

Meeting Date: September 27, 2011

Agenda Item

9

REQUESTED COMMISSION ACTION:

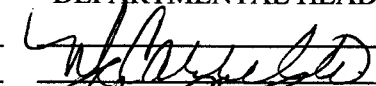

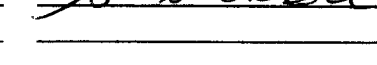
<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Ordinance	<input checked="" type="checkbox"/> Resolution	<input type="checkbox"/> Consideration/ Discussion	<input type="checkbox"/> Presentation
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SHORT TITLE A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, APPROVING AND AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF POMPANO AND CHOICES NETWORK SYSTEMS, INC.; PROVIDING FOR AN EFFECTIVE DATE

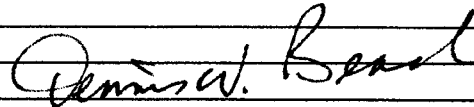
Summary of Purpose and Why:

Choices Network Systems, Inc. was approved as part of the Annual Action Plan by the City Commission for the FY 2010-2011 funding year. This project involves acquisition of two single family homes for transitional independent living rental housing eligible low and very low income persons. This Resolution approves the second Sub-grantee Agreement for the utilization of HOME Funds in the amount of \$115,000.

- (1) Origin of request for this action: Office of Housing and Urban Improvement
- (2) Primary staff contact: Miriam Carrillo, Director Ext. 4656
- (3) Expiration of contract, if applicable: September 30, 2011
- (4) Fiscal impact and source of funding: HOME Funds in the amount of \$115,000

DEPARTMENTAL COORDINATION	DATE	DEPARTMENTAL RECOMMENDATION	DEPARTMENTAL HEAD SIGNATURE
OHUI	9/19/2011	Approval	
City Attorney	9/20/11	Approval	
Finance Dept.	9/20/11	Approval	


City Manager



ACTION TAKEN BY COMMISSION:

<u>Ordinance</u>	<u>Resolution</u>	<u>Consideration</u>	<u>Workshop</u>
1 st Reading	1 st Reading	Results:	Results:
_____	_____	_____	_____
2 nd Reading	_____	_____	_____
_____	_____	_____	_____

M E M O R A N D U M

DATE: September 19, 2011
TO: Dennis W. Beach, City Manager
THRU: Gordon Linn, City Attorney
FROM: Miriam Carrillo, Director, and Office of Housing and Urban Improvement 
RE: Agenda: Choices Network Systems, Inc. Sub grantee Agreement

Choices Network Systems, Inc. was approved as part of the Annual Action Plan by the City Commission for the FY 2010-2011 funding year. This project will provide Transitional Independent Living Housing to Pompano Beach low and moderate income youths who have aged out of the foster care system. Affordable housing would be made available to youths between 18-23 years of age. These youths will be given support and housing as they work to establish an independent life.

Transitional Independent Living Youths will be provided with educational and vocational training, job placement assistance, counseling, and basic life and financial skills training skills from CHOICES established community partnerships. CHOICES will purchase a second 3-bedroom, 2-bath home for youths who are transitioning out of foster care into the independent living program.

This resolution approves the required Sub grantee Agreement for the utilization of HOME Investment Partnership Program – CHDO Funds in the amount of \$115,000.

It is requested the attached Sub grantee Agreement be presented to the City Commission on September 27, 2011 for approval.

Thank you.

Attachment(s) Resolution
Subrecipient Agreement

RESOLUTION NO. 2011-_____

CITY OF POMPANO BEACH
Broward County, Florida

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, APPROVING AND AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE AN AGREEMENT BETWEEN THE CITY OF POMPANO BEACH AND CHOICES NETWORK SYSTEMS, INC.; PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA:

SECTION 1. That an Agreement between the City of Pompano Beach and Choices Network Systems, Inc., a copy of which Agreement is attached hereto and incorporated by reference as if set forth in full, is hereby approved.

SECTION 2. That the proper City officials are hereby authorized to execute said Agreement between the City of Pompano Beach and Choices Network Systems, Inc.

SECTION 3. This Resolution shall become effective upon passage.

PASSED AND ADOPTED this _____ day of _____, 2011.

LAMAR FISHER, MAYOR

ATTEST:

MARY L. CHAMBERS, CITY CLERK

GBL/jrm
9/20/11
l:reso/2011-462

**AGREEMENT BETWEEN
THE CITY OF POMPANO BEACH
AND
CHOICES NETWORK SYSTEMS, INC.**

THIS AGREEMENT MADE this ___ day of **September, 2011**, by and between the City of Pompano Beach, hereinafter referred to as the "CITY", and which is located at 100 West Atlantic Blvd, Pompano Beach, Florida 33060 and Choice Network Systems, Inc., a nonprofit corporation hereinafter referred to as the "SUBRECIPIENT" and which is located at 2300 NW 6th Street, Pompano Beach, Florida, 33069.

