



430 Hartsell Ave  
Lakeland, FL 33815

(863) 687-2911

<http://LakelandHousing.org>



## Board Of Commissioners

Michael Pimentel, Chairman

Richard Richardson, Vice-Chairman

Joseph DiCesare

Edward Hall

Lorenzo Robinson

Dorothy Sanders

Gary Smith

# REGULAR BOARD MEETING

**Monday, August 17, 2015**

Benjamin Stevenson, Executive Director  
Ricardo Gilmore, Esquire

## **AGENDA**

Board of Commissioners Meeting  
The Housing Authority of the City of Lakeland, Florida  
Monday, August 17, 2015 at 6:00 P.M.  
LHA Board Room  
430 Hartsell Avenue  
Lakeland, Florida

**Pledge of Allegiance**

**Moment of Silence**

**Establish a Quorum**

**1. Approval of the Meeting Agenda**

**2. Approval of the Minutes of the Regular Board Meeting held Monday, July 20, 2015**

**3. Public Forum**

**4. Old Business**

- LHA Recovery Plan Update
- Corrective Action Plan

**5. New Business**

**6. Secretary's Report**

- Operations
- Administration
- Resolutions

15-1411 - The Board of Commissioners is requested to approve the resolution to authorize its Executive Director to sign a Master Developer Agreement with Housing Trust Group for the redevelopment of the West Lake Apartments community.

15-1412 - The Board of Commissioners is requested to approve the resolution to authorize its Executive Director to increase the total dollar value of the task order contract with *Innovative Financial Housing Solutions, Inc.* (IFH Solutions) up to \$280,000.

15-1413 - The Board of Commissioners is requested to approve the above-referenced resolution to authorize its Executive Director to increase the total dollar value of the task order contracts with Wallis Murphey Boyington Architects, Inc. to a not-to-exceed value of \$264,379.

**7. Legal Report**

**8. Other Business**

- Disposition of LHA Vehicles

**9. Adjournment**

**MINUTES**  
**Regular Board Meeting of**  
**The Housing Authority of the City of Lakeland**  
**July 20, 2015**

The Board of Commissioners of the Housing Authority of the City of Lakeland met at the Lakeland Housing Authority, 430 Hartsell Avenue, Lakeland, Florida.

**LHA Board Members Present:** Michael Pimentel, Chairman (Via Telephone)  
Joseph DiCesare, Commissioner  
Eddie Hall, Commissioner  
Lorenzo Robinson, Commissioner  
Dorothy Sanders, Commissioner  
Gary Smith, Commissioner

**Secretary:** Benjamin Stevenson  
**Legal Counsel:** Ricardo Gilmore, Esquire

Mr. Gilmore called the meeting to order. He informed the Board that both Chairman and Vice-Chairman had not yet arrived and advised that they could select one of the commissioners that are physically present to serve as temporary chair for this meeting.

- **Motion to select Commissioner DiCesare to temporary chair the board meeting in the absence of the Chairman.**  
Motion by Smith, Second by Robinson.

The meeting was called to order at 6:15 p.m. by Commissioner DiCesare. The Pledge of Allegiance and a Moment of Silence were observed. A quorum was established.

**APPROVAL OF THE AGENDA**

Commissioner DiCesare asked the Board to review the agenda and if there were any requests for items to be added to the agenda. There were no new items added to the agenda.

**APPROVAL/ACCEPTANCE OF MINUTES**

- **Motion to approve and accept the minutes of the Regular Board Meeting held June 15, 2015**  
Motion by Smith, Second by Hall.



**Votes: Commissioners**

Joseph DiCesare – Aye  
Edward Hall – Aye

Lorenzo Robinson – Aye  
Dorothy Sanders – Aye  
Gary Smith – Aye

**PUBLIC FORUM**

• *Yvonne Sims*, a resident of West Lake Apartments and a former participant of the Family Self Sufficiency Program. Ms. Sims allege she encounter some health challenges that cause her to be in compliance with the FSS program guidelines. As a result of her challenges she indicated she lost her escrow and other benefits associated with being in the FSS Program.

• *Ms. Karen Gray Rudolph*, a resident of West Lake and RAB member whose term expires on August 30, 2015 indicated she was advised at a previous board meeting to put all her concerns in writing and submit to the Executive Office. She alleges she has submitted her concerns in writing and has not received a response from LHA staff. Ms. Rudolph also had concerns regarding the RAB election not being conducted properly.

• *Judith Haggins*, a resident of Carrington Place, appealed to the Board as individuals for monetary assistance and school supplies for a “Back to School Bash.” The event will be held on August 23, 2015, 1:00 P.M. – 6:00 p.m. at Kathleen High School.

• *Joe Farley* - a resident of Hampton Hills Community. He has concerns about the up keep of the 11 homes and their lawns that LHA owns in the Hampton Hills community. Mr. Farley indicated he is on the Homeowners Association Board but he was speaking as a resident. His list of concerns included the number of people living in the homes, unsupervised children, cars improperly parked, cars parked on the front lawn.

**OLD BUSINESS**

• **Recovery Plan Review Committee Meeting Updates**

Mr. Stevenson advised that Commissioner Pimentel has joined the meeting at 6:25 p.m. via telephone.

Commissioner Smith gave the updates on the Recovery Plan Review Committee meeting. He indicated that the Recovery Plan is moving along well and that we are still waiting on HUD’s approval of the sale of the 10<sup>th</sup> Street property. The financials are being tracked in the budget. There is a positive cash flow and things are moving along very well.

• **Corrective Action Plan**

Mr. Stevenson indicated that the Corrective Action Plan is submitted as written. LHA is in the process of negotiating with the bank and the process will take approximately 90 days. This is the last outstanding item on the Corrective Action Plan.

## **NEW BUSINESS**

None.

### **• SECRETARY'S REPORT -**

Report submitted as written.

