State whether a loan is forgiven (on a prorated basis annually or at the end of the stated term), amortized, or due and payable at the end of the term.*

When describing repayment terms, use “outstanding balance” rather than “full loan amount” or like terms when describing the amount that would be owed in cases of a repayment.

- 5. Default/Recapture:** *When describing recapture terms, use “outstanding balance” rather than “full loan amount” or like terms when describing the amount that would be owed in cases of a recapture.*

Always include default terms for the loan. These might include sale or transfer of the property, loss of homestead exemption status, or failure to occupy the home as a primary residence.

- f. Recipient Selection Criteria:** *State the order in which recipients are selected (e.g. first-come first-qualified) and note if preference is given to certain populations (e.g. very low-income, special needs, essential service personnel).*
- g. Sponsor/Developer Selection Criteria:** *Owner-occupied rehabilitation programs do not customarily include sponsors or developers. Rather, they include the SHIP recipient, any sub recipients, and vendors such as contractors and any third-party inspection firms. If sponsors or developers are not selected for your rehabilitation program, put N/A.*
- h. Additional Information:** *This should include a succinct statement of any items not listed above. For example, you may use this space to state whether and under what circumstances manufactured housing will be assisted.*

Other considerations for developing an LHAP rehabilitation strategy:

- Determine what your policy will be for eligible applicants with repair needs that exceed the maximum award amount. Will the applicant still be eligible for SHIP assistance, with funds from another source filling the gap? Or will the applicant be rejected or served by another SHIP strategy? If your policy is not stated in the LHAP rehabilitation strategy, it should be outlined in a Policies and Procedures manual.
- Item “e” of the strategy (Terms) should only be used to describe the terms of the loan. This section should not be used to provide details about applicant eligibility criteria.
- SHIP communities may revise their LHAPs by adding or deleting strategies, or adjusting the terms of existing strategies, among other actions. However, once a strategy has been created, it is useful to keep it in the LHAP without making its terms more restrictive. This will allow you to move SHIP case files from one fiscal year to another within the strategy when necessary to comply with expenditure deadlines or statutory set-asides for income categories, homeownership, construction, and special needs households. (See the Florida Housing Coalition video at <https://vimeo.com/154753896> for more information about moving SHIP files.) Maintaining consistency in your strategies from one LHAP to the next also reduces the need for revisions to the legal documents associated with the strategies, such as mortgages and owner/contractor agreements.

Appendix A provides a sample SHIP Owner-Occupied Rehabilitation Strategy for inclusion in an LHAP. This sample strategy may be adapted for your City or County, taking into account the program design considerations discussed above.

SHIP REHABILITATION PROGRAM ADMINISTRATION AND ACTIVITY DELIVERY

Working with Sub Recipients and Sponsors

In administering its SHIP program, a local government may choose to hire an experienced non-profit or for-profit Sub recipient to administer some or all of its rehabilitation activities. The local government uses SHIP administrative funds to pay a service delivery fee to the Sub recipient. The SHIP rule defines “Sub recipient” as follows:

*F.A.C. 67-37.002 (28): “Sub Recipient” means a person or non-state organization **contracted** by a SHIP eligible local government and compensated with SHIP funds to provide **administration** of any portion of the SHIP program. [Emphasis added]*

The local government SHIP recipient must provide a list of its Sub recipients, if any, on its annual report submitted to Florida Housing. This requirement enables the Florida Housing Finance Corporation (Florida Housing) to determine how a SHIP recipient's *administrative* funds are spent—it is not intended to require local governments to list their lenders, third-party inspectors (if used), or other vendors that are involved in SHIP *program* expenditures. A simple standard for determining if an organization is a Sub recipient is whether it receives and spends SHIP funds that are reported as part of the 10% of a local government's SHIP allocation that may be spent on administration. Note, however, that many of a Sub recipient's activities will likely qualify as direct program delivery costs. For a definition of eligible SHIP administrative expenses, see F.A.C. 67-37.007(5).

In contrast to a Sub recipient, a Sponsor receives a SHIP award to be spent on a specific housing service or construction activity. For example, a non-profit developer may apply for funding from a Rental Development strategy in the SHIP local housing assistance plan. If awarded funds, this Sponsor will build SHIP-funded rental units. The SHIP rule defines “eligible sponsor” as follows:

F.S. 420.9071 (11): “Eligible sponsor” means a person or a private or public for-profit or not-for-profit entity that applies for an award under the local housing assistance plan for the purpose of providing eligible housing for eligible persons.

Note that a SHIP rehabilitation contractor is considered a vendor, not a sponsor.

Putting the “Partnership” in SHIP

For a local government SHIP recipient, working with Sub recipients and sponsors is an integral part of building local housing partnerships. Generally speaking, these partnerships should implement the Local Housing Assistance Plan in a manner that involves the applicable County or eligible municipality, lending institutions, housing builders and developers, real estate professionals, advocates for low-income persons, community-based housing and service organizations, and providers of professional services related to affordable housing. The term includes initiatives to provide support services to housing program beneficiaries, including homebuyer education and tenant counseling, as well as agreements with providers of day care, health care, transportation, and other services. Local governments are encouraged to build partnerships with non-profits agencies that can bring years of expertise and experience to the proposed SHIP activities. Many non-profit housing providers have licensed contractors, engineers, and architects on staff with the capacity to successfully carry out all aspects of administration or program delivery for a SHIP strategy.

The best practice for selecting qualified Sub recipients and sponsors is to issue a Request for Proposals (RFP). The RFP may be advertised on the local government website, e-mailed to local non-profit organizations, or advertised in a newspaper of general circulation. The RFP process will be outlined in the Local Housing Assistance Plan. The local government may form an RFP review and selection committee comprised of City or County staff, Affordable Housing Advisory Committee members, and other stakeholders that do not have a conflict of interest. The local government should establish clear selection criteria to identify the most qualified firm. The selection criteria may rank applicants based on organizational structure, experience, expertise and financial capacity.

If a local government enters into an agreement with a Sub recipient or sponsor, the local government is responsible for monitoring the agency to ensure compliance with all program requirements. The monitoring should be done on a regular basis in accordance with a written monitoring plan. The local government also has the responsibility to provide training to these organizations and provide updates on program changes, including changes to income and rent limits, updates to the SHIP Rule or Statute, and changes to the LHAP.

Program Administration

The local government SHIP recipient or its Sub recipient is responsible for the day-to-day administration of the rehabilitation program. The staff administering the program are responsible for qualifying applicants, overseeing the expenditure of funds, and overall program compliance. The local government or Sub recipient will schedule the pre-bid walk-through, select the contractor and award the contract, and will maintain oversight over the rehabilitation project. The local government or Sub recipient will also process payments to the contractor, prepare the project for closeout, maintain records, and report on accomplishments.

Recruiting, Selecting, and Working with Contractors

Local governments administering rehabilitation programs have the responsibility of hiring contractors that are licensed and insured and skilled in the trades they are hired to perform. The local government should have a process in place that provides maximum opportunity for contractors to become familiar with the local rehabilitation programs and have an opportunity to participate.

The local government can use its website to advertise contracting opportunities and provide a downloadable application for contractors to complete. Additionally, the local government may wish to advertise in trade publications and provide flyers in the Building



and Housing Departments that will notify the public of work opportunities in the rehabilitation field. There are no rules on how often local governments should solicit contractors, but the best practice is to conduct this process at least annually. Some local governments keep the list of approved contractors open year-round, while others take applications from new contractors only at certain times of the year. Local governments should actively encourage minority-owned and women-owned general contracting firms to apply.

When reviewing applications for the list of approved contractors, the local government should check an applicant's references, background, and experience with past projects. We encourage the use of an application that outlines the Contractor's experience with rehabilitation-type programs. The local government is also encouraged to review the Contractor's financials and credit lines with vendors.

Local governments are encouraged to work with local contractors since this provides an economic boost to the community. If there is not an adequate pool of local contractors, local government housing departments are encouraged to contact neighboring jurisdictions that administer similar rehabilitation programs. In particular, local government staff should contact other SHIP administrators, building officials, and code enforcement officers in the region. In addition, you should contact staff members in other departments of your own local government, such as the Building Department. Collectively, your colleagues and staff in neighboring communities can recommend contractors that are doing good work, and your office can extend an invitation to these contractors to apply for your rehabilitation program's list of approved contractors.

The application process should be used to screen contractors. The contractors selected should be skilled and experienced, have financial capacity, and perform quality work.

Once your contractors are selected, it is important to have the roles and responsibilities of each party (Contractor, Owner, and City/County/Agency) clearly defined from the outset. Additionally, the local government should have a process in place to regularly evaluate each contractor and ensure the work is being performed in accordance with the Building Code and other local requirements, and to the satisfaction of the homeowners and the City/County/Agency. This process should also allow the local government to remove poorly performing contractors from the list of eligible bidders for rehabilitation projects.

Once the local government has developed a list of high-performing contractors, it is important to have a process to pay the contractors in a timely manner. The local government should also provide a process for the contractors to communicate their

concerns, have their questions answered quickly and clearly, and have the ability to provide feedback on the program and process.

Special Considerations for Mobile Homes

In 2009, the SHIP statute's definition of "eligible housing" was amended to include "manufactured housing constructed after June 1994 and installed in accordance with the installation standards for mobile or manufactured homes contained in rules of the Department of Highway Safety and Motor Vehicles, for home ownership or rental for eligible persons ...". However, not more than 20 percent of a local government's SHIP funds may be used for manufactured housing.

It may be difficult to find contractors that work on manufactured housing since mobile homes require a very different repair process, with specialty parts not available in most local hardware stores. To locate specialized contractors, check with your building department for a list of contractors that specialize in mobile home repairs and ask contractors on your current list to refer other contractors that are properly licensed to work on manufactured housing. Local building departments issue permits and conduct final inspections for manufactured housing in the same manner as with a "stick-built" house.

The rehabilitation standards and specifications for mobile homes may substantially differ from those for standard housing. This is an important consideration if manufactured homes are included in your rehabilitation programs. Moreover, most mobile homes served by SHIP rehabilitation programs need to be completely replaced.

Special Considerations for Special Needs Applicants

The SHIP program requires that no less than 20% of distribution dollars be used to assist special needs clients. Additionally, the first priority of this 20 percent is to serve homeowners with developmental disabilities by providing home modifications, including technological enhancements and devices which will allow homeowners to remain independent in their own homes and maintain their homeownership.

Below are the definitions for both "person with special needs" and "disabling condition".

F.S. 420.0004(13): "Person with special needs" means an adult person requiring independent living services in order to maintain housing or develop independent living skills and who has a disabling condition; a young adult formerly in foster care who is eligible for services under s. 409.1451(5); a survivor of domestic violence as defined in s. 741.28; or a person receiving benefits under the Social Security Disability Insurance



(SSDI) program or the Supplemental Security Income (SSI) program or from veterans' disability benefits.

F.S. 420.0004: "Disabling condition" means a diagnosable substance abuse disorder, serious mental illness, developmental disability, or chronic physical illness or disability, or the co-occurrence of two or more of these conditions, and a determination that the condition is:

(a) Expected to be of long-continued and indefinite duration; and

(b) Not expected to impair the ability of the person with special needs to live independently with appropriate supports.

When conducting inspections, the inspector should ensure that all modifications and repairs include work that will allow the individual with special needs to live independently and remain in their home. The American with Disabilities Act provides design standards and modifications that can be used when developing work write-ups and specifications that will address the needs of these applicants. For additional information go to: <http://www.ada.gov/>

Rehabilitation Standards and Specifications

Rehabilitation standards provide a minimum performance standard for a rehabilitation program. The standard is a guide used to determine which specifications should be applied in different situations to uniformly produce decent, safe and durable homes. It may include cost-effective elements of "green" rehabilitation, universal design, and mitigation improvements. Any rehabilitation standards must be consistent with the Florida Building Code, local building code requirements, and the LHAP. The links below provide sample home rehabilitation standards that may be modified for use by your local government.

- <https://www.hudexchange.info/resource/745/sample-nsp-singlefamily-housing-rehabilitation-standard/>
- <http://www.enterprisecommunity.com/resources/ResourceDetails?ID=19609.doc>
- <http://www.enterprisecommunity.com/resources/ResourceDetails?ID=19615.doc>

Specifications provide specific guidance on the quality of the rehabilitation products to be used, and where and how they will be installed. In order to have fair bids, maintain consistency in the quality of work to be performed, and help to reduce change orders, the local government must provide clear and concise work specifications for its rehabilitation program. The links below provide sample rehabilitation specifications.

- <https://www.hudexchange.info/resource/744/sample-nsp-singlefamily-housing-rehabilitation-specifications-including-green-specs/>
- <http://www.enterprisecommunity.com/resources/ResourceDetails?ID=0084050>
- <http://www.enterprisecommunity.com/resources/ResourceDetails?ID=67735.pdf>

Conducting the Initial Inspection

Before performing an initial inspection of a property owned by an eligible rehabilitation program beneficiary, the inspector should conduct due diligence work and feasibility testing to ensure that the property can be rehabilitated within the maximum award. This work will include a review of public records and building permits. Open permits may indicate work performed on the home in the past that never received a final inspection, which may create the need for change orders after the proposed rehabilitation is underway. The public records will indicate whether any additions to the home have been constructed without proper permitting, and may reveal existing code enforcement liens on the property. The cost of correcting these deficiencies and obtaining a final inspection on past work must be incorporated into the work write-up and written cost estimate of the proposed project.

When arriving at the home, the inspector should describe the inspection process to the owner. The inspector should explain that the inspection will be conducted first, followed by a meeting with the homeowner to advise him or her of the work that is eligible to be performed under the applicable SHIP strategy and the work that is not eligible under the program guidelines. This meeting should be an opportunity to address the homeowner's questions and concerns related to the program, the process and the work to be performed. This is also an opportunity to ensure that the homeowner understands the limits of the program, the contractor selection, payment and change order process. The role of the program, contractor and the owner during the rehabilitation process should be explained at this meeting.

The inspector responsible for the initial inspection should have a systematic approach, including a checklist. The inspector should take pictures or videos of the home and of each item identified to be repaired to document the file. The first picture or video should include the exterior showing the house number, and subsequent pictures or videos should show the individual items to be repaired, showing as much detail as possible. It is good practice to have a camera that can print the date the picture or video was taken to document the progress of the work during the rehabilitation process, and as documentation when processing payments. This will also provide supporting documentation when disputes occur. Inspections should begin with the exterior of the home, followed by a room-by-

room inspection of the property interior. At a minimum, every inspection should cover the following items:

- Attic: Types and adequacy of insulation and ventilation; fire hazards; cause of delaminating roof sheathing; signs of leakage; code violations
- Interior Rooms: Check for damaged or cracked walls, floors, ceilings, and trim; settlement problems (floors not level, sagging sections); electrical outlets in disrepair; inadequate heat source; inoperable fireplace; damaged windows; plumbing fixtures—low water pressure/flow, poor drainage, leakage, improper venting, faulty shower lead pan, cracked tile joints
- Basement/Crawl Space: Foundation (settlement); cracked walls; deteriorated mortar joints; cause of dampness; need for dehumidifier; signs of water seepage, termites or rot; deterioration of wood-framing members; need for insulating and venting
- Roofs: Types of materials used on pitched and flat roofs; detecting problem conditions; life expectancy; control of moisture buildup; damaged fascia boards and overhang
- Roof-Mounted Structures and Projections: Types of Chimneys, deterioration, leakage, faulty flashing; vent stacks—problem conditions, leakage; roof vents, hatches, and skylights; TV antennas—properly secured and grounded; gutters and downspout types, leakage, problem conditions
- Paved Areas Around the Structure: Walks, steps, patios, and driveway—settlement and deterioration, hazardous conditions, drainage problems
- Walls, Windows and Doors: Types of walls (wood frame, veneer, masonry); types of exterior siding, problem conditions; types of windows (inoperable, broken glass, broken window, broken locks), doors (rotted, warped from water damage, broken locks, missing weather-stripping) storm windows (rotted, broken locks missing glass), screens (torn or missing); need for caulking
- Wood-Destroying Insects and Rot: Termites, carpenter ants, etc.
- Electrical System: Adequacy of inlet electrical service; improper grounding; circuit breakers vs. fuses; problems with aluminum wiring; knob-and-tube wiring; low-voltage wiring; code violations
- Plumbing: Water supply, distribution, drainage system, lead inlet pipe (a potential health hazard); type of pipes—copper, brass, iron, or plastic; low water pressure/flow; improperly vented sink traps; cast iron pipes; septic systems; sewer connections; connecting washer to sewer; well-pumping systems

- Heating System: Adequacy of capacity; proper oil burners; gas burners; electric heating units
- Water Heaters: Adequate capacity, proper installation, life expectancy
- Air Conditioning: Adequate capacity, proper system operation, proper installation

A blower door test is strongly recommended at the initial inspection stage. This simple test can identify air leaks in the home that need to be sealed. Reducing leaks in the building envelope is one of the most inexpensive ways to reduce energy costs for the homeowner. The inspector should also consider energy and water conservation improvements that might be included in the scope of work, as well as accessibility improvements that will allow the homeowners to age in place.

Prioritizing Repairs and Determining Project Feasibility under SHIP

In determining the minimum scope of the proposed rehabilitation project, the inspector should emphasize repairs that increase the useful life, safety, and energy efficiency of a building, including but not limited to:

- Repairing structural defects
- Upgrades to fire egress and fire ratings of finishes
- Addressing health hazards (lead, asbestos)
- Repairing the building envelope (including roof repair/replacement)
- Adding insulation, reducing air infiltration
- Upgrades to electrical systems
- Replacing worn-out plumbing and mechanical components
- Replacing inefficient equipment (e.g. old refrigerators, window air conditioning units)

The initial inspection will determine the likelihood that a project can proceed under the intended SHIP strategy. If the estimated cost exceeds the maximum award, the SHIP administrator must leverage resources to fund the project, move the case to another strategy with a higher maximum award amount (e.g. reconstruction), or cancel the case and close the file. There are instances where the local government must walk away from a home where repairs cannot be addressed with the funds available under its current strategies. In these cases it is crucial to have a thorough inspection and cost estimate to show the owner that the project is not feasible. If a local government is consistently having to disqualify cases with

costs exceeding the maximum award, or is routinely incurring change orders that push project costs over the limit, the SHIP administrator should consider a technical revision to its existing rehabilitation strategies to increase the maximum award amounts. The City or County Commission can also pass a resolution approving a specific case that will exceed the maximum award due to unforeseen circumstances.