FUNDING SOURCE:	<u>HOME Investment Partnerships Program "HOME Program"</u>
AMOUNT:	<u>FY 2005 - \$36,203.31; FY 2008 - \$78,796.69</u>
TERM OF THE AGREEMENT:	<u>October 1, 2010 through September 30, 2011</u>
IDIS NUMBER (to be completed by the City):	<u>253 & 375</u>
DUNS NUMBER:	<u>14-6066753</u>
CFDA:	<u>14.239</u>

WITNESSETH

WHEREAS, the CITY is the recipient of HOME Investment Partnerships Program ("HOME Program") Funds from the U.S. Department of Housing and Urban Development (HUD), including a minimum of 15% of its annual HOME entitlement allocation that is to be reserved for investment in housing to be developed, sponsored, or owned by Community Housing Development Organizations (CHDOs) as defined in the HOME Final Rule; and

WHEREAS, the SUBRECIPIENT represents that it is fully qualified as a Community Housing Development Organization(CHDO) as required by 24 CFR Part 92, possesses the requisite skills, knowledge, qualifications and experience to provide the services identified herein, and does offer to perform such services for the CITY; and

WHEREAS, the SUBRECIPIENT has been re-certified with the CITY as a CHDO, and has submitted a proposal for use of CHDO funds for a CHDO-eligible project under HOME regulations; and

WHEREAS, the CITY, in accordance with its Annual Consolidated Plan, and the SUBRECIPIENT desire to carry out the activities specified in Exhibit A of this Agreement and related to the development of certain affordable housing in the City of Pompano Beach ("the PROJECT"); and

WHEREAS, the CITY desires to engage the SUBRECIPIENT to implement such undertakings of the HOME Program and has agreed to make available HOME Program funds to the SUBRECIPIENT for project development and CHDO operating costs related to the development of the PROJECT.

NOW, THEREFORE in consideration of the mutual covenants and obligations herein contained, including the Attachments, and subject to the terms and conditions hereinafter stated, the parties hereto understand and agrees as follows:

EXHIBITS: Attached hereto and forming a part of this Agreement are the following Exhibits:

- | | |
|-----------|---|
| Exhibit A | Resolution Authorizing Execution of this Agreement |
| Exhibit B | Work Program |
| Exhibit C | Compensation and Budget Summary |
| Exhibit D | Certification Regarding Lobbying Form |
| Exhibit E | Certification Regarding Debarment, Suspension and other Responsibility Matters (Primary Covered Transactions form). |
| Exhibit F | Crime Entity Affidavit |

Section I – Definitions and Purpose

1. Definitions

- A. **AGENCY** – is hereby defined as the Office of Housing and Urban Improvement, the HOME Program administering agency of the City of Pompano Beach. For the purpose of this Agreement and all administration of HOME funds, the AGENCY shall act on behalf of the CITY in the execution and fiscal and programmatic control of this Agreement. The term “Approval by the CITY” or like term used in this Agreement shall in no way relieve the SUBRECIPIENT from any duties or responsibilities under the terms of this Agreement, or obligation State or local law or regulation.
- B. **AGENCY APPROVAL** – means the written approval of the **DIRECTOR** or designee.
- C. **COMPENSATION** – is hereby defined as the amount of money the CITY agrees to pay and the SUBRECIPIENT agrees to accept as payment in full for the WORK as further detailed in Exhibit B – SCOPE OF WORK and made a part thereof of this agreement.
- D. **DIRECTOR** – is hereby defined as the Director of the Office of Housing and Urban Improvement of the CITY.

- E. **HOME** – is hereby defined as the HOME Investment Partnership Program as described in 24 CFR Part 92, under the authority of 42 U.S.C. 3535 (D) AND 12701 – 12839.
- F. **LOW - INCOME PERSONS** means the definitions set by U.S. HUD.
- G. **PROJECT** – is hereby defined as the building (s) and structures that are in part or in whole being financed by the proceeds of HOME funds being awarded under this CHDO Agreement and as further detailed in Section III below.
- H. **U.S. HUD** means the Secretary of the U. S. Department of Housing and Urban Development or a person authorized to act on U.S. HUD's behalf.
- I. **WORK** – is hereby defined as all the professional, technical and construction services to be rendered or provided by the SUBRECIPIENT in the role of a CHDO.
- J. Other terms used herein shall be defined as they appear at 24 CFR 92.2.

2. Purpose

The purpose of this Agreement is to state the covenants and conditions under which the SUBRECIPIENT will implement the Scope of Services set forth in Exhibit "B" of this Agreement.

Section II – Compensation, Use, Term, Method and Conditions of Payment

1. Maximum Compensation & Use

CHDO Subsidy Funds: The CITY agrees to provide the SUBRECIPIENT with a deferred payment, zero-interest, forgivable loan in an amount not to exceed the maximum and total authorized sum of **\$115,000.00** in HOME funds for eligible acquisition and/or new construction expenses related to the Project. In accordance with terms outlined in Exhibits "B & C" of this Agreement, the SUBRECIPIENT shall use the funds to coordinate the purchase and rental of one (1) single family home located at 225 NW 12th Street, Pompano Beach, Florida 33060 in the CITY in accordance with subsidy limits established by the CITY and in conformance with Qualification as Affordable Housing: Rental Housing limits at 24 CFR 92. 252.

Section III - The Project

Project Description

The Project consists of the acquisition of one (1) three-bedroom-two bath single family dwelling unit designed to provide affordable Transitional Independent Living rental housing at 225 NW 12th Street, Pompano Beach, Florida. The SUBRECIPIENT agrees to purchase the existing dwelling unit located at the address above.

Section IV – Project Requirements

The SUBRECIPIENT agrees to comply with all requirements of the HOME Program as stated in the 24 CFR Part 92, including but not limited to the following.

A. Purchase Date: The Purchase Date of the Project shall be September 30, 2011 or such other date as the parties agrees with the approval of the CITY.