Mr. Stevenson mentioned the email providing the results of the City Wide Resident Organization elections was sent and asked if there were questions from the Board.

Mr. Stevenson gave an update on the Williamstown project being presented to the City Council of the City of Lakeland. City Council approved the re-zoning application for the project. The next step is to continue the HUD approval process where LHA will submit a development proposal and Rental Term Sheet for review.

Mr. Stevenson expressed his appreciation to Commissioner Smith for attending the City Council meeting and for his support of the Williamstown project.

#### **• Operations**

Report submitted as written

Ms. Brown asked to be allowed to address the PHA Plan. She distributed copies of the 2016 Plan binders to the commissioners. Mr. Stevenson addressed the timeline and other specifics that is required compliance.

#### **• Administration**

Report submitted as written

#### **• Resolutions**

None

## **LEGAL REPORT**

Mr. Gilmore mentioned that MDA for the redevelopment of West Lake had been reviewed and discussed and all parties have agreed to the terms. He is currently working on the second MDA which may be ready by the next board meeting. Mr. Stevenson indicated that the MDAs were written by Saxon & Gilmore.

Mr. Gilmore advised the persons that requested to speak during the Public Forum that the commissioners will receive a written response regarding their concerns before the next Board meeting.

Mr. Gilmore reiterated this information due to a question asked by Commissioner Robinson regarding the procedure for responding to the comments during the public forum. Mr. Stevenson stated that each Public Request is usually responded to in writing by staff. Last month the board gave Mr. Gilmore the task of responding to a Public Request, which was done and sent to the Commissioners.

**OTHER BUSINESS**

None

The meeting adjourned at 6:45 P.M.

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**Benjamin J. Stevenson, Secretary**

**OLD BUSINESS**

**MINUTES**  
**Recovery Plan Review Committee Meeting of**  
**The Housing Authority of the City of Lakeland**  
**Thursday, July 16, 2015**  
**2:00 P.M.**

The members of the Recovery Plan Review Committee for The Housing Authority of the City of Lakeland met at the Lakeland Housing Authority, 430 Hartsell Avenue, Lakeland, Florida.

**COMMITTEE MEMBERS:**

Richard Richardson, Commissioner

Gary Smith, Commissioner

**LHA Staff Present:**

Benjamin Stevenson

Valerie Brown

Idalia Gonzales

Brenda Goodman

The meeting was called to order by Commissioner Richardson at 2:02 p.m. He suggested the meeting follow the agenda.

**APPROVAL OF MINUTES**

- **Motion to approve and accept the minutes of the Recovery Plan Review Committee meeting held June 11, 2015.**

**OLD BUSINESS**

• **RECOVERY PLAN REVIEW UPDATES**

**SALE OF 10<sup>TH</sup> STREET PROPERTY**

Mr. Stevenson gave updated information regarding the sale of the 10<sup>th</sup> Street property. LHA is still waiting on HUD's approval. There has been no response from the SAC office. Mr. Stevenson has asked Ric Gilmore to follow-up phone call with the SAC Director of the SAC Office

The committee asked Mr. Stevenson if "we have any documentation showing that he has attempted to contact SAC." Mr. Stevenson replied he has emails.



## **MDA NEGOTIATIONS**

Mr. Stevenson indicated staff had a successful negotiation with Housing Trust Group regarding West Lake redevelopment. The MDA will be presented to the LHA Board for approval. The document was written by Saxon Gilmore. The next step will be obtaining funding and staff will present a blanket resolution to the board requesting the Executive Director be authorized to negotiate documents to submit applications for low income housing tax credits and other funding options.

Staff has a conference call scheduled for next week to discuss the other MDA. This MDA is for construction of an ALF on the other vacant 10<sup>th</sup> Street property.

## **RESIDENT ELECTIONS AND TRAINING**

The elections for the City-Wide Resident Organization (CWRO) were held on July 7, 2015. The results were emailed to the LHA Board. One current member of the CWRO was not re-elected. She came to the polling station but did not vote. LHA staff is in the process of procuring an independent entity to provide training for the current and newly elected members of the CWRO. CWRO members that were not re-elected will be allowed to complete their current terms. After the training session, LHA will sign a Memorandum of Understanding (MOU) with the RAB.

## **OTHER BUSINESS**

### **MONTHLY FINANCIALS**

Ms. Valerie Brown presented thorough highlights of the financial report. She also gave handouts of the reports that will also be in the July Board Report.

### **WILLIAMSTOWN**

Mr. Stevenson indicated that the Williamstown project goes before City Council of the City of Lakeland on this coming Monday. Commissioner Smith indicated he would like to attend the meeting as a support. Mr. Stevenson expressed his appreciation for Commissioner Smith's willingness to attend the meeting.

### **HAMPTON HILLS HOMEOWNERSHIP**

Ms. Brown informed the committee that one of the residents of Hampton Hill closed on their home on last month. There are eleven (11) remaining Hampton Hill Homes available for purchase and

being managed by LHA. Ms. Brown also reported that they conducted a mandatory First Time Homebuyer workshop with the Hampton Hills residents and 100 % of the residents attended.

Mr. Stevenson informed the committee of some concerns LHA had received from the Hampton Hills Home Owners Association. Some members of the HOA were making allegations of LHA residents having at least 25 persons living in a single home and lawns not being maintained. Mr. Stevenson informed the board that he had staff to go out to access the concerns. Staff took pictures of the various properties. In LHA's view, the allegations were unfounded. LHA staff attended a HOA and Covenant Association meeting to respond to the allegations.

The meeting adjourned at 2:58 p.m.