Work Write-Ups and Cost Estimates

The work write-up is developed and agreed to by the homeowner in writing before the pre-bid meeting and walk-through with the owner, inspector, and contractors interested in bidding on the project. The use of a well written, detailed work write-up is one of the most important tools of the rehabilitation program. A well written work write-up prevents confusion on the part of contractors regarding the quality of work to be performed, or the materials and methods for performing it. The use of standard measurements and products ensures consistency in the bidding process. The work write-up also provides the basis for estimating project costs.

Good work write-up specifications always contain:

- Scope of work
- Estimated quantity of each product to be installed
- Location of installation
- Special conditions
- Installation methods
- Quality of products to be used

Good written specifications eliminate contractor and homeowner discretion:

- Use "shall/will," *not* "may/should"
- Use *action verbs* (hang, sand, apply)
- Specify brand and model, or require product of equal or better quality
- Reference specific code standards
- Have a room naming system and apply it consistently

A number of software programs are available to assist the inspector in developing the work write-up. These programs can help provide a consistent, clear method for developing your specifications and cost estimates. All specifications provided in these software programs must be modified to comply with the specific requirements of your locally adopted building codes.



The list below provides examples of software programs for developing work write-ups or cost estimates. Most provide a free 30-day trial. The Florida Housing Finance Corporation and the Florida Housing Coalition do not endorse any of these products; they are listed for your information only.

- <http://www.communitydevelopmentsoftware.com/>
- <https://www.housingrehabpro.com/>
- <http://respecsoftware.com/>
- <https://www.marshallswift.com/p-39-residential-cost-handbook.aspx>
- <https://swiftestimator.com/>
- <https://www.craftsman-book.com/2015-national-repair-remodeling-estimator>
- <http://www.nationalestimator.com/>

Green Building

Local governments are required by SHIP Rule and Statute to incorporate current and emerging green building and design techniques into the housing strategies of their Local Housing Assistance Plans, promoting both sustainability and greater affordability (see §420.9075(3)(d), F.S.). These green building elements should include energy and water efficiency improvements, as well as measures to improve indoor air quality. As mentioned under [Conducting the Initial Inspection](#) above, a blower door test is strongly recommended during the initial inspection to identify air leaks in the building envelope.

The Florida Green Building Coalition provides certification standards for existing buildings at the following link:

<http://floridagreenbuilding.org/homes> (download the most recent Checklist and Reference Guide)

Even if FGBC certification is not sought for a rehabilitated home, the FGBC provides a list of green building activities that may easily be incorporated into the scope of work for a rehabilitation project (Appendix B).

Universal Design and Visitability

In many cases, SHIP rehabilitation programs provide assistance to elders and people with disabilities who need retrofits to make their homes accessible. In general, it is good practice to incorporate accessibility features in the scope of work for a rehabilitation project whenever possible. For example, if the scope of work includes modifications to interior

doorways, it may be appropriate to widen the doorways to accommodate current or future wheelchair-bound inhabitants.

Accessibility improvements should be guided by Universal Design and Visitability standards. Florida Housing describes Universal Design as any component of a dwelling unit that may be used by everyone regardless of their level of ability. Universal design features are generally standard building products or features that have been designed or placed differently and/or selected for ease of use or access. For example, standard electrical receptacles may be placed higher than usual above the floor, standard but wider doors may be selected, and steps at entrances may be eliminated to make housing more universally usable.

The approach of visitability incorporates some specific Universal Design (UD) features that allow mobility-impaired or wheelchair-bound persons to safely and easily enter a dwelling unit, access and use one bathroom, and visit the common spaces of the dwelling unit. However, UD is broader than visitability, encouraging housing designers to think of all of the types of people who may be residents throughout the life of the property, such as elderly or disabled people. UD allows current residents to remain in their homes as they age or experience decreased mobility, rather than being forced to move as more accessibility features become necessary to maintain independence.

The following links provide sample Universal Design specifications:

- http://www.floridahousing.org/FH-ImageWebDocs/UniversalApps/2011/RelatedReferences/Universal%20Design%20and%20Visitability%20Manual_Final_11_03_2010.pdf
- <http://www.enterprisecommunity.com/resources/ResourceDetails?ID=0084050>

Mitigation Improvements

Local governments should consider disaster mitigation and retrofit devices as part of the rehabilitation process. Consider replacing roof sheathing and covering; installing secondary water barriers, hurricane straps or clips, and impact-resistant windows and door opening protection; bracing gable end walls; anchoring walls and floors to the foundation; and strengthening roof deck attachments using nails, among other mitigation improvements.

For additional information on mitigation programs, please visit the Florida Division of Emergency Management's Mitigation webpage:

<http://www.floridadisaster.org/mitigation/index.htm>

OTHER CONSIDERATIONS

Disputes

Disputes between the owner, contractor and SHIP staff are inevitable. Homeowners are accustomed to making home improvement decisions without an intermediary, but SHIP rehabilitation programs have restrictions on the work that can be performed. Many homeowners have never performed renovations to their home and lack an understanding of the complexity and inconvenience that can be caused during the repair process. Confusion can occur when homeowners and contractors do not clearly understand the duties and roles of all parties involved, the limits of the program, and the policies and procedures that outline the process. The local government can take several steps to help to reduce conflict and confusion among all parties:

1. Identify the roles and responsibilities of each party. Each party should know their role, understand where their responsibility starts and ends, and understand the limits imposed by the program. Some of the parties involved in the process include:
 - City or County
 - Sub recipient, if any
 - Sponsor, if any
 - Program Inspector
 - Building Inspector
 - Owner
 - Contractor
 - Subcontractors
2. Develop policies and procedures explaining the roles and responsibilities of each party, including a process for handling complaints.
3. Provide the owner with clear information about the program early in the process, before the owner submits an application.
4. A mandatory pre-bid meeting and walk-through should be used to review the scope of work and clarify any changes that will be made prior to opening the bid. The owner, inspector and contractors who intend to bid on the project should be present.
5. The written agreements between the City/County/Agency and the owner, and between the owner and the contractor, should clearly identify the roles of all parties and the process for handling complaints and disputes.

6. The contract signing with owner, contractor and SHIP program staff should be used as an opportunity to review all documents, discuss the process, and answer any questions related to the program.
7. Consider developing a temporary relocation policy that will allow the applicant to move when major improvements are being performed on the home. The cost of temporary relocation can be included within the maximum award.

Communication is key, and selecting staff with good communication skills improves the success of your program. The intake counselor should have a clear understanding of the rules of each program, and should communicate them to prospective applicants. Additionally, the intake counselor should use a prescreening checklist to make a preliminary eligibility determination for each client before providing them with an application.

The inspector should also have good communication skills, with the ability to respond calmly to difficult situations and clearly communicate the next steps. The inspector should be able to exercise patience, perseverance, and attention to detail in investigating a problem, and should be proactive in developing a plan for corrective action. Specifically, the inspector should be able to:

- Identify root causes of problems.
- Gather and analyze information when developing alternative solutions.
- Support and explain reasons behind decisions.
- Include appropriate people in decision-making.
- Ask for help when needed.
- Exhibit integrity and ethical behavior at all times.
- Exhibit tact and avoid alienating the homeowner. The inspector should have a keen sense of what to say or do to avoid giving offense in delicate situations.
- Be considerate but firm when dealing with others, ensuring that program rules are enforced and the project is completed in a timely manner.
- Exhibit empathy and respect for people of all cultures, races, and backgrounds, including low-income households and those with disabilities or special needs.

Conflict of Interest

Local governments should ensure that there are no conflicts of interest in their programs. Most conflict of interest rules are established by local governments to ensure that there is no

personal benefit or gain by staff, owners, or contractors in relation to the activities carried out under these programs. A conflict of interest may also arise if an applicant for assistance is related by family or has business ties to any employee, officer, elected or appointed official or agent of a unit of government who exercises any functions or responsibilities with respect to the program.

The owner and contractor applications may ask questions related to potential conflicts of interest. All potential conflicts of interest should be disclosed before assistance is provided. Check with your City/County/Agency attorney to determine the conflict of interest laws that apply. It is a best practice to have the owner sign a “Conflict of Interest Disclosure” as part of the application process.

Written Agreements

Written agreements are important because they are legally binding. The content of your agreements and contracts will help to ensure that the affordability period, penalties for non-compliance, and other terms and conditions of the assistance provided are enforceable.

Written agreements should be executed before you provide funds or incur expenses under your rehabilitation program. A good agreement identifies the parties involved, their roles and responsibilities, applicable program rules, the activities that will be carried out, the budget and scope of work, payment procedures, and documents required for payment. A written agreement will also address defaults, and provide for enforcement measures when non-compliance issues arise.

Pitfalls to Avoid

Below is a list of the most common pitfalls to avoid in the rehabilitation program process:

Contractor-Related Pitfalls

- Awarding work to inexperienced contractors
- Awarding too many jobs to one contractor
- Accepting bids that are too low and not within 10% or 15% of the in-house estimate
- Accepting poor workmanship by the contractor
- Allowing installation of cheap materials
- Allowing unjustified delays
- No penalties for contractors that fail to comply with the terms of the warranty

Homeowner Pitfalls

- Allowing homeowners to give the inspector a “wish list” of work they want performed on the home

- Not ensuring that the homeowner provides access to property during construction
- Not requiring homeowners to store/protect personal property
- Not requiring homeowner to relocate when extensive or hazardous work will occur
- Allowing the homeowner to be in charge of the project
- Allowing the contractor to perform work outside the scope of work
- Allowing homeowners to keep coming back to the SHIP program for additional work not covered by warranties after the case is closed

All of these items can be addressed with clear Rehabilitation Program policies and procedures. Early in the process, SHIP program staff should discuss these policies and procedures with the homeowner and contractor, and should incorporate the program rules into the written agreements with a process for enforcement.

A NOTE ON ADAPTATION

This Handbook sets forth practices that will be generally applicable, but if your local government has processes in place that differ, you should make those adjustments to your Contractor Handbook text wherever needed. For example, (1) your local government may be set up to receive bids electronically, or (2) your local government may not use the 10% rule (i.e. the requirement that a Contractor's bid not be more than 10% above or below the City or County's estimated bid amount). In the latter example, your local government's choice on whether or not to use the 10% rule would depend on your inspector's ability to provide in-house cost estimates. Organizations that do not have the staff capacity or a software program to develop in-house cost estimates that are accurate are not encouraged to use the 10% rule as outlined in this handbook.

For additional guidance and training opportunities on this subject, please visit the Florida Housing Coalition website at www.flhousing.org, or call our technical assistance hotline at 1-800-677-4548.



PART II. CONTRACTOR HANDBOOK TEMPLATE FOR LOCAL GOVERNMENT HOUSING REHABILITATION PROGRAMS

1. INTRODUCTION

(Name of City/County) is a recipient of State Housing Initiatives Partnership (SHIP) funds. As a recipient of SHIP funds the *City/County* has developed a Local Housing Assistance Plan (Exhibit (Letter of Exhibit)). This plan outlines the programs and activities that will be undertaken by the *City/County* with SHIP funds.

One of the activities that will be carried out with SHIP funds is rehabilitation of single family homes, townhomes, condominiums, and multi-family properties. Assistance is provided to very low-, low-, and moderate-income property owners or owners of rental property within the *City/County* limits. The (Name of City/County/Agency Department) (“Department”) maintains an active list of licensed and insured Contractors to assist in accomplishing the activities funded under these programs.

Before a Contractor is qualified and placed on the “Active Contractor List”, an application must be completed. The application includes licensure, certifications, references, and other related documents. An application checklist is included in Part II of this Handbook.

Once a Contractor is qualified, they will be placed on the Active Contractor List, notified of new projects, and given the opportunity to bid on these projects.

Contractors that have been debarred or suspended from working on federally funded programs, or are the subject of unresolved complaints filed with the Florida Department of Business and Professional Regulation, are not eligible to participate. Contractors will also be expected to comply with all applicable *City, County*, State and Federal laws as they may apply to the project.

The narratives on the following pages outline the process for the Rehabilitation Programs. There may be other programs that are funded during the year, and eligible Contractors will be notified of opportunities to bid on these as well.

All Contractors bidding upon work available through (City/County/Agency program name) must familiarize themselves with the policies, procedures, materials, standards, and methods of construction contained herein. All work write-ups will refer to and incorporate these standards and all Contractors are expected to conform to the policies and guidelines contained herein.



Contractors requesting certification as a Minority Contractor or a Section 3 Contractor, should request further information from the Department.

Any questions concerning this Handbook or its contents should be referred to the Department. Below is a list of the Department staff:

Director: *(Contact Information)*

Housing Manager: *(Contact Information)*

Inspector: *(Contact Information)*

2. APPLICATION

All Contractors wishing to be included on the Active Contractor List are required to complete an application. The application must be completed in full and must include all required documents on the checklist. All incomplete applications will be returned to the Contractor.

Upon receipt of this application and required documents, the Department will review the Contractor's credit report, contact references, and evaluate past performance. Visits to completed or current projects may be undertaken at the Department's discretion. Based on Department review, additional information may be required. After the review is complete, Contractors will be notified in writing regarding approval/disapproval for participation in the Department's housing programs.

Eligible Contractors will be notified by mail, e-mail or fax of bid opportunities. Contractors must familiarize themselves with and conform to the requirements contained in this Handbook, the bid, standards, specifications, and all applicable contract documents. Contractors will also be expected to comply with all applicable City, County, State, and Federal laws.

3. BID PROCESS

A. Invitation to Bid

The Contractor will be sent an Invitation to Bid by mail, e-mail or fax for any upcoming projects. The bid documents will include the bid number, Owner/Developer name, property location, Scope of Work, date and time of the scheduled mandatory bid Walk-



Through, bid response deadline and bid opening date. All Contractors who wish to bid must attend the pre-bid Walk-Through and sign in. Contractor participation is mandatory in order to be eligible to bid and remain on the Active Contractor List. After three (3) non-responsive bids, firms will be removed from the Active Contractor List for one year. A written response noted as “no bid” submitted by the bid opening date will be considered a response. Failure to submit a no-bid response will be counted against the contractor as a non-responsive bid.

B. Mandatory Walk-Through

The mandatory Contractor Walk-Through will be held at the property to be rehabilitated. The Walk-Through should be coordinated and led by the housing inspector who performed the initial inspection and prepared the work write-up. The purpose of the Walk-Through is to provide an opportunity for all interested parties including the Property Owner, the City/County/Agency or their designee, the Contractor, the Department, and subcontractors an opportunity to discuss specific details, standards, methods and techniques related to the project and the Scope of Work provided in the bid package. Changes, additions, deletions, and refinement of work details of the scope may be made during this Walk-Through based on recommendations made by Contractor, subcontractor, Owners and Department staff or their designee.

The Walk-Through will start promptly at the time specified. Contractors may not begin to inspect the home or construction site before the Department staff arrives and the Walk-Through officially starts. Contractors are required to sign in, and those who do not sign in cannot bid on the project.

Any changes to the Scope of Work will be discussed at the end of the Walk-Through to ensure that Contractors have made notes of all changes discussed during the Walk-Through for bid consistency. The owner will be notified of any changes to the original scope of work. This is an opportunity to advise the owner and contractors that the work agreed to at this meeting is final. Prior to the bid opening date, a revised and final work write-up, approved by the homeowner, will be e-mailed, faxed or mailed to all Contractors on the sign-in sheet. Bids must be submitted based on the updated/revised work write-up. Once the work is awarded, no changes will be made to the work write-up unless required or approved by the Building Department, inspector or other responsible party, and authorized by a change order. Failure to bid in accordance with the bid instructions may result in rejection of the Contractor’s bid.



C. Bid Proposal

The Contractor shall provide a cost based on all items in the Scope of Work outlined in the bid sheet. Specifications will be provided for all work including plumbing, electrical, HVAC, roofing materials, windows, doors, hardware, flooring, painting, garage doors, garage openers, insulation, ceramic tile, cabinets, counter tops, appliances, mirrors, fixtures, etc. This will ensure that Contractors are bidding on the same or like materials outlined in the Scope of Work. Contractors cannot deviate from the work specified on the work write-up.

Contractors cannot modify or negotiate changes to the work with the Owner. This is cause for removal from the Active Contractor List. If the Contractor has questions related to the work specified and the bid, all questions must be submitted in writing to the Department prior to the bid opening.

D. Bid Submittal

The Contractor's bid must be submitted on the form provided by the City/County/Agency. The Contractor shall provide line item prices for each item specified on the work write-up. Each line item should include labor, material costs, profit and overhead. The bid must be signed and submitted in a sealed envelope with the Owner's name, address, case number and bid date on the outside of the envelope. The envelope should contain only one bid. Bids should be hand delivered or mailed return receipt requested unless otherwise specified. It is the contractor's responsibility to ensure that bids are received by the local government before the bid deadline. Late proposals will not be accepted and will be rejected and returned to the Contractor unopened.

All prices on the bid must be written in ink. Signatures must be in ink. Any mistakes must be initialed prior to submitting the bid. It is the Contractor's responsibility to inquire about permit fees, material costs and other expenses that may increase the cost of the work. Once a bid is submitted, the Contractor is bound to the maximum price that is stated in the proposal, unless it is adjusted by an approved change order.

For models or materials not specified, prices should match the home's existing models or materials in quality and style. If a model is specified, the Contractor will be expected to install that model or product number or a product of equal or better quality. Deviations from the product specified should be requested in writing from the Department. Contractors may be requested to provide proof that the installed product is equal to or better than the product specified. All questions related to the Scope of Work and the project should be directed to the program staff.