B. The SUBRECIPIENT agrees to purchase the PROJECT, identify and process renters.

C. Affordability Requirements: The parties understand and agree that the Project is designed to increase the number of affordable housing units in the CITY. In order to ensure affordability, housing units provided for in this Agreement must meet the affordability requirements as provided in 24 CFR92.252. Accordingly, the period of time that the units must remain affordable must not be less than five (5) years if the HOME assistance per-unit is under \$15,000; not less than ten (10) years if the per-unit HOME assistance is between \$15,000 and \$40,000; and not less than fifteen (15) years if the per-unit HOME assistance is over \$40,000. All new construction or acquisition of new housing has a minimum affordability period of 20 years. The affordability period is calculated from the date of initial occupancy. The affordability requirements apply without regard to the term of any loan or mortgage or the transfer of ownership. They shall be imposed by deed restrictions, covenants running with the land, or other mechanisms approved by HUD, except that the affordability restrictions may terminate upon foreclosure or transfer in lieu of foreclosure. The parties further agree that the CITY may use purchase options, right of first refusal or other preemptive rights to purchase the housing before foreclosure or deed in lieu of foreclosure to preserve affordability. The affordability restrictions shall be revived according to the original terms if, during the original affordability period, the owner of record before the foreclosure, or deed in lieu of foreclosure, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property.

The SUBRECIPIENT shall collect and maintain Project beneficiary information pertaining to household size, income levels, racial characteristics, and the presence of Female Headed Households in order to determine low and moderate-income benefit in a cumulative and individual manner. Income documentation shall be in a form consistent with HOME requirements as stated in the HUD Technical Guide for Determining Income and Allowances Under the HOME Program.

D. Environmental Review: No HOME project funds will be advanced, and no costs can be incurred, until the CITY has conducted an environmental review of the proposed project site as required under 24 CFR Part 58. The environmental review may result in a decision to proceed with, modify or cancel the project.

Notwithstanding any provision of this Agreement, the parties hereto agree and acknowledge that this Agreement does not constitute a commitment of funds or site approval, and that such commitment of funds or approval may occur only upon satisfactory completion of environmental review and receipt by the CITY of a release of funds from the U.S. Department of Housing and Urban Development [or the State of FLORIDA] under 24 CFR Part §58.

Further, the SUBRECIPIENT will not undertake or commit any funds to physical or choice-limiting actions, including property new construction prior to the environmental clearance and must indicate that the violation of this provision may result in the denial of any funds under the agreement. The SUBRECIPIENT also agrees to assemble information as required by the CITY to complete the environmental assessment and/or statutory checklist completed, as applicable.

E. Mortgage/Security Instrument: The HOME funds advanced to the PROJECT will be secured by a mortgage, note and restrictive covenant as required by 24 CFR 92 during the construction period. The CITY agrees that the HOME mortgage shall be subordinate to any private sector construction or permanent loan. The SUBRECIPIENT assures that any mortgages, note and restrictive covenant recorded for SUBRECIPIENT shall be in compliance with 24 CFR 92.254 and that the OHUI will monitor each unit for principal residency (under 92.254(a)(3)) and resale/recapture (under 92.254 (a)(4) – (5)).

F. Property Eligibility: The SUBRECIPIENT agrees that the HOME assisted unit will be in compliance with 24 CFR 92.254, including documentation that the property is eligible under 92.254(a)(1) – (2), and will maintain compliance during the minimum compliance period. The SUBRECIPIENT also agrees to ensure that the ultimate ownership of the HOME assisted unit must meet the definition of "Rental" in 24 CFR 92.2.

G. Non-Discrimination/Affirmative Marketing: In the selection of occupants for PROJECT units, the SUBRECIPIENT shall comply with all non-discrimination requirements of 24 CFR 92.350. If the project consists of 5 or more units, the SUBRECIPIENT will implement affirmative marketing procedures as required by 24 CFR 92.351. Such procedures are subject to the approval of the AGENCY.

H. Match: The SUBRECIPIENT will provide any documentation required by the AGENCY regarding match as may be required to document match for purposes of the HOME Program.

I. Subcontracts: Any work or services subcontracted hereunder shall be specifically by written contract, written agreement, or purchase order and shall be subject to each provision of this Agreement. Proper documentation in accordance with CITY, State, and Federal guidelines and regulations must be submitted by the SUBRECIPIENT to the AGENCY and approved by the AGENCY prior to execution of any subcontract hereunder. In addition, all subcontracts shall be subject to Federal, State and CITY laws and regulations.

None of the work or services covered by this Agreement, including but not limited to consultant work or services, shall be subcontracted or reimbursed without the prior written approval of the DIRECTOR or designee.

J. Project Beneficiaries: One hundred percent (100%) of the beneficiaries of a project funded through this Agreement must be low income persons. The PROJECT funded under this Agreement shall assist beneficiaries as defined above for the time period designated in this Agreement. The SUBRECIPIENT shall provide written verification of compliance to the AGENCY upon request.

K. Relocation: The SUBRECIPIENT warrants that the selected units under the PROJECT were unoccupied prior to the beginning of negotiations with the property owner.

Section V – CHDO Provisions

A. CHDO Certification: It is understood that the SUBRECIPIENT has certified that it is and will maintain CHDO (Community Housing Development Organization) status for the term of the PROJECT/AGREEMENT in accordance with 24 CFR 92. SUBRECIPIENT agrees to provide information as may be requested by the AGENCY to document its continued compliance, including but not limited to an annual board rooster and certification of continued compliance.

Any funds advanced to the CHDO as CHDO Operating Expenses must be expended in compliance with 24 CFR 92.208. Any funds that the CHDO is permitted to retain as CHDO proceeds from this project shall be used in compliance with 24 CFR 92.300(a) (2) or as specified in this Agreement

B. CHDO Role: In accordance with 24 CFR 92.300, the parties agree that the SUBRECIPIENT is acting in the CHDO role of a “co-developer” and has a contractual obligation to DFC Homes of Florida, Inc. to be a co-developer of the PROJECT. The SUBRECIPIENT also agrees to obtain financing, identify and process renters, and coordinate construction of the PROJECT.