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Benjamin Stevenson, Secretary



**BOARD OF  
COMMISSIONERS**

Michael A. Pimentel  
**Chairman**

Rev. Richard Richardson  
**Vice-Chairman**

Eddie Hall  
**Commissioner**

Joseph DiCesare  
**Commissioner**

Lorenzo Robinson.  
**Commissioner**

Dorothy Sanders  
**Commissioner**

Gary Smith  
**Commissioner**

Benjamin J. Stevenson  
**Executive Director**

430 Hartsell Ave  
Lakeland, FL 33815

**MAIN OFFICE**

Phone: (863) 687-2911

Fax: (863) 413-2976

[www.LakelandHousing.org](http://www.LakelandHousing.org)

DATE: August 5, 2015  
TO: LHA Commissioners  
FROM: Benjamin Stevenson, Executive Director  
RE: Recovery Plan Update

Below is a summary update of progress made with the LHA Recovery Plan.

1) Purchase Agreement for Sale of LHA Property

Status: LHA has received approval for the Request to Amend the Previous Approval for the vacant lot on the corner of 10<sup>th</sup> Street and N. Florida Avenue at the HOPE VI site. Written approval was provided by the HUD Special Applications Center (SAC). A copy of the approval letter is attached to this memorandum. I spoke with the potential buyer in June and they reconfirmed that their offer is still valid and firm.

2) Reduce COCC Budget/Overall Agency Debt

Status: The COCC budget is a part of the Recovery Plan.

An update on the COCC budget was presented to the Recovery Plan Review Committee at their February 2015 meeting. Staff continues to make adjustments in the budget. The committee was in agreement with the progress being made by staff. A copy of the revised budget was included with the March 2015 Board packet. The revisions were also discussed at the Board meeting.

3) Implement Replacement of Yardi System

Status: The transition from Yardi to the new contractor, Emphasys Computer Solutions, Inc., began in January 2015. Staff holds weekly meetings with Emphasys staff during the transition. The transition process is still scheduled to be completed at the end of August 2015.

4) Developer Partners Update

Status: LHA legal counsel wrote the Master Developer Agreement (MDA) for the partnership with the Developer Partner for the West Lake Apartments property. The terms of the MDA have been negotiated and agreed to by both parties. The document will be presented the LHA Board of Commissioners for approval at the August Board meeting.



The Developer Partner will assist LHA in submitting a low income housing tax credit application for the West Lake Apartment property.

LHA also released a Request for Qualifications for a Developer Partner for the development of the 10+ acre residential lot on 10<sup>th</sup> Street (across the street from the Colton Meadows property) in March 2015. The LHA Board approved the recommendation by staff and authorized the Executive Director to negotiate a MDA. The document has been drafted by Saxon Gilmore and is being discussed with the Developer Partner. Negotiations with this potential partner did not go well.

5) Use of HOPE VI Funds

Status: LHA staff wrote a proposal to obligate the remaining HOPE VI funds while constructing some affordable housing rental units at the Williamstown property location. LHA has received HUD approval to move forward with the project. The next step is to submit a Rental Term Sheet to HUD for review and approval along with a separate request to designate the development as a near elderly community serving persons age 55 and older.

6) Development of the Williamstown Property

Status: The Williamstown project was also approved by the City Council of the City of Lakeland in July 2015. LHA staff along with members of the Wallis Murphey Boyington architectural firm attended the meeting. A copy of the City's approval letter is attached to this memo. Previously, the project was approved by the City of Lakeland Zoning Board. Staff will continue with plans for a new community to serve the near elderly or persons age 55 and older.

7) Other Items

Status: LHA was officially placed under the supervision of the Jacksonville HUD Field Office on June 1, 2015. The HOPE VI project will continue to be supervised by the Miami Field Office. LHA staff has had preliminary conference calls with the Jacksonville Office regarding the transition.

BJS

Attachment(s)



**BOARD OF  
COMMISSIONERS**

Michael A. Pimentel  
**Chairman**

Rev. Richard Richardson  
**Vice-Chairman**

Eddie Hall  
**Commissioner**

Joseph DiCesare  
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Lorenzo Robinson.  
**Commissioner**

Dorothy Sanders  
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Benjamin J. Stevenson  
**Executive Director**

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Lakeland, FL 33815

**MAIN OFFICE**

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[www.LakelandHousing.org](http://www.LakelandHousing.org)

August 5, 2015

Ellis Henry, Director  
U.S. Department of Housing and Urban Development  
Office of Public Housing  
Charles Bennett Federal Building  
400 West Bay Street, Suite 1015  
Jacksonville, FL 32202-4410

RE: Updated Corrective Action Plan

Dear Mr. Henry:

Enclosed for your review is the most recently updated Corrective Action Plan (CAP) for the Lakeland Housing Authority (LHA). There are no new update(s) to the CAP. But current document shows that there is only one incomplete item remaining in the CAP. In that regard, please note Item #73 is in the process of being completed. LHA completed the procurement process for the selection of a Banking Services partner in June 2015. We are now negotiating contract terms. The negotiations and implementation of the new system will be completed within the next 90 days.

Please do not hesitate to have staff contact Valerie Brown if you have questions or require additional information. Ms. Brown can be reached at (863) 687-2911, x216.

Sincerely,

Benjamin Stevenson  
Executive Director

cc: Valerie Brown  
Project Files

Enclosure(s)



**LAKELAND HOUSING AUTHORITY  
CORRECTIVE ACTION PLAN**

In May 2012, representatives from the Miami Field Office, Office of Public Housing (OPH) conducted a Limited Financial Management Review (LFMR) of the Lakeland Housing Authority (LHA). The LFMR resulted in three (3) findings and three (3) observations. Due to the nature of the Findings, OPH recommended that LHA engage a third party firm to conduct a forensic audit. LHA used a competitive Request for Proposals process to procure forensic audit services from NKA Contractors, LLC (NKA). NKA issued their findings on September 3, 2012. The special forensic audit procedures identified 22 findings and nine (9) weaknesses throughout various LHA departments. Additionally, LHA is in receipt of seven (7) findings from the Independent Auditor's Report by Berman Hopkins Wright & Laham for December 31, 2011. The Corrective Action Plan is a summary of proactive measures that LHA proposes to implement in order to cure findings as outlined by each audit.