E. Rehabilitation Contract Award

The Owner and the Department will review the bids to ensure that all mandatory work is included, conforms to program specifications, is accurately executed, and has a reasonable cost for the project. Estimates that are unresponsive, unreasonable, or inaccurate; contain incorrect totals; are unsigned; or are submitted in pencil may be rejected at the option of the Owner and the Department.

The following criteria will be used to determine the winning bid:

1. Contractor is an approved eligible contractor on the Active Contractor List, and all requirements (including active license and insurance) are up to date.
2. The bid is the lowest responsive bid.
3. Bid amount does not exceed 10% above or 10% below the estimated bid price as determined by the Department staff. Bids that exceed this limit are rejected.
4. New Contractors will only be awarded one project until they have completed a project that is in compliance with all project requirements, includes no change orders or delays, and is satisfactory to the Owner and Department staff.
5. Once a Contractor has completed 1 project in a manner satisfactory to the Department, the Contractor will be awarded a maximum of 3 projects at any given time. No Contractor may have more than 3 projects at one time unless approved by the Department Director.
6. Contractors that are delayed in 3 or more successive jobs will not be awarded additional contracts.
7. The Department retains the right to limit the number of jobs awarded to any Contractor due to poor performance, delays, excessive change orders, or disputes with the Owner and/or unsatisfactory performance.

F. Subcontractors

If the Contractor employs subcontractors, the Contractor must hire subcontractors that are licensed and insured as required by law. Subcontractors hired shall be subject to the same requirements that apply to the Contractor awarded the work. The Contractor shall ensure that all applicable provisions are included in their contracts with the respective subcontractors. The Contractor shall not hire the Owner or any family member of the Owner to perform work on the property to be paid under this Contract.

G. Closing / Contract Signing

The *City/County/Agency* will schedule the Closing meeting and will determine the time and location. The *City/County/Agency* will notify the Owner and Contractor of the date and time of the Closing. All contractor's licenses and insurance shall be up to date prior to the Closing.

At the Closing, the *City/County/Agency* will review the terms of the contract between the Contractor and Owner; the contract between the Owner and the *City/County/Agency*; the Truth-in-Lending Statement; the mortgage and note for rehabilitation assistance; and any other documents to be executed by the *City/County/Agency*, Owner, and/or Contractor. The Contractor shall provide a list of all subcontractors that are scheduled to perform work on the job in the form provided by the *City/County/Agency*. The meeting should address important items such as storage and protection of the owner's personal items, who pays for utilities, the prohibition against the contractor performing work outside the scope of work authorized, the process for change orders, and clarification of whom the owner and contractor should contact in the event of a dispute.

This meeting may take from 1 to 2 hours depending on the detail of the work to be performed. Contractors are encouraged to bring samples of paint colors, Formica, tiles, fixtures, roof shingles and other materials to the closing for selection by the Owner. This is also the Contractor's opportunity to ask clarifying questions related to the project, provide contact information to the owner, and discuss working hours and the order of the work to be performed.

The Contractor will be provided with a Notice to Proceed at the Closing. **Contractors are not authorized to begin work until they receive a Notice to Proceed.**

H. Multi-Family Rental Rehabilitation

Multi-family rental projects will only be awarded to Contractors who have demonstrated capacity and skills in the rehabilitation of multi-family rental projects. Contractors shall have responsibly and successfully completed projects similar in scope and size and have demonstrated above average performance as follows:

- Staff and financial organizational capacity
- Projects are completed in a timely fashion
- All projects pass inspections
- Contractor addresses warranty items with 3 days of notification and emergencies within 24 hours

- Positive Owner evaluations
- Positive *City/County/Agency* staff evaluations

I. Reconstruction Contract

Reconstruction projects require demolition of the existing structure and the development of a new home on the existing site. The Contractor bid must include all soft and hard costs required until the issue of a Certificate of Occupancy. Costs include but are not limited to site reports, surveys, architectural drawings, temporary utilities, grading and filling, and all related construction and development costs. Contractors allowed to bid on reconstruction projects must have developed at least one project demonstrating experience in single family development. All work must be completed within the time frame specified in the bid. The Contractor must work with a licensed and insured architectural firm to complete the project.

J. Emergency Contract

Contracts for emergency repairs may include hazardous, unsafe, unsanitary or life threatening situations within the home. Contractors are expected to work quickly and efficiently to protect the home, its contents and the Owner in life threatening situations. The *City/County/Agency* may waive the formal bid process and request 3 informal bids to address emergency life threatening situations.

4. PAYMENT AND CONTRACT PERFORMANCE

A. Draw Schedule

Rehabilitation projects will consist of a maximum of five draw payments against the total sum of the contract price. Payments will be based on an inspection of the work completed in the work write-up. The Contractor shall submit a payment invoice to the Department Staff, on the form provided by Staff, for the portion of the work completed. For each draw request, the work for which the Contractor is requesting payment must have passed all inspections required by the Building Department. Each draw will require a Release of Lien from both the Contractor and subcontractor for the amount of work being paid. The Contractor must pay all suppliers and subcontractors for the work under the specific draw. The final draw will be withheld until all the punch list items have been completed.

No payment shall be released until the *City/County/Agency* Inspector and the Owner are satisfied with the work performed by the Contractor and its subcontractors.



For projects of \$15,000 or less, the Contractor will receive payment in one lump sum at project completion, rather than in multiple draw payments.

The draw schedule will be as follows for contracts from \$15,001-\$40,000:

| | |
|---------------------|------------|
| First Draw: | 35% |
| Second Draw: | 35% |
| Final Draw: | 30% |

The draw schedule for rehabilitation projects for existing homes will be as follows for contracts of \$40,001 or more:

| | |
|---------------------|------------|
| First Draw: | 25% |
| Second Draw: | 25% |
| Third Draw: | 25% |
| Final Draw: | 25% |

The draw schedule for Demolition/Reconstruction activities shall be as follows for contracts of \$40,001 or more:

| | |
|---------------------|------------|
| First Draw: | 20% |
| Second Draw: | 20% |
| Third Draw: | 20% |
| Fourth Draw: | 20% |
| Fifth Draw: | 20% |

B. Contractor Payments

Payments to the Contractor will be made by the Department on behalf of the Owner in accordance with the Draw Schedule outlined above. To initiate each draw payment, the Contractor is required to complete and submit the Contractor Payment Request Form to the Department staff. The *City/County/Agency* Inspector will review the payment form with the Owner and obtain the Owner's signature, indicating that the Owner understands and is satisfied with the portion of work for which payment is requested. Once all required *City/County/Agency* inspections are made and the Contractor's work is deemed satisfactory, the Department will authorize a Release of Lien for the amount of the draw request.

The Final Draw will be held until the following items have been completed:

1. Contractor's work has passed all required inspections completed by the Building Department.
2. A Final Inspection or Certificate of Occupancy has been issued by the Building Department.

3. A Final Inspection has been completed by *City/County/Agency* staff.
4. The Final Punch List has been completed.
5. A Final Release of Lien has been submitted by the Contractor.
6. All warranty information has been provided to the *City/County/Agency* staff.
7. All Final Releases of Lien have been submitted by subcontractors.
8. The Contractor has provided a list of all subcontractors, including their contact information, to the Owner at closeout.
9. The construction site is broom clean and ready for occupancy.

The Owner and the *City/County/Agency* Inspector must sign a certification of completion stating they are satisfied with the work performed by the Contractor and its subcontractors.

C. Payment Reduction

Based on the results of a required inspection by Department staff and/or the Building Department, the Department has the right to reduce the payment amount or withhold payment due to:

1. Defective or non-satisfactory work
2. Incomplete work
3. Required draw documents not submitted
4. Default under the contract
5. Outstanding claims filed, or with reasonable evidence indicating probable filing of claims
6. Failure of the Contractor to make payments to subcontractors, laborers or material suppliers for work under the contract
7. The amount of work completed is less than the amount of the draw
8. Other requirements not met

When the above conditions have been corrected or resolved, payments shall be made to the Contractor.

D. Change Orders

The Contractor agrees that no alteration of materials or labor described in the original work order shall take place unless in writing and mutually agreed upon by the Owner, Contractor and Department staff. All changes must be submitted on the Change Order Form provided in this manual, signed and dated by the Owner, Contractor, and Department staff, and authorized by the Department Director, City Manager or other party as required by the local program policies and procedures. Any work performed by the Contractor outside the Scope of Work not approved by a written Change Order will not be paid. Change orders must conform to the standards and specifications of the program. If a building inspection is required, work authorized under the change order must be submitted for inspection, review and approval by the Building Department. Requests for extensions of time must be submitted in writing on an approved Change Order form justifying project delays and submitted prior to the existing contract deadline. Requests for extensions of time will be approved only for circumstances beyond the Contractor's control that can be documented. Contractors will be assessed a penalty for each day they are delayed beyond the Contractor deadline unless approved through a written Change Order. Any changes made will be bound by the executed contract, incorporated into the project and subject to the all program requirements, policies and procedures.

E. Suspensions and Disqualifications

Contractors will be suspended or disqualified from participation under the housing programs for any of the following conditions:

1. Self-imposed: A Contractor may disqualify him/herself before signing a contract for conflicting work contracts or personal hardship.
2. Lack of Participation: A Contractor that does not respond to three consecutive bids will be removed from the Active Contractor List and will no longer receive invitations to bid.
3. Insurance Violations: Contractors must have insurance at all times. Any changes in coverage must be reported to the Department and the Building Department in writing within five working days of such said change, including renewals. Contractors who fail to have required insurance will be automatically suspended until proof of insurance is provided.
4. Business License Violations: Any Contractor who has a license suspended, revoked, rejected or inactivated will be automatically disqualified from bidding. All licenses must be current and a copy provided to the Department.
5. Failure to Honor Warranties: Any Contractor who fails to honor a warranty/guarantee from a previous contract will be removed from the Active



Contractor List for one year and must reimburse the *City/County/Agency* for the cost incurred to correct the work covered by the warranty. This also applies to work performed by a subcontractor hired by the Contractor to perform work. Contractors who fail to reimburse the *City/County/Agency* for correcting work covered by the warranty will be permanently removed from the Active Contractor List and reported to the Florida Department of Business and Professional Regulation.

6. Default: Contractors who default under the contract or fail to complete an assigned project, will be permanently removed from the Active Contractor List and disqualified from participating in any current and future programs through the Department.
7. Willful Misconduct: Willful misconduct by the Contractor, its employees or its subcontractors while engaged in a *City/County/Agency* work project is unacceptable. The Contractor may be disqualified from the program for allowing behavior including, but not limited to, theft, lewd or lascivious acts, foul language, public intoxication and illegal drug use, willful destruction of Owner's property or abusive behavior towards the Property Owner or *City/County/Agency* staff.
8. Contractor Negligence: Contractors that do not adhere to building codes, construction industry standards, contract specifications, and material requirements will be permanently removed from the Active Contractor List. Department staff retains the right to terminate a contract and award the contract to another Contractor.
9. Payment Delinquency: Failure to pay subcontractors or material suppliers permanently disqualifies the Contractor from participation in the program.
10. Kickbacks/Price Fixing: Any evidence of kickbacks or price fixing by or between Contractors, its employees, officers, owners, agents, partners, representatives or any other affiliates will automatically disqualify the Contractor permanently from participation under the housing programs.
11. Brokering of Work: No person or persons shall broker any *City/County/Agency* contract to another licensed or unlicensed Contractor. Anyone found brokering work, or receiving a brokered contract, will be immediately suspended and disqualified indefinitely from participating in any program through the *City/County/Agency*.
12. Delays: Contractors experiencing delays in completing work within the required deadline will not be awarded additional work until the delayed projects have been completed to the satisfaction of the Department. Contractors who experience delays on three (3) successive projects will be removed from the Active Contractor List for one year, unless the delays were caused by factors beyond the Contractor's control and the Contractor obtained extensions of time as needed through Change Orders.

F. Lien Waivers

The Contractor shall protect, defend, and indemnify the Department and the Owner from all claims of unpaid work, labor or materials. The Contractor must sign a Release of Lien at every draw request before payment can be released. It is the Contractor's responsibility to obtain Release of Liens from its subcontractors, material suppliers, and any other parties associated with said project.

G. Inspections

The Department reserves the right to inspect all work performed by the Contractor at any time during the construction. An inspection is required prior to approval of each draw.

5. PROJECT RESPONSIBILITIES

A. Government Responsibility

The Department is responsible for the day-to-day administration of the programs and qualifies the applicant, conducts or arranges for pre-bid inspections, prepares the work write-up and Scope of Work, prepares and sends out bid packages, schedules pre-bid meetings, awards bids, conducts or arranges for inspections during and after rehabilitation work, and makes payments on behalf of the Property Owner. The Department is responsible for overseeing the work of any Sub recipients, sponsors or contractors hired under a contract with a third-party firm or under an interdepartmental agreement.

B. Construction Agreement

The Agreement for construction services is between the Contractor and the Property Owner and is executed at a scheduled Closing held at a location specified by the Department. The Owner will also execute an agreement with the City outlining the roles and responsibilities of each party. The Contractor will be provided with a Notice to Proceed at the Closing. **Contractors are not authorized to begin work until they receive a Notice to Proceed.**

C. Contract Signee

Only the Property Owners, the License holder, or the Financially Responsible Officer (FRO) of the Contractor or corporate officer duly authorized by resolution may sign documents for the contract between the Owner and Contractor.

D. Access to Property

All parties involved in the construction process shall have access to said property during normal business hours. In the event that the Property Owner continues to occupy the property during construction, a time of operation will be established between the Owner and the Contractor as specified in the contract.

E. Utilities

When existing utilities are available, the Property Owner will provide use of water and electricity at no cost to the Contractor, unless otherwise noted. It is the Contractor's responsibility to locate and mark all utilities prior to the start of construction.

F. Equipment Storage

The Contractor and subcontractors will be solely responsible for the security of their equipment, tools and materials on the construction site. The Property Owner, the City/County/Agency, its employees, or affiliates will not be held liable for any losses or damages sustained during the construction project. The Contractor shall not store equipment and materials on said property that is not used for the work described in the contract. Materials and equipment will be stored in such a way to protect the occupant from injury or incidents.

G. Personal Property

Homeowners will be asked to remove valuables and personal property from the work area prior to the commencement of work. Personal property belonging to the Property Owner that remains on the construction site shall be protected and preserved throughout the duration of the project. The Contractor shall hold harmless the Property Owner and the City/County/Agency for any damages created by the Contractor or their affiliates during construction.

H. Property Damage

The Contractor will be held liable for all property damage caused by their employees, equipment, tools, subcontractors, material suppliers, or any other affiliates authorized by the Contractor or their affiliates to do business on the construction site. The Contractor shall make every effort available to avoid damages to the Owner's personal property at all times. Any damage sustained to the property or its contents must be reported immediately to the Department and the Property Owner.

I. Permits and Impact Fees

The Contractor will secure all necessary permits, notices of commencement, etc., required to perform the work as described in the contract. No work shall commence without the required permits and the Contractor must ensure that all subcontractors do the same.

J. Warranties

The Contractor agrees to warrant all labor and materials used during construction for the period of one year from the date of completion. Any and all extended warranties beyond one year shall be provided to the Property Owner at the completion of the contract. These warranties will consist of appliances, HVAC, plumbing fixtures, electrical fixtures, roofing, garage doors and openers, windows and doors, hardware, paint, flooring, cabinets, etc. If a warranty issue should arise within one year, the Contractor is expected to respond within 72 hours for non-emergencies and within 24 hours for emergencies to resolve the issue. If the Contractor fails to respond to and remedy a warranty issue, they will be disqualified from the program for one year and must reimburse the Department for any work contracted to correct the warranted work. If the Contractor fails to reimburse the Department for work covered under the Contractor's warranty, the Contractor will be permanently removed from the Active Contractor List and will be reported to the Florida Department of Business and Professional Regulation.

K. Disputes

The Department staff will work to resolve all disputes between the Property Owner and the Contractor. All disputes not resolved by program staff should be reported to Florida Housing Finance Corporation for possible resolution before they move to arbitration. All unsettled claims or disputes between the Property Owner and the Contractor arising out of or related to the work shall be submitted to arbitration under the laws governed by the State of Florida. Notice of the demand for arbitration shall be filed in writing with the other party to this agreement, and shall be made within a reasonable time after a dispute has arisen. The award rendered by the Arbitrator shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. The prevailing party may be entitled to recover all costs, including reasonable attorney's fees.

L. Room Completion

As the Contractor completes areas during rehabilitation, the Property Owner may use that area for their personal use. If any damages occur to a completed area occupied by the Property Owner during rehabilitation, the Property Owner will be held liable for such damages.

6. CONTRACTOR QUALITY AND STANDARDS

A. Insurance

The Contractor agrees to carry adequate insurance coverage for liability and workers' compensation as required by state law and the Building Department. Any changes in insurance coverage, including renewals, must be provided in writing within five working days to the Department and the Building Department. It is understood that any subcontractors hired or working with the Contractor must have adequate insurance coverage for liability and workers' compensation. The Contractor must provide a Certificate of Insurance to the Department and submit any changes or renewals. The Contractor has the option of purchasing builders risk insurance for the projects. If the contractor chooses not purchase builders risk insurance, the contractor will be held personally responsible for theft or other losses incurred in the project.

B. Coordination of Work

The Contractor is responsible for the coordination of all work described in the contract and agrees to schedule all work in the proper order for the operation of all trades, material, and workers engaged in the contract. It is agreed that no exterior work, such as re-roofing, will be performed during adverse weather conditions that would cause damage to the Owner's property.

C. Codes

The Contractor will comply with all building and code regulations and ordinances required by the Building Department. The Contractor will not be held responsible for pre-existing violations of code or building laws except where corrections of such violations are required within the scope of the contract. It is the Contractor's responsibility to stay informed of all changes to the building code and *City/County/Agency* ordinances.

D. Licenses

Contractors must possess a valid State of Florida Occupational License issued by the Department of Business and Professional Regulation, and any additional licenses required by the Building Department to obtain a permit. Required documents must be on file with the Housing and the Building Department. Any changes, including renewals, must be submitted within 5 working days of such said change. Any violations or discipline against the Contractor must be reported in writing to the Department within 5 working days.