Section VI– Procurement Standards

The SUBRECIPIENT shall establish procurement procedures to ensure that material and services are obtained in a cost-effective manner. When procuring for services to be provided under this agreement, the SUBRECIPIENT shall comply at a minimum with the nonprofit procurement standards at 24 CFR 84.40 - .48. All purchasing for services and goods, including capital equipment, shall be made by purchase order or by a written contract and in conformity with the procedures prescribed by the CITY’s Purchasing Guidelines, OMB Circulars A-110 and A-122 which are incorporated herein by reference.

Section VII – Conflict of Interest Provisions

The SUBRECIPIENT covenants that no person who presently exercises any functions or responsibilities in connection with the PROJECT has any personal financial interest, direct or indirect, in the activities provided under this Agreement which would conflict in any manner or degree with the performance of this Agreement and that no person having any conflict of interest shall be employed by or subcontracted by the SUBRECIPIENT. Any possible conflict of interest on the part of the SUBRECIPIENT or its employees shall be disclosed in writing to the AGENCY provided, however, that this paragraph shall be interpreted in such a manner so as not to unreasonably impede the statutory requirement that maximum opportunity be provided for employment of and participation of lower- income residents of the PROJECT area.

In addition, no member of Congress of the United States, official or employee of HUD, or official or employee of the Participating jurisdiction shall be permitted to receive or share any financial or unit benefits arising from the HOME-assisted project or program.

Prior to the implementation of the HOME-assisted activity, exceptions to these provisions may be requested by the SUBRECIPIENT in writing to the Participating Jurisdiction. The SUBRECIPIENT must demonstrate and certify that the policies and procedures adopted for the activity will ensure fair treatment of all parties, and that the covered persons referenced in this policy will have no inside information or undue

influence regarding the award of contracts or benefits of the HOME assistance. The Jurisdiction may grant exceptions or forward the requests to HUD as permitted by 24 CFR 92.356 and 84.42, as they apply.

Section VIII– Equal Employment Opportunity

During the performance of this contract, the SUBRECIPIENT agrees as follows:

The SUBRECIPIENT agrees that no person shall on the grounds of race, color, disability, national origin, religion, age, familial status, or sex be excluded from the benefits of, or be subjected to discrimination under, any activity carried out by the performance of this Agreement. The SUBRECIPIENT also agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin(s). The SUBRECIPIENT will take affirmative action to ensure the applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin(s). The SUBRECIPIENT agrees to comply with all requirements of Section 202 of Executive Order No. 11246 of September 24, 1965 or by rule, regulations, or orders of the Secretary of Labor or as otherwise provided by law. These requirements include, but are not limited to terms of employment, notices, advertisements, consideration for employment, access to records and accounts, sanctions, and agreements with subcontractors. Upon receipt of evidence of such discrimination, the CITY shall have the right to terminate this Agreement.

Section IX – Labor, Training & Business Opportunity

The SUBRECIPIENT agrees to comply with the federal regulations governing training, employment and business opportunities as follows:

It is agreed that the WORK to be performed under this agreement is on a project assisted under a program providing direct Federal financial assistance from the US Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701 u, as well as any and all applicable amendments thereto. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given low and moderate income residents of the project area, and that contracts for work in connection with the project are awarded to business concerns which are located in, or owned in substantial part by persons residing in the project area.

Section X– Compliance with Federal, State & Local Laws

The SUBRECIPIENT covenants and warrants that it will comply with all applicable laws, ordinances, codes, rules and regulations of the state local and federal governments, and all amendments thereto, including, but not limited to; Title 8 of the Civil Rights Act of 1968 PL.90-284; Executive Order 11063 on Equal Opportunity and Housing Section 3 of the Housing and Urban Development Act of 1968; Housing and Community Development Act of 1974, as well as all requirements set forth in 24 CFR 92 of the HOME INVESTMENT PARTNERSHIP PROGRAM. The SUBRECIPIENT covenants and warrants that it will indemnify and hold the City forever free and harmless with respect to any and all damages whether directly or indirectly arising out of the provisions and maintenance of this contract.

The SUBRECIPIENT agrees to comply with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).

The SUBRECIPIENT further warrants and agrees to include or cause to be included the criteria and requirements of this section in every non-exempt subcontract in excess of \$100,000. The SUBRECIPIENT also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.

The CITY shall have the right under this Agreement to suspend or terminate payments until the SUBRECIPIENT complies with any additional conditions that may be imposed by the CITY or U.S. HUD at any time.

Section XI – Suspension & Termination

In accordance with 24 CFR 85.43, suspension or termination may occur if the SUBRECIPIENT materially fails to comply with any term of the award, and that the award may be terminated for convenience in accordance with 24 CFR 85.44.

If, through any cause, the SUBRECIPIENT shall fail to fulfill in timely and proper manner its obligations under this contract, or if the SUBRECIPIENT shall violate any of the covenants, agreements or stipulations of this contract, the CITY shall thereupon have the right to terminate this contract by giving written notice to the SUBRECIPIENT of such termination and specifying the effective date thereof, at least five (5) days before the date of such termination. In such event, the SUBRECIPIENT shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder to the date of said termination. Notwithstanding the above, the SUBRECIPIENT shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of the contract by the SUBRECIPIENT and the CITY may withhold any payments to the SUBRECIPIENT for the purpose of setoff until such time as the exact amount of damages due to the CITY from the SUBRECIPIENT is determined whether by court of competent jurisdiction or otherwise.