Item #	Source Document	Classification	Issue	Action Required or Recommendation	Action Taken	Expected Completion	Status	Responsible Party	Category
73	LHA Audited Financials for 2012	2012-005 Special Tests and Provisions - General Depository Agreement	Low Rent Public Housing, CFDA Number 14.850 Housing Voucher Cluster Condition: During our audit of the Authority's accounts with financial institutions, we noted that the Authority had failed to enter into depository agreements with every financial institution handling accounts containing federal monies.	The Authority must execute Form HUD-51999 with all financial institutions where the Authority has funds and monitor the collateral levels for compliance with the General Depository Agreement on a least a monthly basis to ensure that the Authority's deposits are fully protected as required.	During the NRA review that occurred April 22-24, 2014, the auditors outlined that the Depository Agreements that LHA has on file for HCVP are not acceptable. The agreements are signed but not dated. Additionally, the auditors expressed concerns in reference to the bank fees. On June 17, 2014, Wells Fargo sent LHA the executed form HUD-51999 for the Public Housing Master Account and Section 8. Staff continues to negotiate with the banks to eliminate the fees and obtain agreements that are acceptable to HUD. <b>LHA issued a RFP for Banking Services in April 2015. A contractor should be selected in June 2015. Contract terms are being negotiated. The transition will take place over the next 90 days.</b>	<del>1/15/2014</del> <b>6/30/2014</b>	<del>Complete</del> In Progress	<del>E. Hall w/Finance</del> V. Brown w/Development and Ray Coury w/IFH Solutions	GDA

**LAKELAND HOUSING AUTHORITY  
CORRECTIVE ACTION PLAN**

Item #	Source Document	Classification	Issue	Action Required or Recommendation	Action Taken	Expected Completion	Status	Responsible Party	Category
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**Summary of Terms**

- 1.) Finding: A deficiency that represents a violation of statutory or regulatory requirements, for which sanctions or other corrective actions are authorized, and which, therefore, necessitates immediate remedial action.
- 2.) Observation: Maybe a general comment, or may be a deficiency in program performance, which does not result in a violation of statutory or regulatory requirement, but which could, if not addressed, result later in a finding.  
AMP = Asset Management
- 3.) Projects  
BOC = Board of
- 4.) Commissioners  
5.) COA = Chart of Accounts  
COCC = Central Office Cost
- 6.) Center  
7.) CYE = Calendar Year End  
EIV = Enterprise Income
- 8.) Verification  
  
FDS = Financial Data System or
- 9.) Financial Data Schedule  
10.) FMR = Fair Market Rents  
GAAP = Generally Accepted
- 11.) Accounting Principles  
GAAS = Generally Accepted
- 12.) Audited Standards  
GDA = General Depository
- 13.) Agreements  
14.) GL = General Ledger  
HCV = Housing Choice
- 15.) Voucher  
  
IFRS = International Financial
- 16.) Reporting Standards  
17.) NRA = Net Restricted Asset
- 18.) OPH = Office of Public Housing  
OFFP = Operating Fund
- 19.) Financing Program
- 20.) PIC = PIH Information Center
- 21.) PIH = Public and Indian Housing
- 22.) RCS = Rent Comparability Study
- 23.) SAS = Statement on Audit Standards
- 24.) SOP = Standard Operating Procedures
- 25.) TARs = Tenant Account Receivables
- 26.) UMLs = Unit Months Leased
- 27.) VASH = Veterans Affairs Support of Housing
- 28.) VMS = Voucher Management System



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Special Applications Center  
 77 W. Jackson Blvd., Room 2401  
 Chicago, Illinois 60604-3507  
 Phone: (312) 353-6236 Fax: (312) 886-6413

OFFICE OF PUBLIC HOUSING

July 30, 2015

Mr. Benjamin Stevenson  
 Executive Director  
 Lakeland Housing Authority  
 430 South Hartsell Avenue  
 Lakeland, FL 338152

Dear Mr. Stevenson:

On March 26, 2015, the Special Applications Center (SAC) received the Lakeland Housing Authority's (LHA) request for an amendment to the disposition approval for 11.68 acres of vacant land at Lake Ridge Homes FL011001.

On August 23, 2001 the Department approved the LHA's request for 11.68 acres of vacant land at Lake Ridge Homes, FL011001 and 17.34 acres of vacant land at Washington Park, FL011003, as identified below:

**Original Approval (PIC application: (DDA0004104)**

Lake Ridge Homes, FL011001			
Acres: 11.68			
Total Units to be Redeveloped	Less than 80% of Area Median Income		
69	ACC	Non-ACC	Market Rate
Rental	22	7	
Homeownership	16	24	
Acquiring Entity	Renaissance at Washington Ridge, Ltd. LLP,		
Method of Sale	Negotiated Sale Ground Lease for 99 Years		
Sale Price or Lease Price	\$1 per year, plus participation in cash flow as part of Ground Lease.		
Purpose	Mixed-Income Housing		
Washington Park, FL011003			
Acres: 17.34			
Total Units to be Redeveloped	Less than 80% of Area Median Income		
182	ACC	Non-ACC	Market Rate
Rental	88	79	
Homeownership	7	8	
Acquiring Entity	Renaissance at Washington Ridge, Ltd. LLLP.		
Method of Sale	Negotiated Sale, Ground Lease for 99 Years		
Sale Price	\$1 per year, plus participation in cash flow as part of Ground Lease		
Purpose	Mixed-Income Housing		

On August 6, 2002, we approved your amendment request to include an additional 3.9 acres of vacant land, at Washington Park, FL011003, as noted below.