E. Material Quality

The Contractor must furnish all materials necessary to complete the contract. All materials used and installed must be new and of good quality, free from faults and defects as specified in the work write-up. Any deviations of materials from the work write-up must be approved by the *City/County/Agency* staff in writing before installation, and the *City/County/Agency* staff retain the right to request documentation from the manufacturer to show that the quality is equal to or better than the product requested on the work write-up. Substituted materials not approved by the *City/County/Agency* staff must be removed by the Contractor and replaced with the required material at the Contractor's expense. All damage caused by said removal and replacement shall be at the Contractor's expense. All materials used by the Contractor are subject to inspection.

F. Labor Quality

All labor provided by the Contractor or subcontractor must be performed by skilled, trained professionals. Tradespersons, when required by County or State law, shall be licensed. All work performed by the Contractor and any associates will be inspected by the *City/County/Agency* staff and is expected to conform to the contract, building codes and professional work ethics.

G. Safety

The Contractor agrees to keep the construction site a safe working environment at all times. All trash and debris will be picked up during the course of work, as well as tools and equipment when applicable, to ensure safety for the workers and Property Owner. Chemicals and flammables such as paints and solvents shall be removed daily, or locked in a suitable secure location, to prevent accidents.

H. Clean-Up

The Contractor agrees to keep the construction site cleared of trash and construction debris, cleaning the site on a daily basis. The Contractor will provide a dumpster or other approved receptacle as specified in the scope of work.

I. Completion Deadline

The Contractor is required to complete all work within the time allowed as described in the contract agreement. Extensions may be granted to the Contractor for circumstances beyond their control such as weather delays, natural disasters or national emergencies. If the work is not completed on time, the Contractor will be removed from the Active Contractor List and disqualified from bidding for one year. **Liquidated damages will**



occur at the rate of fifty dollars per day starting from the original completion date.

Contractors that experience delays due to inclement weather, natural disasters, or factors outside their control must request an extension of time in writing with supporting documentation, such as weather reports, that must be approved by the Property Owner and the *City/County/Agency* staff.

J. Hold Harmless

The Contractor shall agree to defend, indemnify, and hold harmless the Property Owner and the Department from liability and claim for damages due to bodily injury, death, property damage, sickness, disease, theft, or loss and expenses arising from the Contractor's performance under this agreement to install, develop or make home improvements. The Contractor is acting in the capacity of an independent contractor with respect to the Property Owner and the *City/County/Agency* housing department.

K. Regulations

Contractors must comply with all state and local statutes, regulations, ordinances and policies applicable to all projects. Federally funded projects require compliance with the Lead Based Paint requirements, Davis-Bacon Act and all other applicable laws and regulations. Contractors who have been debarred from working in federally funded projects cannot participate in this program.

NOTE:

The Department reserves the right to amend the Contractors Handbook at any time. Revisions will be provided to all Contractors on the Active Contractor List.

PART III. SAMPLE FORMS AND DOCUMENTS

- A. Contractor Checklist and Application**
- B. Authorization to Release Credit Information**
- C. Compliance Certification**
- D. Pre-Bid Attendance Form**
- E. Invitation for Bids**
- F. Bid Results**
- G. Owner Selection of Contractor Form**
- H. Contractor/Owner Rehabilitation Agreement**
- I. Owner Agreement with City/County/Agency**
- J. Closing Conference Report**
- K. Truth-in-Lending Statement**
- L. Notice to Proceed**
- M. Subcontractor List Form**
- N. Contractor Payment Request (Draw) Form**
- O. Inspection Report and Checklist**
- P. Notice of Commencement**
- Q. Change Order Form**
- R. Punch List**
- S. Release of Lien and Affidavit of Contractor**
- T. Termination of Notice of Commencement**
- U. Partial Waiver and Release of Lien**
- V. Final Release of Lien**
- W. Contractor Warranty**
- X. Contractor Evaluation Form**
- Y. Mortgage and Note**
- Z. Mortgage Modification Form**

Note: These forms and documents are Samples only. It is strongly advised that they be reviewed by the City/County/Agency Attorney prior to use.



CONTRACTOR CHECKLIST AND APPLICATION – SAMPLE

CHECKLIST FOR CONTRACTOR'S SUBMISSION OF DOCUMENTS

| | |
|--|-----|
| 1. <i>City/County/Agency</i> Contractor's Application | () |
| 2. Current State of Florida Occupational License Issued by the Department of Business and Professional Regulation, and any required <i>City/County</i> License(s) | () |
| 3. <i>City/County</i> Tax Receipt | () |
| 4. Contractor Registration | () |
| 5. Public Liability and Workers Compensation Insurance or Exemption Minimum Coverages are: a. Comprehensive General Liability Insurance Limits - \$200,000/\$300,000 Combined Single Limit, Bodily Injury/Property Damage b. Automatic Liability Insurance Limits - \$100,000/\$300,000 Combined Single Limit c. Construction Insurance / Builder's Risk d. Worker's Compensation & General Liability Insurance | () |
| 6. Corporate Resolution of Person Authorized to Execute Contract and Other Documents | () |
| 7. Sworn Statement Affidavit | () |
| 8. Certification for Compliance with City, County, State, Federal Laws and Regulations | () |
| 9. Three Letters of Reference | () |

All documents on this list are required to be submitted with the application.



Contractor Application

1. GENERAL INFORMATION

Company Name: _____

Company Address: _____

IRS ID (EIN) #: _____

Office number: _____ Fax: _____

Email: _____ Web page: _____

Name of Primary Contact to answer questions about this application

Name: _____ Title: _____

Phone of Primary Contact: _____

E-mail of Primary Contact: _____

Are you a licensed Contractor? Yes No

Please list your license category and licensing entity:

License Number: _____

What is your specialty? _____

Do you have any additional licenses? Specify trade and license number.

Trade _____ License # _____

Trade _____ License # _____

2. COMPANY INFORMATION

Is your company a:

___Corporation ___Partnership ___Individual ___Joint Venture ___LLC

Other _____



IF CORPORATION, PLEASE ANSWER THE FOLLOWING:

A. Date Incorporated _____

B. State Incorporated _____

C. President's Name _____

Phone _____ E-mail _____

D. Vice-President's Name _____

Phone _____ E-mail _____

E. Secretary's Name _____

Phone _____ E-mail _____

F. Treasure's Name _____

Phone _____ E-mail _____

IF INDIVIDUAL OR PARTNERSHIP, PLEASE ANSWER THE FOLLOWING:

A. Date Established: _____

B. Name/Address of all partners (State General or Limited Partnership)

IF OTHER THAN A CORPORATION OR PARTNERSHIP, DESCRIBE ORGANIZATION AND PROVIDE NAME/ADDRESS OF PRINCIPALS:

How many years has your organization been in business under its present name? _____



Has your organization operated under any other name? Yes No

If **yes**, list name(s): _____

How many employees do you have? _____

Have you ever failed to complete any work awarded to you? Yes No

If **yes**, provide the details. Please use separate sheet if necessary.

Within the last 5 years, has any Officer or Partner of your organization ever been an Officer or Partner of another organization when it failed to complete a construction contract?

Yes No

If **yes**, provide the details. Please use separate sheet if necessary.

Have you or any Officer of your company ever been suspended, or denied participation in a federally funded contract or any construction project? Yes No

If **yes**, provide the details. Please use a separate sheet if necessary.

Have you or any Officer/Partner of your company ever filed for Bankruptcy? Yes

No

If **yes**, please provide date of dismissal. _____

Are you:

Minority Owned Business (MBE) Yes No



A MBE is defined as a business concern that is at least 51% owned by one or more individuals who are African American, Hispanic American, Native American, Asian-Pacific American or Asian-Indian American; and whose management and daily business operations are controlled by one or more of these owners.

Woman Owned Business (WBE) Yes No

A WBE is defined as a business concern that is at least 51% owned by one or more women and whose management and daily business operations are controlled by one or more of these owners.

3. REFERENCES

Have you ever performed any residential work for the City, State, or any Government Office?

Yes No

List the City, State or Government Office: _____

List below the three most recently completed Construction/Rehabilitation Contracts:

| Client Name | Phone or e-mail | Address | Job Date | Amount (\$) |
|-------------|-----------------|---------|----------|-------------|
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |

List below up to three Construction/Rehabilitation Contracts underway:

| Client Name | Phone or e-mail | Address | Job Date | Amount (\$) |
|-------------|-----------------|---------|----------|-------------|
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |



Please provide three references:

| Client Name | Phone or e-mail | Address | Job Date |
|-------------|-----------------|---------|----------|
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ |

List of suppliers and address:

| | | |
|----|---------|------------------|
| a. | _____ | _____ |
| | Name | Telephone Number |
| | _____ | _____ |
| | Address | Years Acquainted |
| | _____ | _____ |
| b. | _____ | _____ |
| | Name | Telephone Number |
| | _____ | _____ |
| | Address | Years Acquainted |
| | _____ | _____ |
| c. | _____ | _____ |
| | Name | Telephone Number |
| | _____ | _____ |
| | Address | Years Acquainted |
| | _____ | _____ |

Bank Reference:



4. CONFLICT OF INTEREST

Are you related to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the *City/County/Agency*? Yes No

If yes, please disclose your relationship:

5. CONDITIONS AND CERTIFICATION

Will you, upon request, fill out a detailed financial statement and furnish any other information that may be required? _____

In consideration of being placed upon the "Active Contractor List", the undersigned contracting firm will comply with the following conditions on all construction/rehabilitation work performed and agrees:

- a. To use only contract forms approved by the program.
- b. That work will be performed in accordance with the standards established by the program, the Florida Building Code, and *City and County Codes*.
- c. That if work performed by the contractor is found to be unsatisfactory or if contract relations between the contractor, homeowner, or other parties are found to be unsatisfactory, the Department may temporarily or permanently remove the contractor's name from the "Active Contractor List."
- d. That adequate public liability and workers compensation insurance will be provided as follows:
 - (a) Workers compensation insurance as required by Chapter 440, Florida Statutes.
 - (b) Public liability insurance on a comprehensive basis in an amount not less than \$300,000 combined single limit bodily injury and property damage. Policy shall be endorsed to include the *City/County/Agency* as an additional insured.



- (c) Automobile liability insurance covering all owned, and non-owned and hired vehicles used in connection with the work in an amount not less than \$100,000 combined single limit for bodily injury and property damaged combined.

The public liability insurance as required in paragraph (b) above shall include those classifications, as listed in standard liability insurance manuals, which are applicable to the operations of the contractor in the performance of the work. The insurance policy required above shall be issued with companies authorized to do business under the law of the State of Florida. They shall have a general policy holders rating of "A" or better and a financial rating of no less than C+ as reported by Best's Key Rating Guide, published by A.M. Best Company, latest edition.

- e. That the contractor will abide by Equal Opportunity laws of the Civil Rights Act and all other applicable City, Federal, State, and County laws and regulations.

I certify that the information provided on this application is true as completed and authorize the *City/County/Agency* to verify the information listed herein.

Signed at _____, this _____ day of _____, 20____.

Signature

Print Name

Title

Company



STATE OF FLORIDA

COUNTY OF

_____, being duly sworn deposes and says that he is _____, of _____, and all statements therein contained are true and correct.

Sworn, to and subscribed before me this ____ day of _____, 20__, by _____, who has produced photo identification _____ or who is personally known to me and who did/did not take an oath.

Notary Public: _____

My Commission Expires:



AUTHORIZATION TO RELEASE CREDIT INFORMATION – SAMPLE

AUTHORIZATION TO RELEASE CREDIT INFORMATION

This is authorization for the *City/County/Agency* to verify previous or current credit information. The undersigned specifically acknowledge(s) that: (1) verification or re-verification of any information contained in this application may be made by the *City/County/Agency* from any source named in this application including banks, credit unions, a credit reporting agency and other sources not specifically identified here; and (2) the *City/County/Agency* may make copies of this letter for distribution to any party with which I (we) have a financial or credit relationship and that any party may treat such copy, including a faxed or scanned/emailed copy, as an original.

Please complete all information below:

Federal Tax ID #: _____ Telephone Number: _____

Social Security #, if business is sole proprietorship: _____

Company Name: _____

List any DBAs: _____

Business Address: _____

Previous Address: _____

Type of Business: _____

Check One: Corporation Partnership Sole Proprietorship LLC

Date Incorporated: _____ Date Business Started: _____

Number of Employees: _____

Bank Reference: _____ Type of Account _____

Account Number: _____

Bank Reference: _____ Type of Account _____

Account Number: _____

Credit References (Business Suppliers)

| Name | Address | Phone |
|-------|---------|-------|
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |

Print Name

Signature of Authorized Officer



COMPLIANCE CERTIFICATION FORM - SAMPLE

CERTIFICATION FOR COMPLIANCE WITH CITY, COUNTY, STATE, FEDERAL LAWS AND REGULATIONS

I, _____ agree to comply with all City, County, State, and Federal laws and regulations, including, but not limited to the following:

CONFLICTS OF INTEREST

Contractor covenants that no person who presently exercises any functions or responsibility on behalf of the *City/County/Agency* in connection with this agreement has any personal financial interests, direct or indirect, with the Contractor. Contractor further covenants that, in the performance of any contract, no person having such conflicting interest, shall be employed by the Contractor. Any conflict of interest attributable to the Contractor or its employees must be disclosed in writing to the *City/County/Agency* immediately upon discovery.

Contractor is aware of the conflict of interest laws of the State of Florida, particularly Chapter 112, Part III, Florida Statutes; and the United States Department of Housing and Urban Development, particularly, 24 CFR Part 570 § 570.611, and agrees to fully comply with all respects to those provisions.

EQUAL OPPORTUNITY

Contractor agrees that it will comply with equal opportunity requirements, which require that no person in the United States shall on the ground of race, creed, color, national origin, age, sex, religion, or disability 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 State or Federal funds.

In the event local laws or ordinances governing equal opportunity apply as well, Contractor agrees to comply.

DEBARMENT/SUSPENSION

The Contractor certifies, by submission of this certification, that neither the Contractor nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or agency.

Where the Contractor is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this certification.



ZONING CODES AND BUILDING CODES

Contractor must comply with the *City/County/Agency* Housing Quality Standards, the Florida Building Code, local building codes and other standards established by the *City/County/Agency*, as deemed necessary by such agency.

Signature: _____

Print Name: _____

Date _____

STATE OF FLORIDA

COUNTY OF _____

Sworn to and subscribed before me this _____ day of _____, 20____
, by _____, who has/have produced
photo identification _____ or is personally known to me and who
did/did not take an oath.

Notary Public, State of Florida

My Commission Expires: _____



INVITATION FOR BIDS – SAMPLE

SHIP REHABILITATION – INVITATION FOR BIDS

The *(City/County/Agency Department)* will accept sealed bids for the following property:

Property Owner Name: _____ **Phone Number** _____

Property Address: _____

Housing Type: _____

Mandatory Pre-Bid Walk-Through:

Walk-Through Date: _____ **Time:** _____

Scope of Work: _____

Bid Opening Date: _____ **Time:** _____

Opening Location: _____

Bids should be sealed and delivered to: _____

Mark the envelope **“Sealed bids”** with the client’s name, property address, case number, and date and time of bid opening. If you have any questions regarding this bid you may contact *(City/County/Agency Department)* staff at _____.

All Prices Must Be Typed or Written In Ink & Bid Must Be Properly Signed and Dated.

The *City/County/Agency* retains the right to reject any and all bids and waive any informalities in the bidding process.



BID RESULTS – SAMPLE

BID RESULTS

| | |
|--|----------------------------|
| PROPERTY OWNER NAME | ADDRESS OF PROPERTY |
| DATE OF PRE-BID WALK-THROUGH | DATE OF BID OPENING |
| NAME OF CONTRACTOR WHO PLACED A BID | TOTAL BID AMOUNT |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

Comments: _____

Opened by: _____ **Date** _____

Reviewed by: _____ **Date** _____

Awarded by: _____ **Date** _____

Awarded to: _____ **Date** _____



OWNER SELECTION OF CONTRACTOR FORM – SAMPLE

OWNER SELECTION OF CONTRACTOR

I, _____ (Client Name), along with _____, the Construction Coordinator for (City/County/Agency), have reviewed all the bids that were received by the (City/County/Agency) on my behalf for the rehabilitation/reconstruction of my home located at: (Address)

The bids that were received for my home are as follows:

| | <u>Contractor</u> | <u>Bid Amount</u> |
|----|-------------------|-------------------|
| 1) | _____ | _____ |
| 2) | _____ | _____ |
| 3) | _____ | _____ |
| 4) | _____ | _____ |
| 5) | _____ | _____ |

I, _____ (Client Name), would like _____ (Contractor's Name), whose bid amount is \$_____, to be awarded the contract to rehabilitate/reconstruct my home. I also have been made aware that the City/County/Agency will not award a contract to any Contractor whose bid is 10% over or under the estimated project cost of \$_____. I further understand that any Contractor that I select must be approved by the SHIP Administrator who retains the right to reject any Contractor.

Signature

Date

Printed Name



CONTRACTOR/OWNER REHABILITATION AGREEMENT – SAMPLE

SHIP REHABILITATION – OWNER/CONTRACTOR AGREEMENT

THIS AGREEMENT is hereby made this ____ (date), 20__ between the Owner, _____ and the Contractor, _____. The project address is _____.

The Owner and the Contractor agree to do the following:

ARTICLE 1. The Work.

1.1 The Contractor shall perform all the work required by the Contract Documents for the rehabilitation of the above-described property according to the work write-up, plans and specifications provided by the State Housing Initiatives Partnership (“SHIP”) Program and the Owner.

ARTICLE 2. Time of Commencement and Completion.

2.1 The Contractor shall, within **10** calendar days from the date of the issuance of the Notice to Proceed, commence performance hereunder, and all work to be performed by the Contractor shall be completed in accordance with the conditions, plans, and specifications within **90** calendar days of issuance of the Notice to Proceed. The parties agree that a sum of **\$50.00** per calendar day shall be deducted from the Contract Sum as liquidated damages for each day the project remains incomplete beyond the date specified for completion. The deadline date for completion is_____.