Section-XII– Termination for Convenience of the CITY

The CITY may terminate for its convenience this contract at any time by giving at least thirty (30) days notice in writing to the SUBRECIPIENT. If the contract is terminated by the CITY, as provided herein, the City will reimburse for any actual and approved expenses incurred, including those costs involved in terminating the contracts and shutting down the work as of the date of notice, and the SUBRECIPIENT will be paid as a FEE an amount which bears the same ratio to the total compensation as the services actually performed bear to the total service of the SUBRECIPIENT covered by this contract, less payments of compensation previously made. Claims and disputes between the parties will be submitted to the American Arbitration Association for resolution. Award or judgment may be entered in any court having jurisdiction thereof.

Section XII – Default-Loss of Grant Funds

If the SUBRECIPIENT fails in any manner to fully perform and carry out any of the terms, covenants, and conditions of the agreement, and more particularly if the SUBRECIPIENT refuses or fails to proceed with the work with such diligence as will insure its completion within the time fixed by the schedule set forth in this agreement, the SUBRECIPIENT shall be in default and notice in writing shall be given to the SUBRECIPIENT of such default by the AGENCY or an agent of the AGENCY. If the SUBRECIPIENT fails to cure such default within such time as may be required by such notice, the CITY, acting by and through the AGENCY, may at its option terminate and cancel the contract.

In the event of such termination, all grant funds awarded to the SUBRECIPIENT pursuant to this agreement shall be immediately revoked and any approvals related to the PROJECT shall immediately be deemed revoked and canceled. In such event, the SUBRECIPIENT will no longer be entitled to receive any compensation for work undertaken after the date of the termination of this agreement, as the grant funds will no longer be available for this project.

Such termination shall not effect or terminate any of the rights of the CITY as against the SUBRECIPIENT then existing, or which may thereafter accrue because of such default, and the foregoing provision shall be in addition to all other rights and remedies available to the CITY under the law and the note and mortgage (if in effect), including but not limited to compelling the SUBRECIPIENT to complete the project in accordance with the terms of this agreement, in a court of equity.

The waiver of a breach of any term, covenant or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition hereof.

Section XIV – Reporting & Recordkeeping Responsibilities

The SUBRECIPIENT agrees to submit monthly reports to the AGENCY by the 15th day of the month following the end of the month and starting the next month following the date of execution of this Agreement. The reports shall include detailed information on the status of the PROJECT as detailed in Exhibit A of this Agreement.

The AGENCY will send the SUBRECIPIENT one reminder notice if the monthly report has not been received fifteen (15) days after the due date. If the SUBRECIPIENT has not submitted a report fifteen (15) days after the date on the reminder notice, the CITY will have the option to terminate the contract as described in this agreement. In addition, the SUBRECIPIENT agrees to provide the AGENCY information as required to determine program eligibility, in meeting national objectives, and financial records pertinent to the project.

The SUBRECIPIENT agrees to maintain records of all documents as to its CHDO eligibility, income documentation of all assisted households, property standards compliance documents, copies of financial records, price/value determination information and resale/recapture documents.

Section XV – Inspection, Monitoring & Access to Records

The CITY reserves the right to inspect, monitor, and observe work and services performed by the SUBRECIPIENT at any and all reasonable times. The CITY reserves the right to audit the record of the SUBRECIPIENT any time during the performance of this Agreement and for a period of five years after final payment is made under this Agreement.

If required, the SUBRECIPIENT will provide the AGENCY with a certified audit of the SUBRECIPIENT's records representing the Fiscal year during which the PROJECT becomes complete whenever the amount listed in SECTION VII is at or exceeds \$500,000, pursuant to the requirements of OMB Circular A-133.

Access shall be immediately granted to the CITY, HUD, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the SUBRECIPIENT or its contractors which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.

Section XVI – General Conditions

A. Data Becomes CITY Property: All reports, plans, surveys, information, documents, maps, and other data procedures developed, prepared, assembled, or completed by the SUBRECIPIENT for the purpose of this Agreement shall become the property of the CITY without restriction, reservation, or limitation of their use and shall be made available by the SUBRECIPIENT at any time upon request by the CITY. Upon completion of all work contemplated under this Agreement, copies of all documents and records relating to this Agreement shall be surrendered to the CITY if requested. In any event, the SUBRECIPIENT shall keep all documents and records for five (5) years after expiration of this Agreement.

B. Indemnification: The SUBRECIPIENT shall protect, defend, reimburse, indemnify and hold the CITY, its agents, employees and elected officers harmless from and against all claims, liability, expense, loss, cost, damages or causes of action of every kind or character, including attorney's fees and costs, whether at trial or appellate levels or otherwise, arising during performance of the terms of this Agreement or due to the acts or omissions of the SUBRECIPIENT. SUBRECIPIENT's aforesaid indemnity and hold harmless obligation, or portion or applications thereof, shall apply to the fullest extent permitted by law. The SUBRECIPIENT will hold the CITY harmless and will indemnify the CITY for funds which the CITY is obligated to refund the Federal Government arising out of the conduct of activities and administration of the SUBRECIPIENT.

C. INSURANCE:

At all times during the term hereof, the SUBRECIPIENT shall maintain insurance acceptable to the CITY. Prior to commencing any activity under this Agreement, the SUBRECIPIENT shall furnish to the CITY original certificates of insurance indicating that the SUBRECIPIENT is in compliance with the provisions of this Article.

SUBRECIPIENT shall, at its own expense, procure and maintain throughout the term of this Agreement, with insurers acceptable to CITY, the types and amounts of insurance conforming to the minimum requirements set forth herein. SUBRECIPIENT shall not commence work until the

required insurance is in force and evidence of insurance acceptable to CITY has been provided to, and approved by, CITY. An appropriate Certificate of Insurance shall be satisfactory evidence of insurance. Until such insurance is no longer required by this Contract, SUBRECIPIENT shall provide CITY with renewal or replacement evidence of insurance at least thirty (30) days prior to the expiration or termination of such insurance.