<b>Lake Ridge Homes, FL011001</b>			
Acres:11.68			
Total Units to be Redeveloped 69	Less than 80% of Area Median Income		
	ACC	Non-ACC	Market Rate
Rental	22	7	
Homeownership	16	24	
Acquiring Entity	Renaissance at Washington Ridge, Ltd. LLLP.		
Method of Sale	Negotiated Sale, Ground Lease for 99 Years		
Sale Price	\$1 per year, plus participation in cash flow as part of Ground Lease		
Purpose	Mixed-Income Housing		
<b>Washington Park, FL011003</b>			
Acres: 21.24			
Total Units to be Redeveloped 182	Less than 80% of Area Median Income		
	ACC	Non-ACC	Market Rate
Rental	88	79	
Homeownership	7	8	
Acquiring Entity	Renaissance at Washington Ridge, Ltd. LLLP.		
Method of Sale	Negotiated Sale, Ground Lease for 99 Years		
Sale Price	\$1 per year, plus participation in cash flow as part of Ground Lease		
Purpose	Mixed-Income Housing		

On October 31, 2003, the Department approved an amendment to modify its previous approval of the entity for the homeownership lots to Lakeland-Polk Housing Corporation (LPHC), the developer of the homeownership units. The previous entity was Renaissance at Washington Ridge, Ltd. LLLP.

<b>Washington Park, FL011003</b>			
Acres:17.34			
Total Units to be Redeveloped 182	Less than 80% of Area Median Income		
	ACC	Non-ACC	Market Rate
Rental	88	79	
Homeownership	7	8	
Acquiring Entity	Renaissance at Washington Ridge, Ltd. LLLP.		
Method of Sale	Negotiated Sale, Ground Lease for 99 Years		
Sale Price	\$1 per year, plus participation in cash flow as part of Ground Lease		
Purpose	Mixed-Income Housing		

Washington Park, FL011003 Acres:3.90			
Total Units to be Redeveloped 15	Less than 80% of Area Median Income		
	ACC	Non-ACC	Market Rate
Homeownership	7	8	
Acquiring Entity	Lakeland-Polk Housing Corporation		
Method of Sale	Negotiated Sale a, Ground Lease for 99 Years		
Sale Price	Donation		
Purpose	Mixed-Income Housing		

On August 30, 2010, the Department approved an amendment to modify its previous approval to sell to Lakeland Habitat for Humanity 11 of the remaining 20 lots. Twenty of the forty proposed houses were built by the Lakeland-Polk Housing Corporation and sold to eligible purchasers. Twenty lots remain titled to LHA and the declaration of trust was not been removed from the lots. The purpose of the sale was to create additional affordable homeownership unit for Lakeland's most vulnerable population. Also included in the request was a change in the transaction to a "negotiated sale" at more than Fair Market Value (FMV) with the sale price being \$124,300.

Lake Ridge Homes, FL011001 Acres: 1.302			
Total Units to be Redeveloped 11	Less than 80% of Area Median Income		
	ACC	Non-ACC	Market Rate
Rental	0	0	0
Homeownership	0	11	0
Acquiring Entity	Lakeland Habitat for Humanity.		
Method of Sale	Negotiated Sale at more than FMV		
Sale Price	\$124,300		
Purpose	Create additional affordable homeownership units for Lakeland's population earning less than 50% of AMI		

On July 18, 2011, the Department approved an amendment to modify its previous approval to sell the remaining 20 lot via a negotiated sale at more than FMV to the Lakeland Habitat for Humanity, for \$184,300. The proceeds were approved for use on Lakeland's existing public housing inventory, new public housing units, its Section 8 Housing Choice Voucher program or development of affordable homeownership opportunities. The approval also required that *"Any net proceeds not used in a manner which complies with these requirements shall be eligible for recapture by LHA. If any proceeds are repaid to or recaptured by LHA, these proceeds will be federalized assets subject to all federal requirements. We have determined that use of proceeds meets the requirements of the Act."*

*In addition, the approval requires that LHA cause Lakeland Habitat for Humanity to execute and record against the property a Declaration of Restrictive Covenants & Lien (or other acceptable documentation) that ensures that the proceeds will be used according to the use approved in this memo or must be repaid to the LHA (or its successors and/or assigns). Such Declaration must be recorded immediately after the recording of the deed of sale"*



The revised approval is reflected below:

<b>Colton\Bonnei FL011000001</b> <b>(Old Development: Lake Ridge Homes, FL011001)</b> Acres: 9.23			
Total Units to be Redeveloped 69	Less than 80% of Area Median Income		
	ACC	Non-ACC	Market Rate
Rental	22	7	
Homeownership	16	24	
Acquiring Entity	Renaissance at Washington Ridge, Ltd. LLP,		
Method of Sale	Negotiated Sale Ground Lease for 99 Years		
Sale Price or Lease Price	\$1 per year, plus participation in as flow as part of Ground Lease.		
Purpose	Mixed-Income Housing		

<b>Colton\Bonnei FL011000001</b> <b>(Old Development: Lake Ridge Homes, FL011001)</b> Acres: 2.45			
Total Units to be Redeveloped 20	Less than 80% of Area Median Income		
	ACC	Non-ACC	Market Rate
Rental	0	0	0
Homeownership	0	20	0
Acquiring Entity	Lakeland Habitat for Humanity.		
Method of Sale	Negotiated Sale at more than FMV		
Sale Price	\$184,300		
Purpose	Create additional affordable homeownership units for Lakeland's population earning less than 80% of AMI		

#### Current Modification Request

In the current request, the LHA is seeking to modify the amendment issued August 6, 2002, to change the acquiring entity, the number and type of units to be developed and the method of sale. The LHA submitted an appraisal with the application. The Wheeler Appraisals, LLC, an independent appraiser, determined the Fair Market Value (FMV) to be \$1,150,000, as of March 23, 2015. The LHA is now requesting to sell the 3.90 acres of vacant land at Washington Park, via a negotiated sale at more than FMV to the GH & G Florida, LLC, for \$1,330,000. The current price was agreed to after a period of negotiation. The LHA stated in its request that the proceeds from the sale will be used to develop low-income housing as defined under Section 18 of the U.S. Housing Act of 1937.