ARTICLE 3. Contract Sum and Payment.

3.1 The Owner, with loan proceeds provided by the *City/County/Agency*, shall pay the Contractor the total Contract sum of \$_____. The sum of the Contract is final. No changes will be allowed once this contract is executed unless authorized in writing by the Department Director.

3.2 Payments may be withheld on account of any one of the following: (1) defective work not remedied; (2) claims filed; (3) work does not pass required inspections performed by Building Department; (4) required documents not submitted; and (5) unsatisfactory performance by the Contractor.

3.3 Final payment shall not be due until Contractor has delivered to the Owner through the *(City/County/Agency Department)*, guarantees and warranties, a complete release of all claims of lien, notices filed or received in connection with the work or receipts covering all labor, materials, and equipment for which a lien could be filed, a payment and performance bond, if applicable, satisfactory to the Owner and the SHIP Program.



3.4 Final payment shall constitute a waiver of all claims by the Owner, except those claims presented in writing to the *(City/County/Agency Department)* ("Department") prior to final payment, and shall constitute a waiver of all claims by the Contractor arising from: (1) unsatisfied liens; (2) faulty or defective work appearing after substantial completion; (3) failure of the work to comply with the requirements of the Contract Documents; or (4) substandard work violating guarantees/warranties required by the Contract Documents.

ARTICLE 4. Method of Payment.

4.1 The Owner agrees to pay the Contractor in accordance with the following schedule:

For projects of \$15,000 or less Contractor will receive one payment at project completion.

The draw schedule will be as follows for contracts from \$15,001-\$40,000:

| | |
|---------------------|------------|
| First Draw: | 35% |
| Second Draw: | 35% |
| Final Draw: | 30% |

The draw schedule for rehabilitation projects for existing homes will be as follows for contracts of \$40,001 or more:

| | |
|---------------------|------------|
| First Draw: | 25% |
| Second Draw: | 25% |
| Third draw | 25% |
| Final Draw: | 25% |

The draw schedule will be as follows for Demolition/Reconstruction contracts from \$40,001 or greater:

| | |
|---------------------|------------|
| First Draw: | 20% |
| Second Draw: | 20% |
| Third Draw: | 20% |
| Fourth Draw: | 20% |
| Fifth Draw: | 20% |

4.2 Each item requested for payment must have an inspection by the housing inspector. If required, the work must have passed a required building inspection at the



time the draw request is made. The Contractor must submit to the housing staff, proof of passing all required inspections.

4.3 One hundred percent (100%) completion is defined as all work being completed and accepted by the Owner and Department staff and verified by the Building Department in writing. The Final Draw will not be released until there is 100% completion of the work as so defined. Progress payments (“Draws”) and the Final Draw are subject to final inspections by *City/County/Agency* staff. If the *City/County/Agency* SHIP Program inspector recommends corrective action to be taken pursuant to this Contract, then the Contractor has the option to pay for the corrective work or deduct the cost of the corrective work from the Contract sum.

ARTICLE 5. Contract Documents.

5.1 The Contract Documents consist of this Agreement, the drawings, the specifications, all addenda issued prior to the execution of this Agreement, all modifications, Change Orders, written interpretations of the Contract Documents issued by the SHIP Program, and all appropriate regulations issued by the Florida Housing Finance Corporation governing rehabilitation or new construction work, and the Florida Building Code. The intention of the Contract Documents is to include all labor, materials, equipment, tools, services, and other items necessary or reasonably implied for the proper execution and completion of the work and compliance with the terms and conditions of payment.

5.2 The Contract Documents shall be executed in triplicate by the Owner and the Contractor. By executing the Contract, the Contractor represents that Contractor has visited the site and is familiar with the local conditions under which the work is to be performed, and all applicable regulations and requirements of the SHIP Program and Florida Building Code.

5.3 The term "work" as used in the Contract Documents includes all labor necessary to perform the construction required by the Contract Documents, and all materials and equipment incorporated or to be incorporated in such construction.

ARTICLE 6. Supervision.

6.1 The SHIP Program staff will make periodic visits to the site to monitor the progress and quality of the work in order to assess compliance with the work write up. The *City/County/Agency* SHIP Program will not be responsible for the means, methods, techniques, sequences or procedures relating to the construction, or for safety precautions and programs in connection with the work; nor shall the *City/County/Agency* be responsible for the Contractor's failure to carry out the work in accordance with the Contract Documents. The contractor shall be held solely responsible.



6.2 *City/County/Agency* SHIP Program staff will attempt to adjudicate all claims and disputes between the Owner and the Contractor. Unsettled claims or disputes between the property owner and the Contractor arising of or related to the work shall be submitted to arbitration under the laws governed by the State of Florida. Notice of the demand for arbitration shall be filed in writing with the other party to this agreement, and shall be made within a reasonable time after a dispute has arisen. The award rendered by the Arbitrator shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. The prevailing party may be entitled to recover all costs, including reasonable attorney's fees.

6.3 Work which does not conform to the Contract Documents and/or to the Florida Building Code, as determined by the SHIP program inspector, shall be rejected.

ARTICLE 7. General Responsibilities of the Owner.

7.1 The Owner may issue instructions to the Contractor through the SHIP Program staff and shall apprise the staff of any changes, discrepancies or problems that may arise during the term of the Contract.

7.2 The Owner shall furnish the use of electricity, water, light and heat to the Contractor, at no additional cost to the Contractor or *City/County/Agency*, during the Rehabilitation process.

7.3 The Owner agrees to remove personal property within the construction area so as not to interfere with the progress of work. The Contractor shall have easy access in and around the rehabilitation area for the operation of equipment needed for the performance of work.

7.4 The Owner shall grant access to the subject property during normal business hours to all parties involved in the rehabilitation process. In the event that the Owner continues to occupy the property during rehabilitation, a time of operation will be established between the Owner and the Contractor.

7.5 The Owner shall approve all the finish materials, products and colors to be used in this rehabilitation according to bid specifications. All colors chosen by the Owner or the Contractor shall be approved by *City/County/Agency* prior to installation.

7.6 The Owner shall be responsible for the proper use and care of the property including equipment and appliances.



7.7 The Owner shall keep all children, visitors, and pets secured from the construction area so as not to interfere with the rehabilitation process or be placed in harm's way so the Contractor may be allowed to fulfill the requirements of the contract.

ARTICLE 8. Contractor.

8.1 The Contractor must notify the SHIP Program staff, prior to commencing any rehabilitation work, of any known or suspected hazardous, dangerous, toxic or radioactive substances, including asbestos, on the property. The Owner will take all necessary measures to remove hazardous, dangerous, toxic or radioactive substances from the site.

8.2 The Contractor shall supervise and direct the work using Contractor's best skills and attention. The Contractor shall be solely responsible for all the means, methods, techniques, sequences, and procedures relating to the construction, and for coordinating all portions of the work under the Contract. All work shall be performed in a workmanlike manner according to standard practices.

8.3 Unless otherwise specifically noted, the Contractor shall provide and pay for all labor, withholding and unemployment taxes, materials, equipment, tools, construction equipment and machinery, transportation, and other facilities and services for the proper execution and completion of work.

8.4 The Contractor shall at all times enforce strict discipline, sobriety, and good order among their employees, and shall not employ any person or anyone not skilled in the task assigned to them.

8.5 The Contractor warrants to the Owner that all materials and equipment incorporated in the work will be new unless otherwise specified and that all work will be of good quality free from faults and defects, and in conformity with the Contract Documents. All work not in conformity with these standards may be considered defective and the work may be rejected and/or appropriate deductions from the Contract price shall be made accordingly.

8.6 The Contractor shall pay all sales, use, and other similar taxes required by law and shall secure all permits, fees, and licenses necessary for the execution of the work.

8.7 The Contractor shall give all notices and comply with all laws, ordinances, rules, regulations, and orders of any public authority bearing on the performance of the work and shall notify the SHIP Program staff if the drawings and specifications are at variance therewith.



8.8 The Contractor shall be responsible for the acts and omissions of his employees and all other persons performing any of the work under the Contract at the request of or direction of the Contractor or subcontractor.

8.9 The work shall be in accordance with approved samples and shop drawings.

8.10 The Contractor at all times shall keep the premises free from accumulation of waste materials or rubbish caused by his activities. At the completion of the work, he shall remove all waste materials and rubbish from and about the project as well as tools, construction equipment, machinery, and surplus materials, and shall clean all glass surfaces and shall leave the premises "broom clean" or its equivalent, except as otherwise specified.

8.11 The Contractor shall indemnify and hold harmless the Owner and the *City/County/Agency*, by and through the SHIP Program, its employees, officials, representatives, agents and attorneys, from and against all claims, damages, losses, and expenses, including attorney's fees, cost and expenses (trial, appellate and administrative) arising out of or in connection with the performance of the work, provided that any such claim, damage or loss, or expense: (1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the work itself) including the loss of use resulting therefrom; and (2) is caused in whole or in part by any negligent act or omission of the Contractor, any subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder. In any and all claims against the Owner or against the *City/County/Agency*, its officials, employees, agents, representatives or attorneys, by any employee of the Contractor, subcontractor, anyone directly or indirectly employed by any one of them or anyone for whose acts any of them may be liable, the indemnification obligation under this subparagraph shall not be limited in any way by any limitation on the amount or type of damages, compensation on benefits payable by or for the Contractor of any subcontractor under workers' compensation laws, disability benefit laws, or other employee benefit laws. The obligation of the Contractor under this subparagraph shall not extend to the liability of the SHIP Program, its agents or employees arising out of: (1) the preparation or approval of maps, drawings, opinions, or (2) the giving of or the failure to give direction or instructions by the SHIP Program, its agents or employees; provided such acts or omissions are the primary cause of the injury or damage.

8.12 The Contractor shall guarantee all work performed for a period of one year from the date of final acceptance. The Contractor shall furnish the Owner, in care of the SHIP Program, properly completed manufacturers' and suppliers' written guarantees and warranties covering materials and equipment furnished under this Contract. Any defects that appear within the one-year period and arise out of defective or improper materials or workmanship shall, upon direction of the SHIP Program staff, be corrected and made good



by the Contractor at his expense. Contractors who fail to comply with the terms of the warranty, and who fail to reimburse the Department for any work contracted to correct the warranted work, will be removed from the Active Contractor List and reported to the Florida Department of Business and Professional Regulation.

8.13 Other Federal, State and Local Requirements. The Contractor and/or subcontractor agrees to adhere to all applicable Federal, State and local requirements, including but not limited to the SHIP Program Regulations, Federal Labor Standard Provisions, if applicable, Section 3 Regulations, and Equal Employment Opportunity Affirmative Action requirements including 24 CFR Part 570 Section 602, which require that no person shall be excluded from participation, be denied the benefits of or be subjected to discrimination based on race, color, national origin, age, sex, religion or disability. Failure to site specific Federal, State or local requirements shall not relieve the Contractor or subcontractor of compliance with the appropriate regulation, if deemed applicable.

ARTICLE 9. Subcontractors.

9.1 A subcontractor is a person who has a direct written contract with the Contractor to perform any of the work at the site.

9.2 Unless otherwise specified in the Contract Documents or in the instructions to the Bidders, the Contractor, as soon as practicable after the award of the Contract, shall furnish to the SHIP Program, in writing, a list of the names of subcontractors proposed for the principal portions of the work. The Contractor shall not employ a subcontractor to whom the SHIP Program or the Owner may have a reasonable objection. The Contractor shall not be required to employ any subcontractor to whom they have a reasonable objection. Contracts between the Contractor and the subcontractor shall be in accordance with the terms of this Agreement and shall include the General Conditions of this Agreement insofar as applicable. The Contractor may not employ a subcontractor that is not licensed or insured in the trade hired to work.

ARTICLE 10. Separate Contracts.

10.1 The Owner is not authorized to award other contracts while this contract is underway. All construction work will be limited to the work specified on the work write up to be performed by the Contractor and his subcontractors.

10.2 The Contractor shall notify the *City/County/Agency* if other work is being performed at the site. The Contractor cannot enter into any contract with the Owner for work other than what is specified on the work write up during the term of the this contract unless in writing on an approved Change Order.

ARTICLE 11. Royalties and Patents.

11.1 The Contractor shall pay all royalties and license fees. The Contractor shall defend all suits or claims for infringement of any patent rights and shall hold the Owner harmless from loss on account thereof.

ARTICLE 12. Time.

12.1 Time is of the essence. If the Contractor is delayed at any time in the progress of the work by changes ordered in the work, by labor disputes, fire, unusual delay in transportation, unavoidable casualties, causes beyond the Contractor's control, or by any cause which the SHIP Program staff may determine justifies the delay, then the Contract time may be extended by a written Change Order for such reasonable time as the SHIP Program staff may determine. The Contractor must request such extension of time in writing prior to the contract deadline. Contractors who do not submit extensions of time in writing before the contract deadline will be fined in accordance with Article 2 of this contract.

ARTICLE 13. Protection of Person and Property.

13.1 The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the work. He/she shall make all reasonable precautions in accordance with prevailing industry standards for the safety of, and shall provide all reasonable protection to prevent damage, injury or loss to: (1) all employees of the job and other persons who may be affected thereby; (2) all the work and all materials and equipment to be incorporated therein; and (3) other property at the site or adjacent thereto. The Contractor shall comply with all applicable laws, ordinances, rules, regulations and orders of any public authority having jurisdiction for the safety of person or property, or to protect them from damage, injury, or loss. The Contractor will be held responsible for all damage or loss to any property caused in whole or in part by the Contractor, any subcontractor, or anyone directly or indirectly employed by any of them or by anyone for whose acts they may be liable.

ARTICLE 14. Contractor's Liability Insurance.

14.1 The Contractor shall purchase and maintain and shall ensure that each of the subcontractors shall purchase and maintain such insurance as will protect each of them from claims from worker's compensation laws and other employee benefit laws, from claims for damage because of bodily injury including death, and from claims for damages to property which may arise out of or result from the Contractor's operation under this Contract, including any subcontractor or their respective employees, agents or representatives. This insurance shall be written for not less than any limits required by law, and shall include liability insurance as applicable to the Contractor's obligations.

14.2 The Contractor may choose to purchase builders risk insurance to cover all losses in the event of theft of materials from the project site during the terms of the Contract.



If the contractor does not purchase builders risk insurance, the contractor shall be held responsible to replace all losses due to theft at the project site.

ARTICLE 15. Owner's Insurance.

15.1 The Owner shall be responsible for purchasing and maintaining his own liability insurance and, at his option, may maintain such insurance as will protect him against claims which may arise from activities under the Contract.

15.2 Flood Insurance Requirements. The owner shall be responsible for purchasing and maintaining flood insurance, if the property is located in a Federal Emergency Management Act 100-year flood plain zone. The insurance will be maintained active for the duration of the lien filed in connection with this project.

ARTICLE 16. Changes in the Work.

16.1 Once this contract has been executed, no changes to the work will be allowed. Under extreme circumstances, when the *City/County/Agency* determines that changes must be made to this contract, any approved alterations, deletions, or deviations from this Contract will be executed upon a written change order signed by the Owner, Contractor, *City/County/Agency* staff and the SHIP Program Administrator. Such Change Orders and resulting cost changes, if any, will be made part of the original Contract. However, no extra costs will be paid if the Contractor has neglected to properly evaluate the extent of the work. Work performed prior to the execution of a Change Order will not be paid.

16.2 The Contract sum and the Contract time may be changed only by written Change Order.

16.3 The cost or credit to the Owner from a change in the work shall be determined by mutual agreement of the Owner, Contractor and SHIP Program.

ARTICLE 17. Correction of Work.

17.1 The Contractor shall correct any work that fails to comply with the requirements of the Contract Documents where such failure to comply appears during the progress of the work, and shall remedy any defects due to faulty materials, equipment, or workmanship which appear within a period of one year from the date of final payment of the Contract or within such longer period of time as may be prescribed by law or by the terms of any applicable special guarantee required by the Contract Documents. The provisions of this Article apply to work done by subcontractors as well as to work done by employees of the Contractor.

ARTICLE 18. Prohibition and use of lead-based paint.

18.1 No Contractor or subcontractor shall use or permit the use of lead-based paint on applicable surfaces. Every Contract and subcontract shall contain a prohibition on the use of lead-based paint. A Contractor performing renovation, repair and painting projects that disturb lead based paint in homes built before 1978 must be an EPA Lead Certified Renovator.

18.2 During renovation, lead-safe work practices must be followed, including work-area containment to prevent lead paint dust and debris, and minimizing exposure to lead paint hazards by thoroughly cleaning the site after project completion. These lead safe steps must be verified by an individual who has received the EPA individual renovator certification.

18.3 Definitions.

(a) "Lead-Based Paint" means paint or other surface coatings that contain lead equal to or exceeding 1.0 milligram per square centimeter or 0.5 percent by weight or 5,000 parts per million (ppm) by weight.

(b) "Lead-Based Paint Hazard" means any condition that causes exposure to lead from dust-lead hazards, soil-lead hazards, or lead-based paint that is deteriorated or present in chewable surfaces, friction surfaces, or impact surfaces, and that would result in adverse human health effects.

(c) "Applicable surface" means all interior surfaces and those exterior surfaces, such as stairs, decks, porches, railings, windows, and doors, which are readily accessible to children under seven (7) years of age [42 CFR 90.2(g)].

ARTICLE 19. Termination by the Owner.

19.1 If the Contractor defaults or neglects to carry out the work in accordance with the Contract Documents or fails to perform any provisions of the Contract, as determined by the Owner or the SHIP Program staff, the Owner may, after ten (10) days written notice specifying the default to the Contractor, correct deficiencies and deduct the cost thereof from the payment then or thereafter due the Contractor or, at the Owner's option, may terminate the Contract and then hire another Contractor to complete the work. If expenses under the new contract for completion of the work under the original contract exceed the unpaid balance, the original Contractor shall be liable for the difference.

ARTICLE 20. Conflict of Interest.

20.1 Contractor is aware of the conflict of interest laws of the State of Florida, particularly Chapter 112, Part III, Florida Statutes; and the United States Department of Housing and Urban Development, particularly 24 CFR Part 570 § 570.611, and agrees to fully comply in all respects with those provisions.