Workers' Compensation/Employer's Liability Insurance

Such insurance shall be no more restrictive than that provided by the Standard Workers' Compensation Policy, as filed for use in Florida by the National Council on Compensation Insurance, without restrictive endorsements. The minimum amount of coverage (inclusive of any amount provided by an umbrella or excess policy) shall be:

Part One: "Statutory"
Part Two: \$1,000,000 Each Accident \$ 1,000,000 Disease
Policy Limit \$1,000,000 Disease Each Employee

General Liability Insurance

Such insurance shall be no more restrictive than that provided by the most recent version of standard Commercial General Liability Form (ISO Form CG 00 01) without any restrictive endorsements. CITY shall be included as an "Additional Insured" on a form no more restrictive than ISO Form CG 20 10 (Additional Insured-Owners, Lessees, Or Contractors). The minimum limits (inclusive of amounts provided by an umbrella or excess policy) shall be:

\$1,000,000 General Aggregate \$ 1,000,000 Products/Completed Operations Aggregate
\$ 1,000,000 Personal and Advertising Injury
\$ 1,000,000 Each Occurrence

Automobile Liability Insurance

Such insurance shall be no more restrictive than that provided by Section II (Liability Coverage) of the most recent version of standard Business Auto Policy (ISO Form CA 00 01) without any restrictive endorsements, including coverage for liability contractually assumed, and shall cover all owned, non-owned, and hired autos used in connection with the performance of the work. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

\$1,000,000 Each Occurrence-Bodily Injury and Property/Damage Combined

Professional Liability Insurance

Such insurance shall be on a form acceptable to CITY and shall cover SUBRECIPIENT for those sources of liability arising out of the rendering or failure to render the services required in the Agreement including any hold harmless and/or indemnification agreement. Coverage must either be on an occurrence basis; or, if on a claims-made basis, the coverage must respond to all claims

reported within three years following the period for which coverage is required and which would have been covered had the coverage been on an occurrence basis. The minimum limits (inclusive of any amounts provided by an umbrella or excess policy) shall be:

\$ 1,000,000 Each Claim/Annual Aggregate

The insurance provided by SUBRECIPIENT shall apply on a primary basis. Any insurance, or self-insurance, maintained by the SUBRECIPIENT shall be excess of, and shall not contribute with, the insurance provided by SUBRECIPIENT. Except as otherwise specified, no deductible or self-insured retention is permitted.

Neither approval nor failure to disapprove insurance furnished by SUBRECIPIENT shall relieve SUBRECIPIENT from responsibility to provide insurance as required by this Agreement.

SUBRECIPIENT Failure to Obtain, Pay For, or Maintain Insurance

SUBRECIPIENT shall deliver to CITY the required certificate(s) of insurance and endorsement(s) before CITY signs this Agreement.

SUBRECIPIENT'S failure to obtain, pay for, or maintain any required insurance shall constitute a material breach upon which CITY may immediately terminate or suspend this Agreement. In the event of any termination or suspension, CITY may use the services of another SUBRECIPIENT or SUBRECIPIENTS, without CITY'S incurring any liability to SUBRECIPIENT.

(2) Additional Insured

The SUBRECIPIENT shall agree to endorse the CITY as an Additional Insured with a CG 2026 Additional Insured - Designated Person or Organization endorsement, or its equivalent, to the Commercial General Liability. The Additional Insured endorsement shall read "The City of Pompano Beach, a Political Subdivision of the State of Florida, its Officers, Employees and Agents". The SUBRECIPIENT shall agree the Additional Insured endorsements provide coverage on a primary basis.

(3) Certificate of Insurance

The SUBRECIPIENT shall agree to deliver to the CITY a certificate(s) of insurance evidencing the required insurance is in full force and effect within thirty (30) calendar days prior to the execution of the Contract by the CITY. A minimum thirty (30) day endeavor to notify due to cancellation or non-renewal of coverage shall be included on the certificate(s).

(4) Right to Review and Adjust

The SUBRECIPIENT shall agree the CITY, by and through its Risk Management Department, in cooperation with the Department of Community Planning and Development, reserves the right to periodically review, modify, reject or accept any required policies of insurance, including limits, coverage's, or endorsements, herein from time to time throughout the life of this Agreement. The CITY reserves the right, but not the obligation, to review and reject any insurer providing coverage because of its poor financial condition or failure to operate legally.

D. Maintenance of Effort: The intent and purpose of this Agreement is to increase the availability of the SUBRECIPIENT's services. This Agreement is not to substitute for or replace existing or planned projects or activities of the SUBRECIPIENT. The SUBRECIPIENT agrees to maintain a level of activities and expenditures, planned or existing, for projects similar to those being assisted under this Agreement which is not less than that level existing prior to this Agreement.

E. Notices: All notices or other communication which shall or may be given pursuant to this Agreement shall be in writing and shall be delivered by personal service, or by registered mail addressed to the other party at the address indicated herein or as the same may be changed from time to time. Such notice shall be deemed given on the day on which personally served; or, if by mail, on the fifth day after being posted or the date of actual receipt, whichever is earlier.

CITY'S address: City of Pompano Beach
100 West Atlantic Blvd
Pompano Beach, FL 33060

SUBRECIPIENT's address: Choices Network Systems, Inc.
2300 NW 6th Street
Pompano Beach, Florida, 33069

F. Title and paragraph headings are for convenient reference and are not a part of this Agreement.

G. In the event of conflict between the terms of this Agreement and any terms or conditions contained in any attached documents, the terms of this Agreement shall rule.