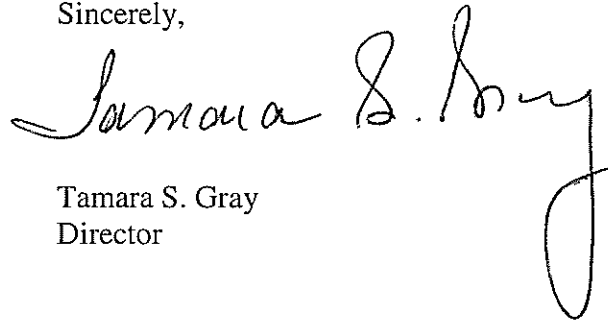
The Department has completed its review and based on the information provided by the LHA and new appraisal dated March 23, 2015, your request to amend the disposition as described in the request is hereby approved as shown below.

Washington Park, FL011003 Acres: 3.90	
Acquiring Entity	GH & G Florida, LLC
Method of Sale	Negotiated Sale at more than FMV
Sale Price	\$1,330,000
Purpose	Low-Income Housing – Section 8 and/or Section 9

All other conditions of the original approval dated August 23, 2001, and subsequent amendments dated August 6, 2002, October 31, 2003, August 30, 2010 and July 18, 2011, remain as approved.

A copy of this modification will be forwarded to the HUD Miami HUB for their records. If you have any questions regarding this modification, please contact Marie Butler, Public Housing Revitalization at (312) 913-8319.

Sincerely,



Tamara S. Gray  
Director



LAKELAND HOUSING AUTHORITY  
2015 AUG -4 AM 10: 19

228 S MASSACHUSETTS AVE  
LAKELAND, FLORIDA 33801  
863.834.6011

July 28, 2015

Attn: Benjamin Stevenson  
Lakeland Housing Authority  
430 Hartsell Avenue  
Lakeland, Florida 33815

Dear Mr. Stevenson:

This is to advise you that on July 20, 2015 the Lakeland City Commission adopted Ordinance 5524 which approved a major modification of PUD (Planned Unit Development) zoning to allow 48 multi-family dwelling units for persons 55 or older and a community building on property located at 1450 Kennedy Boulevard.

A copy of Ordinance 5524 is enclosed. In the event you have any questions regarding the ordinance, please contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "Teresa Maio". The signature is fluid and cursive.

Teresa Maio, AICP  
Chief Planner

TM:dr

Enclosures



**BOARD OF  
COMMISSIONERS**

Michael A. Pimentel  
**Chairman**

Rev. Richard Richardson  
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Dorothy Sanders  
**Commissioner**

Gary Smith  
**Commissioner**

Benjamin J. Stevenson  
**Executive Director**

430 Hartsell Ave  
Lakeland, FL 33815

**MAIN OFFICE**

Phone: (863) 687-2911

Fax: (863) 413-2976

[www.LakelandHousing.org](http://www.LakelandHousing.org)

DATE: August 7, 2015  
TO: LHA Commissioners  
FROM: Benjamin Stevenson, Executive Director  
RE: Concerns with 10<sup>th</sup> Street MDA

Below is brief summary of changes proposed by the potential Developer Partner that removes or limits the authority of LHA to enforce certain requirements on the Developer Partner that would ensure the successful construction and completion of the development project. The original proposed language in this MDA was drafted by Saxon Gilmore and is very similar to the language of the MDA for the West Lake Development Project. LHA staff views some the changes to MDA for the 10<sup>th</sup> Street Development Project proposed by the Developer Partner to be unreasonable and not in the best interest of LHA. The statements below may be reviewed with the pages taken from the MDA (that include my handwritten comments) and attached to this memo.

The concerns listed below have been discussed with the Recovery Plan Review Committee and LHA Legal Counsel.

Page 6 – Developer Partner proposes removal of reference to PHA Plan. All LHA projects that use HUD funds are listed in the PHA Plan, so this reference must remain in the document.

- Developer Partner proposes removal of reference to the work being completed in accordance to the MDA.

Page 7 – Developer Partner proposes change in definition of “Development.”

Page 10 – Developer Partner proposes removal of reference to Regulatory and Operating Agreement. The Regulatory and Operating Agreement is a key document for any development project that involves low income housing tax credits.

Page 12 – Developer Partner is requesting a Developer Fee that exceeds allowable limit set by HUD.

Page 13 – Developer Partner does not want to share cash flow with LHA.  
- Management Fee requested by Developer Partner excludes LHA.



- Page 14 – Proposed language excludes LHA from receiving a portion of the Management Fee.  
- Proposed language excludes LHA from receiving a portion of the Development Cost Savings.
- Page 15 – Proposed language requires LHA to pay all Third Party Development Costs incurred by the Developer Partner.
- Page 27 – Proposed language excludes LHA from being able to approve forms for payment (that will be submitted to LHA).
- Page 29 – Proposed language excludes LHA from receiving an Administrative Fee for monitoring the project and filing reports with HUD.
- Page 30 - Developer Partner proposes removal of reference to Regulatory and Operating Agreement.
- Page 31 – Proposed change in language is a legitimate concern for Developer Partner.
- Page 34 – Proposed change restricts or limits LHA access to documents.
- Page 35-38 – Various concerns
- Page 39 – Proposed change is an area of serious concern. The proposed language limits the ability of LHA to require Developer Partner to build the structures as required by the construction documents.
- Page 41 – Proposed change is an area of serious concern. LHA should only be responsible for pre-existing conditions.
- Page 45-48 – Various concerns
- Page 50 – Serious concern – proposed change in language is not advantageous to LHA.
- Page 64 – Proposed change is an area of serious concern. Developer Partner should be required to provide warranties for their work.