IN WITNESS WHEREOF, the Owner and the Contractor have caused this Agreement to be executed by duly authorized officials on the date first above written.

Signed, sealed and delivered in the presence of:

Owner

Witness
Printed Name: _____

Signature

Witness
Printed Name: _____

If Contractor is an individual:

Contractor: _____

Witness
Printed Name: _____

Address: _____

Witness
Printed Name: _____

If Contractor is a Corporation:

Attest:

Contractor: _____
Address: _____

Corporate Secretary
Printed name: _____
(Seal) By: _____



**STATE OF FLORIDA
COUNTY OF**

The foregoing Agreement was acknowledged before me this ____ day of _____, 20____,
by _____ who is/are personally known to me or produced
_____ as identification and who did (did not) take an oath.

Signature - Notary Public

(SEAL)

Print Name: _____

My Commission Expires: _____



OWNER AGREEMENT WITH CITY/COUNTY/AGENCY – SAMPLE

SHIP REHABILITATION AGREEMENT **BETWEEN** **CITY/COUNTY/AGENCY AND THE OWNER**

The Owner _____, who owns and occupies the property located at _____ (Address) certifies they have received, read, and understand the rehabilitation contract price, the Scope of Work, the rehabilitation and construction process, and the services to be offered and performed on the subject property. The Owner acknowledges and approves of the Contractor selected by *City/County/Agency* and agrees to the amount of the contract and the Scope of Work to be performed.

Furthermore, the Owner agrees to the following:

ACCESS: The Owner will grant access to subject property during normal business hours to all parties involved in the rehabilitation process. In the event that the Owner continues to occupy the property during construction, a time of operation will be established between the Owner and the Contractor.

PERSONAL PROPERTY: The Owner agrees to remove personal property within the construction area so as to not interfere with the progress of work. The Contractor shall have easy access in and around the area of the home for operation of equipment necessary for the rehabilitation process.

PETS: The Owner will secure all pets at a location so as to not interfere with the construction process and to allow the Contractor to fulfill the requirements of the contract.

COOPERATION: The Owner will cooperate fully with *City/County/Agency*, Building Department, and the Contractor during the performance of the contract.

UTILITIES: The Owner will agree to fully furnish the use of electricity and water to the Contractor, at no cost to the Contractor or *City/County/Agency*, during the rehabilitation process.

TIME & PERFORMANCE: The Contractor shall start the work within ten (10) days of from the date of the issuance of the Notice to Proceed, and will finish all work within ninety (90) days thereof. The Owner shall provide written authorization to the Contractor for the commencement of work. If the Contractor fails to start or finish the work within the time



allowed, the Contractor would have defaulted on the contract and the Owner will have the right to terminate the contract. A notice to terminate the contract shall be in writing and addressed to the Contractor and *City/County/Agency*. Such notice shall be sent by certified mail within five business days of termination. If the Contractor performs sub-standard work as determined by the *City/County/Agency* staff, Contractor shall have (10) days to correct the work. If the work is not corrected within the time allowed, the Owner shall have the right to terminate the contract and may hire the Contractor who had the next lowest bid in order to complete the unfinished work. All new contracts and Contractors must be approved by *City/County/Agency* staff. Any additional costs or fees to complete the work will be the responsibility of the contractor who failed to complete the work within the time frames allowed under the contract. The *City/County/Agency* will assist the owner in recovering such costs or fees from the original Contractor.

CHANGE ORDERS: The Owner and the Contractor expressly agree that no changes in material or description of work shall take place without *City/County/Agency* being notified in writing. Such said changes shall be in the form of a Change Order and agreed upon by the Owner and the Contractor. All changes must be approved by the *City/County/Agency* before work commences.

LIEN ON PROPERTY: The Owner acknowledges and understands that a Mortgage Lien will be placed upon their property. The lien amount will equal the total cost of rehabilitation plus the cost of documentary stamps, recording fees, surveys, title searches, project delivery cost and any other fees or closing costs related to the rehabilitation process. The lien holder will be the *City/County/Agency*.

RESOLUTION OF DISPUTES: The *City/County/Agency* staff will work to settle all disputes between the Owner and Contractor. All unsettled claims or disputes between the Owner and the Contractor arising from or related to the Scope of Work shall be submitted to arbitration under the laws governed by the State of Florida. Notice of the demand for arbitration shall be filed in writing with the other party to this agreement, and shall be made within a reasonable time after a dispute has arisen. The award rendered by the Arbitrator shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. The prevailing party shall be entitled to recover all costs, including reasonable attorney's fees.

HOLD HARMLESS: The Owner agrees to indemnify and hold harmless the *City/County/Agency* and its affiliates from any and all liability resulting from injury, death, sickness, disease, property damage, theft, or any loss and expense by execution of work under this contract. The Owner agrees to pay reasonable attorney's fees if *City/County/Agency* is required to defend or prosecute any claim or action arising out of this contract not caused by act or omission on the part of *City/County/Agency*. It is understood



that the Contractor is acting in the capacity of an independent Contractor with respect to the Owner.

COLOR COORDINATION: All colors shall be chosen by the Owner at the contract signing, subject to *City/County/Agency* approval. This applies to all materials including, but not limited to; roofs, windows, interior and exterior paint, cabinets, flooring, plumbing fixtures, doors, trim and appliances.



ACKNOWLEDGEMENT: I, the Owner, have received, read and understand the Owner's Agreement and shall enforce and agree to the policies within during the rehabilitation process.

Witness

Owner

Print Name

Print Name

Witness

Owner

Print Name

Print Name

Witness

Contractor

Print Name

Print Name

Witness

Print Name

Witness

SHIP Administrator, Sub recipient or
Sponsor

Print Name

Witness

Print Name



CLOSING CONFERENCE REPORT – SAMPLE

REHABILITATION CONTRACT CONFERENCE REPORT

OWNER / CONTRACTOR

I (we) the undersigned have on this date participated in a pre-construction conference closing. The *City/County/Agency* staff have briefed the Contractor and myself (Property Owner) on all terms of the contract and explained in detail the work write-up and specifications as to how the work will be completed. I understand that the contract is for the work specified in the contract and nothing more is to be done and nothing less will be accepted. I understand no changes are permitted to the basic contract unless a written change order is signed by both parties to the original contract and approved by the *City/County/Agency* staff.

Owner

Date

Owner

Date

I, the undersigned hereby certify that a pre-construction contract conference was held on this date between the property owner, *City/County/Agency* staff and myself (Contractor). I have a complete understanding of all terms of the contract, work write-up, and Scope of Work that will be performed.

Contractor

Date

I, the undersigned hereby certify that a pre-construction contract conference was held this date between Contractor and property owner(s), that all the terms of the contract and a detailed explanation of the work write-up was provided to the Contractor and property owner(s).

***City/County/Agency* staff**

Date



TRUTH-IN-LENDING STATEMENT – SAMPLE

SHIP Rehabilitation Program
TRUTH-IN-LENDING STATEMENT

This statement discloses conditions of the Deferred Payment Loan issued by the **(City/County/Agency Department)** Program to:

APPLICANT: _____

Amount Financed: _____

Annual Percentage Rate: _____ %

Monthly Payments: \$ _____

Repayment of the loan is not required as long as the owner maintains the terms agreed to in the Rehabilitation Agreement.

The Deferred Payment Loan is secured by the Mortgage and Note covering property at:

(Address and legal description)

The loan consists of repairs in the amount of \$ _____. There are no escrows associated with the Deferred Payment Loan. However, Documentary Stamps in the amount of \$ _____ and Recording Fees in the amount of \$ _____ have been added to the loan amount.

The Mortgage and Note will be recorded with the Clerk of the Court. A Modification Agreement will be prepared and recorded at the end of construction to amend the total amount of construction, recording fees or calculation errors if this initial mortgage amount differs from the final cost.

I hereby acknowledge receipt of a copy of this statement, agree to the terms herein and agree to sign a final Mortgage Modification Agreement if necessitated.

Owner Signature

Date

Owner Signature

Date

Witness

Date



NOTICE TO PROCEED – SAMPLE

NOTICE TO PROCEED

Date: _____

Property Address: _____

Owner(s): _____

Contractor: _____

Dear _____ (Contractor Name):

Pursuant to the construction Contract signed on _____ (date), you are hereby notified to **proceed** with the rehabilitation work on the property described above. Upon receipt of this **notice**, you are responsible for performing the rehabilitation work on said building under the terms and conditions of the contract and in accordance with the specifications in the work write-up. You should begin construction by _____ (date).

Pursuant to the provisions of Article 2 of the Contract, you are hereby given **Notice to Proceed** with the work within ten **(10)** calendar days of the date of this notice. This notice provides that the work will be completed within ninety **(90) calendar** days of the date of this notice. The completion date is _____ and can only be changed by written change order.

Please acknowledge receipt and acceptance of this **notice** by signing both copies in the space provided below. Keep one copy and return the other to:

(City/County/Agency Department) _____ (Address) _____

I acknowledge receipt of this notice on _____ (date)

Authorized signature: _____



SUBCONTRACTOR LIST FORM – SAMPLE

SUBCONTRACTORS LIST

FILE NO: _____

PROGRAM:

PROJECT NAME:

PROJECT ADDRESS:

GENERAL CONTRACTOR:

Complete and submit the names of all subcontractors who will be actively employed in the actual rehabilitation of the above-mentioned project prior to contract commencement date.

| <u>FIRM NAME</u> | <u>TYPE OF BUSINESS/TRADE</u> | <u>ADDRESS</u> | <u>PHONE</u> |
|------------------|-------------------------------|----------------|--------------|
| 1) | | | |
| 2) | | | |
| 3) | | | |
| 4) | | | |
| 5) | | | |
| 6) | | | |
| 7) | | | |
| 8) | | | |
| 9) | | | |
| 10) | | | |
| 11) | | | |
| 12) | | | |
| 13) | | | |



CONTRACTOR PAYMENT REQUEST (DRAW) FORM – SAMPLE

CONTRACTOR PAYMENT REQUEST # _____

Property Owner: _____

Property Address: _____

Contractor: _____

Contract Amount: \$_____ Contract Balance: \$_____

This Payment: \$_____ Payment (Circle One): Partial or Final

Contractor:

I hereby request an inspection to receive payment in the amount above. I certify that I have satisfactorily completed the necessary work to justify this request and all bills incurred for labor used and material furnished in making said repairs and improvements have been paid in full to this date. See attached cost breakdown.

Contractor's Signature

Date

Property Owner:

I/We hereby agree that the work stated by the Contractor has been completed and approve payment to the Contractor in accordance with the Agreement and contingent upon inspection and concurrence by the *City/County/Agency* staff. It is understood that the actual amount disbursed will be based on the findings of that inspection.

Owner's Signature

Date

Owner's Signature

Date

City/County/Agency staff:

I hereby certify that the work has been inspected and hereby approve the payment to the Contractor in the amount of \$_____

City/County/Agency Inspector

Date

Approval for Payment:

SHIP Administrator

Date



INSPECTION REPORT AND CHECKLIST – SAMPLE

PROPERTY INSPECTION REPORT

| | |
|----------------------|---|
| Owner: _____ | Inspection Date: _____ |
| SJHP Client #: _____ | Inspector: _____ |
| Address: _____ | |
| Phone: _____ | Number of People in Home: _____ Bdrm/Bthrm: _____ |
| Phone: _____ | Disabilities: _____ |

Site Exterior

* Denotes item requiring attention

| Item | Description |
|-------------|-------------|
| Trees | |
| Sidewalk | |
| Driveway | |
| Debris | |
| Fencing | |
| Septic/Pump | |
| Well/Pump | |
| Grading | |

Building Exterior

| | |
|---------------------------|--------------------------|
| <u>Total Area:</u> | <u>Conditioned Area:</u> |
| <u>Year Built:</u> | |
| <u>Wall Construction:</u> | |
| <u>Foundation:</u> | |

| Item | Description |
|----------------|-------------|
| Roofing | |
| Roof Decking | |
| Porches | |
| Steps/Landings | |



Building Exterior (Continued)

| Item | Description |
|-----------------|-------------|
| Wheelchair Ramp | |
| Siding/Trim | |
| Fascia/Soffit | |
| Windows | |
| Front Door/Lock | |
| Rear Door/Lock | |
| Side Door/Lock | |
| Paint | |
| Ventilation | |
| Garage | |
| Overhead Door | |
| Foundation | |
| Termite Damage | |
| | |

Building Interior

| | | | |
|------------------|-----------------|-----------------|-------------------|
| <u>Locksets:</u> | <u>Privacy:</u> | <u>Passage:</u> | <u>Doorstops:</u> |
| <u>Total:</u> | | | |
| <u>Blinds:</u> | | | |

Living Room

| Item | Description |
|----------|-------------|
| Ceiling | |
| Walls | |
| Flooring | |
| Doors | |
| | |

Dining Area

| Item | Description |
|----------|-------------|
| Ceiling | |
| Walls | |
| Flooring | |
| Doors | |
| | |

Kitchen

| Item | Description | | | |
|--------------|-------------|---------------|-------------|--|
| Ceiling | | | | |
| Walls | | | | |
| Flooring | | | | |
| Appliances | Range: | Refrigerator: | Dishwasher: | |
| Manufacturer | | | | |
| Model # | | | | |
| Serial # | | | | |
| | | | | |

Laundry Room

| Item | Description |
|----------|-------------|
| Ceiling | |
| Walls | |
| Flooring | |
| Doors | |
| Washer | |
| Dryer | |
| | |

Hallway

| Item | Description |
|----------|-------------|
| Ceiling | |
| Walls | |
| Flooring | |
| Doors | |
| | |

Bedroom #1

| Item | Description |
|----------|-------------|
| Ceiling | |
| Walls | |
| Flooring | |
| Doors | |
| | |



Bedroom #2

| Item | Description |
|----------|-------------|
| Ceiling | |
| Walls | |
| Flooring | |
| Doors | |
| | |
| | |

Bedroom #3

| Item | Description |
|----------|-------------|
| Ceiling | |
| Walls | |
| Flooring | |
| Doors | |
| | |
| | |

Bedroom #4

| Item | Description |
|----------|-------------|
| Ceiling | |
| Walls | |
| Flooring | |
| Doors | |
| | |
| | |

Bathroom #1

| Item | Description |
|----------|-------------|
| Ceiling | |
| Walls | |
| Flooring | |
| Doors | |
| | |

Bathroom #2

| Item | Description |
|----------|-------------|
| Ceiling | |
| Walls | |
| Flooring | |
| Doors | |
| | |
| | |

Cabinetry

| Item | Description |
|---------|-------------|
| Kitchen | |
| | |
| Bath #1 | |
| | |
| Bath #2 | |
| | |

Plumbing

| Item | Description |
|--|-------------|
| Laundry Room Washer Lines | |
| Kitchen Sink Faucet | |
| Bath #1 Tub/Shower Sink/Faucet Commode | |
| Bath #2 Tub/Shower Sink/Faucet Commode | |
| Water Heater | |
| Water Lines | |
| Waste Lines | |
| Hose Bibbs | |
| | |



Electrical

| Item | Description |
|-----------------|-------------|
| Service Panel | |
| Exterior Lights | |
| Garage | |
| Living Room | |
| Dining Room | |
| Kitchen | |
| Laundry Room | |
| Hallway | |
| Bedroom #1 | |
| Bedroom #2 | |
| Bedroom #3 | |
| Bedroom #4 | |
| Bath #1 | |
| Bath #2 | |
| Smoke Detectors | |
| CO Detectors | |
| GFCI's | |
| Outlets | |
| | |
| | |

HVAC

| Item | Description |
|----------------|-------------|
| Condenser Unit | |
| Air Handler | |
| Thermostat | |
| Ducts | |
| | |

Insulation

| Item | Description |
|--------|-------------|
| Walls | |
| Attic | |
| Floors | |



Other Concerns

| Item | Description |
|------|-------------|
| | |
| | |

NOTES:



NOTICE OF COMMENCEMENT – SAMPLE

AFTER RECORDING – RETURN TO:

PERMIT NUMBER:

NOTICE OF COMMENCEMENT

The undersigned hereby given notice that improvement will be made to certain real property, and in accordance with Chapter 713, Florida Statutes the following information is provided in the Notice of Commencement.

1. DESCRIPTION OF PROPERTY (Legal description & street address, if available)

TAX FOLIO NO.: _____
SUBDIVISION _____ **BLOCK** _____ **TRACT** _____ **LOT** _____ **BLDG**
_____ **UNIT** _____

2. GENERAL DESCRIPTION OF IMPROVEMENT:

3. OWNER INFORMATION:

- a. Name _____
- b. Address _____
- c. Interest in property _____
- d. Name and address of fee simple titleholder (if other than Owner)

4. CONTRACTOR’S NAME, ADDRESS AND PHONE NUMBER:

5. SURETY’S NAME, ADDRESS AND PHONE NUMBER AND BOND AMOUNT:

6. LENDER’S NAME, ADDRESS AND PHONE NUMBER:



7. Persons within the State of Florida designated by Owner upon whom notices or other documents may be served as provided by Section 713.13 (1) (a) 7, Florida Statutes:

NAME, ADDRESS AND PHONE NUMBER: _____

8. In addition to himself or herself, Owner designates the following to receive a copy of the Lienor's Notice as provided in Section 713.13 (1) (b), Florida Statutes:

NAME, ADDRESS AND PHONE NUMBER: _____

9. Expiration date of notice of commencement (the expiration date is 1 year from the date of recording (unless a different date is specified): _____, 20_____

WARNING TO OWNER: ANY PAYMENTS MADE BY THE OWNER AFTER THE EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE CONSIDERED IMPROPER PAYMENTS UNDER CHAPTER 713, PART I, SECTION 713.13, FLORIDA STATUTES, AND CAN RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR NOTICE OF COMMENCEMENT.