H. No waiver or breach of any provision of this Agreement shall constitute a waiver of a subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.

I. The parties hereto agree that this Agreement shall be construed and enforced according to the laws of the State of Florida.

J. Should any provisions, paragraphs, sentences, words or phrases contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Florida or the City of Pompano Beach, such provisions, paragraphs, sentences, words or phrases shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable to conform with such laws, then same shall be deemed

severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect.

- K. The SUBRECIPIENT shall comply with the provisions of the Copeland Anti-Kick-Back Act (18 U.S.C. 874) as supplemented in the Labor Regulations (29 CFR Part 3), as amended.
- L. The SUBRECIPIENT shall comply with the provisions of sections 103 and 107 of the Contract Work Hours and Safety Standard Act (40 U.S.C. 327-330) as supplemented by Labor Regulations (29 CFR, Part 5), as amended.
- M. The SUBRECIPIENT further warrants and agrees to include or cause to be included the criteria and requirements of paragraphs (G) through (H) of this section in every nonexempt subcontract. The SUBRECIPIENT also agrees to take such action as the federal, state or local government may direct to enforce aforesaid provisions.
- N. The obligations undertaken by SUBRECIPIENT pursuant to this Agreement shall not be delegated or assigned to any other person or agency unless CITY shall first consent to the performance or assignment of such service or any part thereof by another person or agency.
- O. The Agreement shall be binding upon the parties hereto, their heirs, executors, legal representative, successors and assigns.
- P. SUBRECIPIENT shall indemnify and save CITY harmless from and against any negligent claims, liabilities, losses and causes of action which may arise out of SUBRECIPIENT's activities under this Agreement, including all other acts or omissions to act on the part of SUBRECIPIENT, including any person acting for or on its behalf, and, from and against any orders, judgments, or decrees which may be entered, and from and against all costs, attorney fees, expenses and liabilities in the defense of any such claims, or in the investigation thereof.
- Q. SUBRECIPIENT and its employees and agents shall be deemed to be independent contractors, and not agents or employees of the CITY, and shall not attain any rights or benefits under the civil service or pension ordinances of the CITY, or any rights generally afforded classified or unclassified employee; further they shall not be deemed entitled to state Compensation benefits as an employee of the CITY.
- R. Funding for this Agreement is contingent on the availability of funds and continued authorization for program activities and is subject to amendment or termination due to lack of funds, or authorization, reduction of funds, and/or change in regulations.

IN WITNESS WHEREOF, the parties have caused this Amendment to Agreement to be duly executed on the day and year first above written.

"SUBRECIPIENT"

Witnesses:

Cynthia Alexander

Cynthia Alexander
Printed Name

Rodney A. Howard

Rodney A. Howard
Printed Name

Florida non-profit corporation

Choices Network Systems, Inc

By: [Signature]
Signature

Wylie L. Howard, Sr.
Name Printed, Typed or Stamped

Title: Founder/CEO

(SEAL)

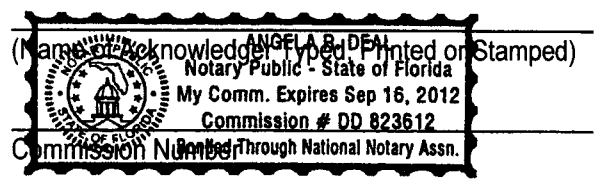
STATE OF FLORIDA

COUNTY OF Broward

The foregoing instrument was acknowledged before me this 21st day of September, 2011 by Wylie L. Howard, Sr. as Founder/CEO of Choices Network Systems, Inc a Florida non-profit corporation, on behalf of the corporation. He/she is personally known to me or who has produced Personally Known (type of identification) as identification.

NOTARY'S SEAL:

[Signature]
NOTARY PUBLIC, STATE OF FLORIDA



"CITY"

Witnesses:

CITY OF POMPANO BEACH

By: _____
LAMAR FISHER, MAYOR

By: _____
Dennis Beach
CITY MANAGER

Attest:

(SEAL)

MARY L. CHAMBERS
CITY CLERK

Approved As to Form:

GORDON B. LINN
CITY ATTORNEY

STATE OF FLORIDA

COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this _____ day of _____, 2011 by LAMAR FISHER, as Mayor, DENNIS BEACH, as City Manager and MARY L. CHAMBERS, as City Clerk of the City of Pompano Beach, a municipal Florida corporation, on behalf of the municipal corporation, who are personally known to me.

NOTARY'S SEAL:

NOTARY PUBLIC, STATE OF FLORIDA

(Name of Acknowledger Typed, Printed or Stamped)

Commission Number

EXHIBIT D

CITY OF POMPANO BEACH – OFFICE OF HOUSING AND URBAN IMPROVEMENT

CERTIFICATION REGARDING LOBBYING Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies to the best of his or her knowledge and belief, that:

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

(2) If any funds other than Federal appropriated funds have been paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(1) This undersigned shall require that the language of this certification be included in the award documents for "All" sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a pre-requisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Choices Network Systems, Inc

SUB-RECIPIENT

Wylie L. Howard, Sr.

PRINT NAME OF CERTIFYING OFFICIAL

[Signature]
SIGNATURE OF CERTIFYING OFFICIAL

9/21/2011
DATE

* Note: In these instances, "All" in the Final Rule is expected to be clarified to show that it applies to covered contract/grant transactions over \$100,000 (per QMB).