BJS

Attachment(s)



**Secretary's Report**  
**August 2015**

**HOPE VI Funds Expenditure**

LHA staff wrote a proposed to obligate the remaining HOPE VI funds while constructing some affordable housing rental units at the Williamstown property location. LHA has received HUD approval to move forward with the project. The next step is to submit a Rental Term Sheet to HUD for review and approval. A copy of the submittal was included with the April 2015 Recovery Plan Update.

LHA staff along with Commissioner Gary Smith and members of the Wallis Murphey Boyington architectural firm attended a meeting of the City Council of the City of Lakeland on the Williamstown project at City Hall. We received approval to continue with plans for a new community to serve the near elderly or persons age 55 and older. A copy of the City's approval letter is included with the Recovery Plan Update Memo.

**Annual Budget/Agency Update**

A copy of the Corrective Action Plan is submitted to the HUD-Miami office for review and comment on a monthly basis. HUD has approved the Corrective Action Plan and recommended acceptance by the LHA Board. The Board provided acceptance at the January 2013 meeting. Periodic updates on the status of items in the Corrective Action Plan are given to the Board on a monthly basis. A copy of the most recently updated Corrective Action Plan is included with this month's report. To date, 72 of the 73 items identified by the Forensic Audit and emphasized in the Corrective Action Plan have been completed. The final item involved the procurement of a banking services partner. LHA is in the process of negotiating an agreement for banking services with the publicly procured vendor. The process of converting to the banking services partner should be completed in the next 90 days. The update was also submitted to HUD-Miami and HUD-Jacksonville Field Offices.

The LHA Recovery Plan update is a standard part of the Board agenda.

**Agency Plan**

LHA staff has drafted the 2016 Agency Plan. Copies were distributed to the Board at the July Board meeting. The document has also made available for review and comment by the Resident Advisory Board and general public for 45 days. LHA staff has also scheduled two meetings with the RAB to discuss the Plan. The Plan will be submitted to the Board for final approval after the public comment period. There will also be a Public Hearing as a part of the public comment period.

**Other Activities**

## **Secretary's Report**

**August 2015**

The Recovery Plan and 2015 Budget were approved by the LHA Board of Commissioners at the October 2014 board meeting. The Plan was revised as instructed by the Board and submitted to the HUD-Miami Field Office. Staff is still waiting on comments from HUD.

As stated in the May Recovery Plan update memo, a Request to Amend the Previous Approval for the disposition of the 10<sup>th</sup> Street property was submitted to the HUD SAC office. LHA has received written approval from HUD of the request. A copy of the approval letter is included with the Recovery Plan update. Previously, the Potential Buyer reconfirmed their commitment to buy the property as soon as HUD approval is obtained.

I continue to have conversations with Willie Horton, Special Assistant to the President of Detroit Tigers, Inc. and his local partners. Mr. Horton was interested in partnering with LHA on some community activities.

I attended a meeting with two representatives of the New Beginnings Charter School. They were a letter of support for their efforts to open a second campus in Lakeland. I wrote and signed a letter of support.

I met with Judith Haggins, resident leader at Carrington Place Apartments and RAB member. We discussed the upcoming RAB training and future activities for LHA residents.

Respectfully submitted,

*Benjamin Stevenson*

Secretary

**OPERATION AND ADMINISTRATION  
REPORTS**

# **AFFORDABLE HOUSING REPORT**

**◀ Housing Report**

**◀ FSS & Resident Activities**

# Affordable Housing Department Board Report August Meeting 2015

- **Public Housing (PH), Housing Choice Voucher (HCV), Family Self-Sufficiency (FSS), Resident Activities and West Lake Management Communities Reports**
  - Housing communities reports
    1. West Lake
    2. West Lake Addition
    3. Cecil Gober
    4. John Wright Homes
    5. Carrington Place (Formerly known as Dakota Apartments)
    6. Renaissance/Washington Ridge
    7. Villas at Lake Bonnet
    8. Colton Meadow
    9. The Manor at West Bartow
  - Housing Choice Voucher Program
    1. Intake & Occupancy Report
    2. Housing Choice Voucher report
  - Family Self-Sufficiency Program and Resident Activities

Updates for the month of July:

- The LHA website includes many new features that are now available at the [www.lakelandhousing.org](http://www.lakelandhousing.org).
- Villas at Lake Bonnet Apartments passed their annual state low income housing tax credit file audit and physical inspection.
- Attached you will find copy of the response presented to the Board of Commissioners regarding Ms. Karen Rudolph request, this report was also sent to Ms. Rudolph. Attachment 1.
- Attached you will find a letter sent and delivered to Ms. Yvonne Sims regarding her escrow and participation in our Public Housing Family Self-Sufficiency program. Attachment 2.
- During the month of July, the staff was provided with trainings in the following areas: Mold and Mildew remediation and UPCS inspections with tenant services.

## **Public Housing PIC Reporting Percentage**

All Housing Authorities are required to submit information to HUD through the PIH Information Center (PIC). All transactions processed on the Public Housing Program are submitted on a monthly basis to PIC. HUD requires a monthly reporting rate of 95%. Below is our current reporting rate for the Public Housing program:

Effective Date	Public Housing	Date Collected
6/30/2015	98.71%	8/05/2015

**Program Demographics (Note: the following statistics show a comparison between Florida and the City of Lakeland)**

Level of Information : **Housing Agency within State FL VS Lakeland**

Effective Dates Included : **March 01, 2014 through June 30, 2015**

NOTE: Percentages in each area may not total 100 percent due to rounding.