Signature of Owner or Owner's
Authorized Officer/Director/
Partner/Manager

Print Name and Provide Signatory's
Title/Office

State of Florida

County of *(Name of County)*

The foregoing instrument was acknowledged before me this _____ day _____,
20_____

By _____, as _____

(name of person) (type of authority, e.g. officer, trustee, attorney
in fact)

For _____
(name of party on behalf of whom instrument was executed)

_____ Personally known or _____ produced the following type of
identification:

Notary

(Signature of Notary Public)

Under Penalties of perjury, I declare that I have read the foregoing and that the facts in
it are true to the best of my knowledge and belief (Section 92.525, Florida Statutes).

**Signature(s) of Owner(s) or Owner(s)' Authorized Officer/ Director / Partner/
Manager who signed above:**

By _____ By _____



CHANGE ORDER FORM – SAMPLE

SHIP REHABILITATION PROGRAM CONTRACT FOR REHABILITATION WORK CHANGE ORDER # _____

OWNER: _____ FILE #: _____

CONTRACTOR: _____

JOB ADDRESS: _____

The Contract for Rehabilitation Work entered into on _____ (date), by and between the above Owner and Contractor and approved by the local Government Agency, is hereby amended to include the following changes, additions and/or deletions to the work:

| ITEM | DESCRIPTION OF WORK TO BE CHANGED | AMOUNT |
|------|-----------------------------------|--------|
| 1. | | |
| 2. | | |
| 3. | | |
| 4. | | |
| | TOTAL CHANGE ORDER AMOUNT | |

This Change Order hereby becomes an integral part of the Contract. The Contract amount is hereby amended by \$_____ for a new total of \$_____.

The work completion deadline is _____. **The deadline is:**

- not extended**
- extended to _____.**

Contractor Signature Date

Owner Signature Date

City/County/Agency Inspector Date
or authorized Representative

SHIP Administrator Date



PUNCH LIST – SAMPLE

FINAL INSPECTION PUNCH LIST

OWNER(S): _____

ADDRESS: _____

Upon final inspection of property located at _____ (Address)
on this ____ day of _____, 20__, I/We do hereby require the
following items to be completed and/or corrected within _____ days of the
inspection:

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____
- 6. _____

Acceptance of corrected punch list work:

As of this ____ day of _____, 20__, all items have been completed
and/or corrected to the satisfaction of the Owner and the *City/County/Agency* staff.

OWNER _____ **DATE** _____

OWNER _____ **DATE** _____

CONTRACTOR _____ **DATE** _____

CITY/COUNTY/AGENCY STAFF _____ **DATE**



RELEASE OF LIEN AND AFFIDAVIT OF CONTRACTOR – SAMPLE

RELEASE OF LIEN AND AFFIDAVIT OF CONTRACTOR

STATE OF FLORIDA

COUNTY OF _____

1. The _____ (Name of Contractor) is the General Contractor of _____ (Name of Company) hereinafter referred to as Contractor, and that said Contractor entered into a direct contract with the owners of the following described property, for _____.

2. **Legal Description of Property:** _____

3. Owner(s) name and address: _____, **Florida**, and that said description encompasses the property described in the Notice of Commencement recorded _____, in Official Records Book _____, Page _____, in the Public Records of _____ County, Florida.

4. That the improvements which the Contractor had agreed to construct on the above described property pursuant to said contract are 100% complete as of this date.

5. That in compliance with Section 713.06(3)(d)(1) of the Mechanics Lien Law of the State of Florida, the undersigned states that all laborers, material men, subcontractors or other lienors contracting directly with or employed by the Contractor for services or materials supplied for the improvements to the above-described property, have been paid in full for services and materials supplied up to the date hereof.

6. That said Contractor has received full payment for all work performed and materials furnished to the above-described property up to date hereof, and does hereby release and discharge the said property from any and all recorded claims of lien, and waives and relinquishes any and all rights to any liens of the Contractor arising out of, connected with, or resulting from said services, or performance of the obligations of the Contractor pursuant to said contract.

Contractor’s Signature

Sworn, to and subscribed before me this ___ day of ___, 20___, by _____, who has produced photo identification _____.

Notary Public, State of Florida at Large

My Commission Expires: _____



TERMINATION OF NOTICE OF COMMENCEMENT – SAMPLE

TERMINATION OF NOTICE OF COMMENCEMENT

The below undersigned, _____
_(Contractor) and _____ (Owner(s))
assisted in that certain Notice of Commencement recorded on _____(date) in
Official Records Book _____, Page _____, in the Public Records of _____
_County, Florida, hereby acknowledge the following:

- 1. That the proposed improvements to said property have been 100% completed.
- 2. Any lienors who performed services or supplied materials for the improvement of said property have been paid in full.

The below undersigned further acknowledge that the above described notice of commencement is hereby terminated against the following described property:

Legal Description:

Property Address:

CONTRACTOR

OWNER

OWNER

Contractor: _____

Address: _____

City: _____

Phone: _____

State of Florida
County of _____

Sworn, to and subscribed before me this ____ day of _____ 20__, by _____,
who have produced photo identification _____.

Notary Public, State of Florida at Large

My commission expires:_____



PARTIAL WAIVER AND RELEASE OF LIEN – SAMPLE

PARTIAL WAIVER AND RELEASE OF LIEN

The undersigned _____ (Contractor) for and in consideration of the value received, hereby waives and releases all liens, claims of lien, bond rights, suits, accounts, debts, demands, claims, torts, charges and causes of action against _____ (City), _____ (Owner), any sureties of Contractor and their officers, directors, employees, agents, parent and subsidiary companies arising out to labor, services, work, materials or equipment performed, furnished or utilized in connection with the Rehabilitation work at _____ (PROPERTY ADDRESS) through the _____, 20____, except as follows:

The undersigned warrants and represents that all labor, services, work, materials and equipment performed, furnished or utilized in connection with the Rehabilitation of the above mentioned property, have been paid in full, including any and all applicable duties and taxes, including sales, use and payroll taxes, if any applicable to the labor, services, work, materials and equipment performed, furnished or utilized by or for the undersigned, except as follows:

The undersigned further represents and warrants that title to all materials and equipment furnished or utilized in connection with the Rehabilitation work at the above Property through the date identified above has been transferred to the Contractor and/or Owner, that the Contractor and/or the Owner has good title to such materials and equipment, and that there are no liens, encumbrances or security interests against such materials or equipment.

Owner's Name: _____ Contractor's Name: _____

Dated at _____ County, Florida this _____ day of _____ 20____.



This form must be **(1) signed by two witnesses,**

Witnesses:

Print Name

Contractor's Signature

Print Name

Title: _____

or **(2) Notarized:**

State of Florida

County of _____

Sworn to and subscribed before me this ____ day of _____, 20____, by _____, who has produced photo identification _____ or is/are personally known to me.

Notary: _____ My Commission Expires: _____



FINAL RELEASE OF LIEN – SAMPLE

CONTRACTOR’S FINAL INVOICE, RELEASE OF LIENS, AND WARRANTY

TO: _____ FILE NO.: _____
_____ PROPERTY: _____

KNOW ALL MEN BY THESE PRESENT:

1. As a final invoice, the undersigned hereby certifies that there is due and payable by the Owner to the Contractor under the above contract the balance or sum of \$_____.
2. The undersigned further certifies that all work required under this contract has been performed in accordance with the terms thereof, and that there are no unpaid claims for materials, supplies or equipment and no claims of laborers or mechanics for unpaid wages arising out of the performance of this contract.
3. That in the consideration of the payment of the amount stated in paragraph one (1) hereof the undersigned does hereby release the Owner and the *City/County/Agency* from any and all claims arising under or by virtue of this contract; provided, that if for any reason the Owner does not pay in full the amount stated in paragraph one (1) thereof, said deduction shall not affect the validity of this release.
4. The undersigned hereby guarantees the work performed for a period of one year and all roofing work guaranteed for a period of () year(s) from the date of final acceptance of all the work required by the contract, shown on attachments herewith, all manufacturers’ and suppliers’ written guarantees and warranties covering materials and equipment furnished under the contract. The undersigned will replace faulty workmanship and materials within the period of the guarantee free of charge.

IN WITNESS WHEREOF, the undersigned, has signed and sealed this instrument this ___ day of _____, 20____.

Contractor’s Signature

Title

Company

WITNESSES:



CONTRACTOR WARRANTY – SAMPLE

CONTRACTOR WARRANTY

Owner: _____

Property Address: _____

I/We, the Contractor _____ do hereby warrant that all labor and materials furnished and work performed in conjunction with the above referenced project are in accord with the contract documents and the authorized modifications thereto, and will be free from defects due to defective materials and workmanship for a period of **ONE YEAR** from date of Contract. This warranty commences on _____ and expires on _____.

Should any defect develop during the warranty period due to improper material, workmanship, or arrangement, the same shall, upon written notice by the owner or by the *City/County/Agency*, be made good by the undersigned at no expense to the Owner. Nothing in the above shall be deemed to apply to the work which has been abused or neglected by the owner.

By: _____ Date: _____

Title: _____

State of Florida
County of _____

Signed and acknowledged before me this ____ day of _____, 20____,
by _____ who is personally known to me _____ or has
produced _____ as identification.

Notary Public

Notary Seal

Printed Name



CONTRACTOR EVALUATION FORM – SAMPLE

CONTRACTOR EVALUATION FORM

FILE # _____ Property Address: _____

Contractor: _____ Owner: _____

| <u>CATEGORIES</u> | <u>MAX. PT VALUE</u> | <u>POOR</u> | <u>FAIR</u> | <u>GOOD</u> | <u>EXCELLENT</u> | <u>GRADE</u> |
|---------------------|----------------------|-------------|-------------|-------------|------------------|---------------------------|
| Quality of Work | 20 | 0-4 | 5-9 | 10-14 | 15-20 | |
| Completion Time | 20 | 0-4 | 5-9 | 10-14 | 15-20 | |
| Code Compliance | 20 | 0-4 | 5-9 | 10-14 | 15-20 | |
| Contract Compliance | 20 | 0-4 | 5-9 | 10-14 | 15-20 | |
| Punch List | 20 | 0-4 | 5-9 | 10-14 | 15-20 | |
| TOTAL POINTS | 100 | | | | | Total Score: _____ |

LEGEND

| | |
|------------------|-----------|
| 95 to 100 Points | Excellent |
| 85 to 94 Points: | Good |
| 70 to 84 Points: | Fair |
| 0 to 69 Points: | Poor |

Three Fair Scores within a six month period = 90 day suspension from Active Contractor List.

One Poor Score = suspension for 60 days from Active Contractor List.

City/Staff Signature Date

SHIP Administrator Signature Date

The City/County/Agency has all rights to use this form to base awards of future contracts.



MORTGAGE AND NOTE – SAMPLE

After recording mail to:

Prepared by:

Loan No.

MORTGAGE

SHIP PROGRAM DEFERRED PAYMENT LOAN

THIS MORTGAGE is made this DATE between the Mortgagor, _____, (herein "Owner"), and the Mortgagee, City of _____, with offices located at _____, _____, Florida _____ (herein "Lender").
Zip code

WHEREAS, Owner is indebted to Lender in the principal sum of _____ **(\$0.00)** including subsequent change orders, but in no event in excess of \$_____, which indebtedness is evidenced by Mortgage Note ("Note") dated _____ providing _____ for payment of principal only, by forgiveness of the indebtedness beginning after completion of the rehabilitation at the rate of (10%) per year beginning on the 2nd year of the ten (10)-year loan term until the balance is reduced to zero, as follows:

| | | | |
|----------|-------------------------|-----------|-------------------------|
| 2nd year | 90% of principal amount | 7th year | 40% of principal amount |
| 3rd year | 80% of principal amount | 8th year | 30% of principal amount |
| 4th year | 70% of principal amount | 9th year | 20% of principal amount |
| 5th year | 60% of principal amount | 10th year | 10% of principal amount |
| 6th year | 50% of principal amount | | |

This Note expires on the first day of the eleventh (11th) year from the date of execution of the certificate of completion by the Owner; provided; however, that there is no previous conveyance.

TO SECURE to Lender the repayment of the indebtedness evidenced by the Note created for the purpose of making improvements to the Property, the payment of all sums advanced in accordance herewith to protect the security of this Mortgage, and future advances designated as change orders made by Mortgagee to Mortgagor, at Mortgagee's sole discretion and option, for any purpose within ten (10) years from the date hereof up to the maximum principal amount of \$_____; all of which advances shall have the same



priority as the original liabilities evidenced by the Note and the subject to the terms and provisions of the Mortgage, and the performance of the covenants and agreements of Owner herein contained, and the Owner does hereby Mortgage Property and every part thereof to Lender, its successors and assigns, the following described Property located in the County of _____, State of Florida:

which has the address of

FLORIDA

| Street | City | State | Zip Code |
|-----------------------------|------|-------|----------|
| (herein "Property Address") | | | |

TOGETHER with all the improvements now or hereafter erected on the Property, and all easements, rights, appurtenances, rents, royalties, mineral, oil and gas rights and profits, water, water rights, and water stock, and all fixtures now or hereafter attached to the Property, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the Property covered by this Mortgage; and all of the foregoing, together with said Property are herein referred to as the "Property".

OWNER covenants that Owner is lawfully seized of the estate and has the right to mortgage, grant and convey the Property, that the Property is unencumbered and that the Owner will warrant and defend generally the title to the Property against all claims and demands, subject to such encumbrances of record. At the option of the Lender, this Mortgage may be subordinated to other subsequent, substitute and replacement Mortgages where there is sufficient equity in the Property to protect the interest of all prior Mortgages and to protect Lender's interest in the Property, and to reduce the borrower's current mortgage payment, term of loan or interest rate. Such subordination will be made by execution of a separate agreement between Lender and a bank or mortgage company qualified to do business in the State of Florida. Subordinations, where the borrower requests cash out against the equity on the property will not be approved by the *City/County/Agency* of _____.

Owner agrees that the *City/County/Agency* of _____ will refuse consent to subordination if the Mortgagor attempts to refinance the Mortgage in order to obtain a subsequent, substitute or replacement Mortgage in an amount that exceeds an amount needed to satisfy the Mortgage and defray refinancing cost.

UNIFORM COVENANTS. Owner and Lender covenant and agree as follows:

1. **Payment of Principal.** Owner shall promptly pay the balance of unpaid principal of the indebtedness evidenced by the Note, if the Property encumbered hereby is sold, leased, transferred or if the Owner moves from the premises.
2. **Charges; Liens.** Owner shall pay all taxes, assessments and other charges, fines and impositions attributable to the Property which may attain a priority over this Mortgage. Owner shall promptly discharge any lien which has priority over this Mortgage; provided, that Owner shall not be required to discharge any such lien so long as Owner agrees in writing to the payment of the obligation secured by such lien in a manner acceptable to Lender, or shall in good faith contest such lien, or defend enforcement of such lien in legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof.
3. **Hazard and Flood Insurance.** Owner shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards and flood (if the Property is located in a special flood hazard area) included within the term "extended coverage," and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by this Mortgage.

The insurance carrier providing the insurance shall be chosen by Owner subject to approval by Lender; provided that, such approval shall not be unreasonably withheld. All premiums on insurance policies shall be paid by Owner making payment when due, directly to the insurance carrier.

All insurance policies and renewals thereof shall be in form acceptable to Lender and shall include a standard mortgage clause and endorsement in favor of and in a form acceptable to Lender. Lender shall have right to hold the policies and renewals thereof. The Owner shall promptly furnish to Lender all renewal notices and all receipts of paid premiums. In the event of loss, Owner shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Owner.

Unless Lender and Owner otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided such restoration or repair is economically feasible and the security of this Mortgage is not thereby impaired. If such



restoration or repair is not economically feasible or if the security of this Mortgage would be impaired, the insurance proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Owner. If the Property is abandoned by Owner, or if Owner fails to respond to Lender within 30 days from the date notice is mailed by Lender to Owner that the insurance carrier offers to settle a claim for insurance benefits, Lender is authorized to collect and apply the insurance proceeds at Lender's option either to restoration or repair of the Property or to the sums secured by this Mortgage.

If under paragraph 16 hereof the Property is acquired by Lender, all right, title and interest of Owner in and to any insurance policies and in and to the proceeds thereof resulting from damage to the Property prior to the sale or acquisition shall pass to Lender to the extent of the sums secured by this Mortgage, immediately prior to such sale or acquisition.

4. **Preservation and Maintenance of Property.** Owner shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property.

5. **Protection of Lender's Security.** If Owner fails to perform the covenants and agreements contained in this Mortgage, or if any action or proceeding is commenced that materially affects Lender's interest in the Property, including, but not limited to, foreclosure of the Prior Mortgage, eminent domain, insolvency, code enforcement, or arrangements or proceeding, involving a bankrupt, then Lender at the Lender's option, upon notice to Owner, may make appearances, disburse such sums and take such action as is necessary to protect Lender's interest, including, but not limited to, disbursement of reasonable attorney's fees and entry upon the Property to make repairs.

Any amounts disbursed by Lender pursuant to this paragraph 5 shall become additional indebtedness of Owner secured by this Mortgage. Unless Owner and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Owner requesting payment thereof, and shall bear interest from the date of disbursement at the highest rate permissible under applicable law. Nothing contained in this paragraph 5 shall require Lender to incur any expenses or take any action hereunder.

6. **Provisions as to Prior Mortgage.** This Mortgage is subject and subordinate to the Prior Mortgage. As to the Prior Mortgage, Owner and Lender agree as follows:



(a) Owner covenants and agrees to comply with all of the terms and provisions of the Prior Mortgage.

(b) Any default on the part of the Owner herein under the terms of the Prior Mortgage or the Note secured hereby shall constitute a default under the terms of this Mortgage and the Note secured thereby and shall entitle the Lender herein to exercise any and all rights and remedies given hereunder.

7. **Inspection.** Lender may make or cause to be made reasonable entries upon and inspections of the Property, provided that Lender shall give Owner notice prior to any such inspection specifying reasonable cause therefore related to Lender's interest in the Property.

8. **Condemnation.** The proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender.

In the event of a total taking of the Property, the proceeds shall be applied to the sums secured by this Mortgage, with the excess, if any, paid to Owner. In the event of a partial taking of the Property, unless Owner and Lender otherwise agree in writing, there shall be applied to the sums secured by this Mortgage such proportion of the proceeds as is equal to that proportion which the amount of the sums secured by this Mortgage immediately prior to the date of taking bears to the fair market value of the Property immediately prior to the date of taking, with the balance of the proceeds paid to Owner.