EXHIBIT E

CITY OF POMPANO BEACH – OFFICE OF HOUSING AND URBAN IMPROVEMENT

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER
RESPONSIBILITY MATTERS (PRIMARY COVERED TRANSACTIONS FORM)**

1. The Sub-Recipient certifies to the best of its knowledge and belief, that it and its principals:
 - a. Are not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency.
 - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph 1.b of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall submit an explanation to the City of Pompano Beach.

Choices Network Systems, Inc
SUB-RECIPIENT

Wylie L. Howard Sr.
PRINT NAME OF CERTIFYING OFFICIAL


SIGNATURE OF CERTIFYING OFFICIAL

9/21/2011
DATE

EXHIBIT F

CITY OF POMPANO BEACH – OFFICE OF HOUSING AND URBAN IMPROVEMENT

SWORN STATEMENT PURSUANT TO SECTION 287.133(3)(A). FLORIDA STATUTES ON PUBLIC ENTITY CRIME

THIS FORM MUST BE SIGNED AND SWORN TO IN THE PRESENCE OF A NOTARY PUBLIC OR OTHER OFFICIAL AUTHORIZED TO ADMINISTER OATHS.

1. This sworn statement is submitted to The City of Pompano Beach
By Wylie L. Howard, Sr
Founder/CEO
(print this individual's name and title)

[Signature]
for Choices Network Systems, Inc
(print name of entity submitting statements)

whose business address is 2300 NW 6th St - Pompano Beach, Florida
33069

and if applicable is Federal Employer Identification Number (FEIN) is 65-1035130

If the entity has no FEIN, include the Social Security Number of the individual signing this sworn Statement:

2. I understand that a "public entity crime" as defined in paragraph 287.133(1)(a), Florida Statutes, mean a violation of any state or federal law by a person with respect to and directly related to the transactions of business with any public entity or with an agency or political subdivision of any other state or with the United States including, but not limited to any bid or contract for goods or services to be provided to any public entity or any agency or political subdivision of any other state or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.
3. I understand that "convicted" or "conviction" as defined in Paragraph 287.133(1)(b), Florida Statutes means a finding of guilt or a conviction of a public entity crime, with or without adjudication of guilt, in any federal or state trial court of record relating to charges brought by indictment or information after July 1, 1989, as a result of a Jury verdict, nonjury trial, or entry of a plea of guilty or nolo contendere.
4. I understand that an "affiliate" as defined in paragraph 287.133(1)(a), Florida Statutes, means:
1. A predecessor or successor of a person convicted of public entity crime; or
 2. An entity under the control of any natural person who is active in the management of the entity and who has been convicted of a public entity crime. The term "affiliate" includes those officers, directors, executives, partners, shareholders, employees, members, and agents who are active in the management of an affiliate. The ownership by one person of shares constituting a controlling interest in another person, or a pooling of equipment or income among persons when not for fair market value under an arm's length agreement, shall be a prima facie case that one person controls another person. A person who knowingly enters into a joint venture with a person who has been convicted of a public entity crime in Florida during the preceding 36 months shall be considered an affiliate.

5. I understand that a "person" as defined in Paragraph 287.133(1)(e), Florida Statutes, means any natural person or entity organized under the laws of any state or of the United States with the legal power to enter into a binding contract and which bids or applies to bid on contracts for the provision of goods or services let by a public entity, or which otherwise transacts or applies to transact business with a public entity. The term "person" includes those officers, executives, partners, shareholders, employees, members, and agents who are active in management of an entity.
6. Based on information and belief, the statement which I have marked below is true in a relation to the entity submitting this sworn statement. (Please indicate which statement applies).

X Neither the entity submitting this sworn statement, nor any of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or any affiliate of the entity has been charged with and convicted of a public entity crime within the past 36 months.

_____ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity or an affiliate of the entity has been charged with and convicted of a public entity crime within the past 36 months. AND (Please indicate which additional statement applies).

_____ The entity submitting this sworn statement, or one or more of its officers, directors, executives, partners, shareholders, employees, members, or agents who are active in the management of the entity, or agents who are active in the management of the entity, or an affiliate of the entity has been charged with and convicted of a public entity crime within the past 36 months. However, there has been a subsequent proceeding before a Hearing Officers of the State of Florida, Division of Administrative Hearings and the Final Order by the Hearing Officer determined that it was not in the public interest to place the entity submitting this sworn statement on the convicted vendor list. (Attached is a copy of the final order).

I UNDERSTAND THAT THE SUBMISSION OF THIS FORM TO THE CONTRACTING OFFICER FOR THE PUBLIC ENTITY IDENTIFIED IN PARAGRAPH 1 (ONE) ABOVE IS FOR THE PUBLIC ENTITY ONLY AND, THAT THIS FORM IS VALID THROUGH DECEMBER 31 OF THE CALENDAR YEAR IN WHICH IT IS FILED AND FOR THE PERIOD OF THE CONTRACT ENTERED INTO, WHICHEVER PERIOD IS LONGER. I ALSO UNDERSTAND THAT I AM REQUIRED TO INFORM THE PUBLIC ENTITY PRIOR TO ENTERING INTO A CONTRACT IN EXCESS OF THE THRESHOLD AMOUNT PROVIDED IN SECTION 287.017, FLORIDA STATUTES, FOR CATEGORY TWO OF ANY CHANGE IN THE INFORMATION CONTAINED IN THIS FORM.

[Signature]

 (Signature)

Sworn to me and subscribed before me this 21st day of September, 2011.

Personally known Personally Known

Or produced identification _____ Notary Public—State of Florida [Signature]

_____ My commission expires _____
 (Type of Identification)

(Printed, typed or stamped commissioned name of notary public)