If the Property is abandoned by Owner, or if, after notice by Lender to Owner that the condemner offers to make an award or settle a claim for damage, Owner fails to respond to Lender within 30 days after the date such notice is mailed, Lender is authorized to collect and apply the proceeds, at Lender's option, either to restoration or repair of the Property or to the sums secured by this Mortgage.

9. **Owner Not Released.** Extension of the time for payment or modification of amortization of the sums secured by this Mortgage granted by Lender to any successor in interest of Owner shall not operate to release, in any manner, the liability of the original Owner and Owner's successors in interest.

10. **Forbearance by Lender Not a Waiver.** Any forbearance by Lender in exercising any right or remedy hereunder, or otherwise afforded by applicable law, shall not be a waiver



of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by this Mortgage.

11. **Remedies Cumulative.** All remedies provided in this Mortgage are distinct and cumulative to any other right or remedy under this Mortgage or afforded by law or equity, and may be exercised concurrently, independently or successively.

12. **Successors and Assigns Bound; Joint and Several Liability; Captions.** The covenants and agreements herein contained shall bind, and the rights hereunder shall inure to, the respective successors and assigns of Lender and Owner, subject to the provisions of paragraph 16 hereof. All covenants and agreements of Owner shall be joint and several. The captions and headings of the paragraphs of this Mortgage are for convenience only and are not to be used to interpret or define the provisions hereof.

13. **Notice.** Except for any notice required under applicable law to be given in another manner (a) any notice to Owner provided for in this Mortgage shall be given by mailing such notice by certified mail, addressed to Owner at the Property Address or at such other address as Owner may designate by notice to Lender as provided herein; and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated herein or to such other address as Lender may designate by notice to Owner as provided herein. Any notice provided for in this Mortgage shall be deemed to have been given to Owner or Lender when given in the manner designated herein.

14. **Governing Law; severability.** This Mortgage shall be governed by Florida Law. In the event that any provision or clause of this Mortgage or the Note conflicts with applicable law, such conflict shall not affect other provisions of this Mortgage or the Note that can be given effect without the conflicting provision, and to this end, the provisions of the Mortgage and the Note are declared to be severable.

15. **Owner's Copy.** Owner shall be furnished a conformed copy of the Note and of this Mortgage at the time of execution or after recordation hereof.

16. **Transfer of the Property Assumption.** If all or any part of the Property or an interest therein is sold or transferred by Owner without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Mortgage, (b) the creation of a purchase money security interest for household appliances, (c) a transfer by

devise, descent or by operation of law upon the death of a joint tenants; Lender may, at Lender's options, declare all the sums secured by this Mortgage to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on the sums secured by this Mortgage shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph 16, and if Owner's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Owner from all obligations under this Mortgage and the Note.

If Lender exercises such option to accelerate, Lender shall mail Owner notice of acceleration in accordance with paragraph 13 hereof. Such notice shall provide a period of not less than 30 days from the date the notice is mailed within which Owner may pay the sums declared due. If Owner fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Owner, invoke any remedies permitted by paragraph 17 hereof.

17. **Acceleration; Remedies.** Except as provided in paragraph 16 hereof, upon Owner's breach of any covenant or agreement of Owner in this Mortgage, including the covenants to pay when due any sums secured by this Mortgage, Lender, prior to acceleration, shall mail notice to Owner as provided in paragraph 13 hereof specifying: (1) the breach; (2) the action required to cure such breach; (3) a date, not less than 30 days from the date the notice is mailed to Owner, by which such breach must be cured; and (4) that failure to cure such breach on or before the date specified in the notice may result in acceleration of the sums secured by this Mortgage, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Owner of their right to reinstate after acceleration and the right to assert in the foreclosure preceding the nonexistence of a default or any other defense of Owner to acceleration and foreclosure. If the breach is not cured on or before the date specified in the notice, Lender, at Lender's option, may declare all of the sums secured by this Mortgage to be immediately due and payable without further demand and may foreclose this Mortgage by judicial proceeding. Lender shall be entitled to collect in such proceeding all expenses of foreclosure, including, but not limited to, reasonable attorney's fees and costs of documentary evidence, abstracts and title reports.



18. **Annual Report.** Program regulations require that the Owner report to Lender annually information regarding evidence of hazard and flood insurance, if applicable, on the Property during the term of the Mortgage. Failure on the part of the Owner to meet these conditions will constitute a breach of this Mortgage. The Owner shall be notified of this breach and must thereafter comply with the requirements set forth in paragraph

19. **Owner's Right to Reinstate.** Notwithstanding Lender's acceleration of the sums secured by this Mortgage, Owner shall have the right to have any proceedings begun by Lender to enforce this Mortgage discontinued at any time prior to entry of a judgment enforcing this Mortgage if: (a) Owner pays Lender all sums which would be then due under this Mortgage, the Note and Notes securing Future Advances, if any, had no acceleration occurred; (b) Owner cures all breaches of any other covenants or agreements of Owner contained in this Mortgage; (c) Owner pays all reasonable expenses incurred by Lender in enforcing the covenants and agreements of Owner contained in this Mortgage and in enforcing Lender's remedies as provided in paragraph 17 hereof, including, but not limited to, reasonable attorney's fees and costs; and (d) Owner takes such action as Lender may reasonably require to assure that the lien of this Mortgage, Lender's interest in the Property and Owner's obligation to pay the sums secured by this Mortgage shall continue unimpaired. Upon such payment and cure by Owner, this Mortgage and the obligations secured hereby shall remain in full force and effect as if no acceleration had occurred.

20. **Occupancy.** The Owner of the loan evidenced by the Promissory Note executed of even date herewith understands, acknowledges, and agrees that said loan is for the rehabilitation of a single-family dwelling unit. After rehabilitation, the Owner must reside in said dwelling. Failure of the Owner to maintain continuous residency in said dwelling shall constitute a default under this Mortgage.

21. **RESTRICTIONS ON USE.** The owner understands that the assistance provided by this program is limited to single-family owner-occupied housing. Failure of the owner to reside in the property the property is a violation of this agreement. Renting or subletting a portion of or all of the property is a violation of this agreement. By executing this agreement, the owner is bound to restrictions of use as required by the *City/County/Agency* of _____ Code. The property shall be used as a single-family residence and no addition or improvement will change the use of the property and no additions,



construction, or improvements will be made to the property without proper permitting and inspections as required by the Building Code. If there has been an order of the Code enforcement Board or the Hearing Examiner finds that the owner has violated the foregoing provisions, the owner agrees his Mortgage Lien shall not be released and the owner will be required to repay the balance of the mortgage lien at the time of sale, refinance or title transfer of the property. The balance due will be determined based on the date the violation is adjudicated.

22. **Release.** Upon forgiveness or payment of all sums secured by this Mortgage, Lender shall release this Mortgage without charge to Owner.

23. **Attorney's Fees and costs.** As used in this Mortgage and in the Note, "attorney's fees and costs" shall include attorney's fees and costs, if any, which are incurred during trial, administrative and/or appellate proceedings.

24. **CONFLICT OF INTEREST.** Contractor is aware of the conflict of interest laws of the *City/County/Agency* of _____, the State of Florida, particularly, Chapter 112, Part III, Florida Statutes; and the United States Department of Housing and Urban Development, particularly 24 CFR Part 570 § 570.611, and agrees that it shall fully comply in all respects with those provisions.

IN WITNESS WHEREOF, Owner has executed this Mortgage on the date first above written.

Signed, sealed and delivered

in the presence of:

Owner: _____ Witness: _____

Print Name: _____ Print Name: _____

Witness: _____

Print Name: _____



STATE OF FLORIDA

COUNTY OF

The foregoing instrument was acknowledged before me on _____(Date) by _____who is/are personally known to me or has produced ID ____ as identification and who did take an oath.

Commission Number:

Notary Public

Print Name: _____



MORTGAGE NOTE
SHIP PROGRAM DEFERRED PAYMENT LOAN

_____, FLORIDA

For value received, the undersigned (jointly and severally, if more than one) promise to pay to the order of the City of _____, a Florida municipal corporation, with its principal office located at _____, _____, Florida _____, the principal sum of _____ including subsequent change orders, but in no event in excess of \$0.00, being payable in lawful money of the United States of America at _____, _____, Florida _____, or at such other address as the Holder from time to time may specify by written notice to the Maker. Said principal sum shall bear no interest and after completion of the rehabilitation, the balance due on the deferred loan made to an eligible applicant, if not previously repaid, the indebtedness shall be reduced by ten (10%) percent per year at the beginning of the second year of the ten (10)-year loan term until the balance is reduced to zero as follows:

| | | | |
|----------|-------------------------|-----------|-------------------------|
| 2nd year | 90% of principal amount | 7th year | 40% of principal amount |
| 3rd year | 80% of principal amount | 8th year | 30% of principal amount |
| 4th year | 70% of principal amount | 9th year | 20% of principal amount |
| 5th year | 60% of principal amount | 10th year | 10% of principal amount |
| 6th year | 50% of principal amount | | |

This Note expires on the first day of the eleventh (11th) year from the date of execution of the certificate of completion by the Owner, provided that there is no previous conveyance.

The unforgiven balance shall become immediately due and payable if the Maker transfers, assigns or conveys title or sells to a third party; leases, or moves from the premises securing this Note. If the housing unit rehabilitated under this program is inherited by the Owner's immediate family, the deferred loan shall continue in force as long as the immediate family lives in the housing unit.

This Note is to be construed and enforced according to the laws of the State of Florida and is secured by a Mortgage in real estate of even date herewith.



If default be made in the performance of any agreements contained herein, at the option of the Holder of the same, the principal sum then remaining unpaid shall immediately become due and collectible without notice, time being of the essence of this contract, and said principal sum shall bear interest at the highest rate allowed by applicable law, from such time until paid.

Each Maker and Endorser waives presentment, protest, notice of protest and notice of dishonor and agrees to pay all costs, including reasonable attorney's fees, whether suit be brought or not, if counsel, after maturity of this Note or default hereunder or under said Mortgage, is employed or retained to collect this Note or to protect the security thereof.

Dated _____.

Print Name: _____

Print Name _____



MORTGAGE MODIFICATION FORM – SAMPLE

Prepared By and Return To:

MODIFICATION AGREEMENT

THIS MODIFICATION AGREEMENT is entered into on _____ (date) by and between _____, (hereinafter “borrower”) and _____ (County/City Department Name) (hereinafter “Lender”) with reference to the following facts;

1. Borrower has executed a Promissory Note (the “Note”) in favor of the lender in the original principal amount of \$ 0.00, dated _____, which is secured by a Mortgage Deed (the “Security Instrument”) of even date, recorded on **DATE** BOOK _____ PG _____ in the official records of _____ County, Florida.

WHEREAS, the Borrower(s) have requested the Lender modify certain terms of the Note and Mortgage, and

WHEREAS, the Lender is agreeable to the terms of the requested Modification of Mortgage and Note, and

WHEREAS, the parties desire to restate the modified terms of said loan so that there will be no misunderstanding of the matter,

NOW THEREFORE, In consideration of the mutual promises of the parties hereto, and other valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Effective DATE the modified balance will be **\$0.00**
2. The legal description of the Security Instrument that secures the loan is hereby amended and reads in full as follows: _____
3. The Borrower agrees to pay the Lender said balance amount due according to the terms, obligations, and conditions of the Note and Mortgage as altered by this Modification and to perform all of said conditions and obligations.
4. The parties intent that the Note and Mortgage be modified only to the extent provided hereby and all other terms and provisions of the Note and Mortgage, shall remain unaltered by this modification.



- 5. The borrower hereby warrants and covenants that the Mortgage is a valid second mortgage lien upon the property and that said Mortgage is superior in lien and dignity to any other lien or encumbrance, which may have attached to the property. Borrower further covenants that there have been no intervening liens or encumbrances filed against the borrower or the property since the execution and recording of the Mortgage.

IN WITNESS WHEREOF, the parties hereto have set their signs and seals on day first mentioned above.

Signed, sealed, and delivered In the presence of:

 Owner Name

Owner Name

State of Florida

County of _____

The foregoing instrument was acknowledged before me on this ___ day of _____, 20
 by _____ who is personally known to me or has/have produced
 _____ as identification and who did not take an oath.

 Notary Public
 My commission expires:

APPENDIX A. SAMPLE SHIP OWNER-OCCUPIED REHABILITATION STRATEGY

| | |
|--------------------------------------|---------------|
| <i>Owner Occupied Rehabilitation</i> | <i>Code 3</i> |
|--------------------------------------|---------------|

- a. Summary of Strategy: SHIP funds will be awarded to households in need of repairs to correct code violations, health and safety issues, electrical, plumbing, roofing, windows and other structural items. Cosmetic items may be included on rehabilitation projects if funds are available after completing all required repairs listed above.
- b. Fiscal Years Covered: 2016-2017, 2017-2018 and 2018-2019
- c. Income Categories to be served: Very Low, Low
- d. Maximum award: Very Low: \$25,000
Low: \$25,000
- e. Terms
 1. Loan/Grant: Funds will be awarded as a deferred loan secured by a recorded subordinate mortgage and note.
 2. Interest Rate: 0%
 3. Term: 10 years
 4. Forgiveness/Repayment: loan is forgiven on a prorated basis so that 10% of the principal is forgiven annually.
 5. Default/Recapture: The loan will be determined to be in default if any of the following occurs during the Loan term: sale, transfer, or conveyance of property; conversion to a rental property; loss of homestead exemption status; or failure to occupy the home as primary residence. If any of these occur, the outstanding balance will be due and payable.

In cases where the qualifying homeowner(s) die(s) during the loan term, the loan may be assumed by a SHIP eligible heir who will occupy the home as a primary residence. If the legal heir is not SHIP eligible or chooses not to occupy the home, the outstanding balance of the loan will be due and payable.



If the home is foreclosed on by a superior mortgage holder, the county will make an effort to recapture funds through the legal process if it is determined that adequate funds may be available to justify pursuing a repayment.

- f. Recipient Selection Criteria: Applicants will be ranked for assistance based on a first-qualified, first-served basis with the priorities for Special Needs, Essential Services Personnel and income groups as described in section I. (I) of this plan.
- g. Sponsor/Developer Selection Criteria: N/A
- h. Additional Information: All work will be performed by contractors on the county's approved contractor's list.

APPENDIX B. GREEN BUILDING IMPROVEMENTS

No to Low Cost *(Approximately \$0 to \$200)*

- Seal attic to prevent water intrusion and attic uplift
- Test attic for infiltration after it is sealed to minimize humidity and mold issues
- Install aerators on all faucets. (1.5 GPM)
- Replace all faucets & shower heads with WaterSense low flow models
- Install rain sensor for irrigation system or permanently abandon existing irrigation system
- Extend rain gutters to discharge at least three feet from house
- Seal wall openings between the garage and conditioned spaces to eliminate infiltration of toxins into living spaces
- Develop a demolition and construction waste management plan
- Implement a recycle, reuse plan for construction
- Anchor exterior structures properly

Minimal Cost *(Approximately \$200 to \$700)*

- Have home tested for energy efficiency by a HERS rater. The test will help indicate where issues in the home exist and address those prior to making big investments.
- Replace weather-stripping on all exterior doors
- Apply gaskets or caulk to all electrical outlets, switch plates and HVAC diffusers and grills
- Replace thermostats with programmable thermostats
- Increase attic insulation to R-38
- Add window tint to reduce solar heat gain
- Install motion or light sensors to all exterior lights
- Install Energy Star ceiling fans in living areas & bedrooms
- Install and set timer on hot water heater
- Inspect & seal all air-conditioning duct work with mastic
- Plant trees on the south, east and west side of the home to shade walls and A/C compressors
- Replace irrigation controller with programmable one
- Replace old toilets with WaterSense fixtures
- Add a pool cover to reduce evaporation

- Have an irrigation professional perform a “check-up” on an existing irrigation system
- Install carbon monoxide alarms at entrances to garage and all bedrooms
- Install dehumidifier in HVAC system
- Install make-up air source to laundry room located in conditioned space
- Ensure whole-house infiltration is minimized by sealing all top plates & air conditioning supply box drops at drywall
- Install a house energy monitoring device

Moderate Cost *(Approximately \$700 to \$1,200)*

- Replace old toilets with WaterSense fixtures
- Replace appliances with Energy Star appliances
- Repaint interior walls with low-VOC light reflective paint
- Add a radiant barrier on underside of roof sheathing
- Install rainwater harvesting/cistern for irrigation
- Replace with healthy flooring as defined in the FGBC Green Home Reference Guide
- Replace circulating kitchen fan with exterior ducted Energy Star labeled range hood
- Brace gable end roofs at trusses
- Apply/inject insulation to hollow core block
- Install garage exhaust fan with motion detector & timer

High Cost *(Approximately \$1,200 to \$4,000)*

- Replace all turf yard with at least 50% of new plants from the Florida Friendly Plant list
- Add a hurricane protection system for windows and doors approved by Florida Building Code
- Install greywater collection system on bathroom sinks to reduce amount of potable water used for toilet flushing
- Replace old water heater with Heat Pump Water Heater (1,000 cubic feet of space required. Garage is an ideal location) OR
- Replace old hot water heater with solar water heater
- Replace pool pump with Energy Star pump OR
- Replace old pool pump with solar pool heating system
- Replace old A/C system with new SEER 15 or higher and 8.5 HSOF minimum efficiency. (Ensure that system is right-sized with complete energy calculations. If replacing A/C system, duct work should also be replaced.)



- Repaint exterior of house with paints that offer light reflectance greater than 50%
- Re-plumb residence with PEX manifold type system

Most Expensive Cost (*Approximately \$4,000 to \$30,000*)

- Install Photovoltaic Electric Generating System
- Replace roof with Energy Star light-reflective roof
- Use radiant barrier decking with new shingle roofs when decking is being replaced
- Replace old windows and sliding glass doors with new hurricane impact resistant and Energy Star products