Units Information	
HA	50058 Received
FL	131,040
FL011 - LAKELAND	1,558

Income Information										
Distribution of Average Annual Income as a % of 50058 Received										
HA	Extremely Low Income, Below 30% of Median		Very Low Income, 50% of Median		Low Income, 80% of Median		Above Low Income, 81%+ of the Median		Geo-Coded Income Data Not Available In PIC Data Systems	
	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent
FL	89,565	68	26,007	20	6,897	5	601	0	8,339	6
FL011 - LAKELAND	754	48	319	20	78	5	9	1	403	26

Average Annual Income (\$)	
HA	Average Annual Income
FL	12,928
FL011 - LAKELAND	12,714

Distribution of Annual Income as a % of 50058 Received							
HA	\$ 0	\$1 - \$5,000	\$5,000 - \$10,000	\$10,001 - \$15,000	\$15,001 - \$20,000	\$20,001 - \$25,000	Above \$25,000
FL	2	12	36	20	13	8	10
FL011 - LAKELAND	3	10	35	23	14	8	8

Distribution of Source of Income as a % of 50058 Received <b>** Some families have multiple sources of income **</b>					
HA	With any wages	With any Welfare	With any SSI/SS/Pension	With any other Income	With No Income
FL	34	39	59	26	1
FL011 - LAKELAND	31	21	61	25	2

TTP/Family Type Information									
Distribution of Total Tenant Payment as a % of 50058 Received									
HA	\$0	\$1 - \$25	\$26 - \$50	\$51 - \$100	\$101 - \$200	\$201 - \$350	\$351 - \$500	\$501 and Above	
FL	0	0	8	5	12	44	15	15	
FL011 - LAKELAND	0	0	8	5	12	46	16	12	

Average Monthly TTP (\$)	
HA	Average Monthly TTP
FL	301
FL011 - LAKELAND	295

**Distribution of Family Type as a % of 50058 Received**

HA	Elderly, No Children, Non-Disabled		Elderly, with Children, Non-Disabled		Non-elderly, No Children, Non-Disabled		Non-elderly, with Children, Non-Disabled		Elderly, No Children, Disabled		Elderly, with Children, Disabled		Non-elderly, No Children, Disabled		Non-elderly, with Children, Disabled		Female Headed Household with Children	
	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent
FL	12,386	9	540	0	14,807	11	52,601	40	22,479	17	1,020	1	19,509	15	8,067	6	59,098	45
FL011 - LAKELAND	136	9	4	0	93	6	698	45	258	17	15	1	233	15	126	8	810	52

**Average TTP by Family Type ( \$ )**

HA	Elderly, No Children, Non-Disabled	Elderly, with Children, Non-Disabled	Non-elderly, No Children, Non-Disabled	Non-elderly, with Children, Non-Disabled	Elderly, No Children, Disabled	Elderly, with Children, Disabled	Non-elderly, No Children, Disabled	Non-elderly, with Children, Disabled	Female Headed Household with Children
FL	289	435	275	328	265	377	266	368	332
FL011 - LAKELAND	267	646	248	310	272	333	259	370	320

**Family Race/Ethnicity Information**

**Distribution by Head of Household's Race as a % of 50058 Received**

HA	White Only	Black/African American Only	American Indian Or Alaska Native Only	Asian Only	Native Hawaiian/Other Pacific Islander Only	White, American Indian/Alaska Native Only	White, Black/African American Only	White, Asian Only	Any Other Combination
FL	39	60	0	0	0	0	0	0	0
FL011 - LAKELAND	36	63	0	0	0	0	0	0	0

**Distribution by Head of Household's Ethnicity as a % of 50058 Received**

HA	Hispanic or Latino	Non - Hispanic or Latino
FL	27	73
FL011 - LAKELAND	20	80

**Household Information**

**Distribution by Household Members Age as a % of Total Number of Household Members**

HA	0 - 5		6 - 17		18 - 50		51 - 61		62 - 82		83+	
	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent
FL	39,904	12	105,548	33	107,255	33	28,999	9	35,787	11	5,466	2
FL011 - LAKELAND	563	14	1,543	37	1,312	32	290	7	409	10	44	1

**Distribution by Household Size as a % of 50058 Received**

HA	1 person	2 persons	3 persons	4 persons	5 persons	6 persons	7 persons	8 persons	9 persons	10+ persons
FL	39	21	16	12	7	3	1	0	0	0
FL011 - LAKELAND	34	21	15	16	8	3	2	1	0	0

**Total Household Members and Average Household Size**

HA	Total Number of Household Members	Average Household Size	Total Number of Households
FL	322,968	2.5	131,409
FL011 - LAKELAND	4,161	2.7	1,563

**Distribution by Number of Bedrooms as a % of 50058 Received**

HA	0 Bedrooms	1 Bedroom	2 Bedrooms	3 Bedrooms	4 Bedrooms	5+ Bedrooms
FL	5	26	33	28	7	1
FL011 - LAKELAND	0	22	39	29	9	0

**Length of Stay Information**

**Distribution by Length of Stay as a % of 50058 Received (currently assisted families)**

HA	Less than 1 year		1 to 2 years		2 to 5 years		5 to 10 years		10 to 20 years		Over 20 years	
	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent	Count	Percent
FL	20,318	15	10,072	8	26,696	20	33,333	25	34,414	26	6,143	5
FL011 - LAKELAND	202	13	62	4	351	22	495	32	413	26	40	3



## Housing Choice Voucher Program Report

- **Tenant-Based Waitlist**

As of July 31, 2015, the Housing Choice Voucher tenant based waiting list contained seventy eight (78) applicants.

- **VASH Waitlist**

As of July 31, 2015, the Veteran Affairs Supportive Housing waiting list contained three (3) applicants.

- **Project-Based Waitlist – The Manor at West Bartow**

As of July 31, 2015, Lakeland Housing Authority project-based waiting list for the Manor at West Bartow contained fourteen (14) applicants.

- **Project-Based Waitlist – Villas at Lake Bonnet**

As of July 31, 2015, Lakeland Housing Authority project-based waiting list for the Villas at Lake Bonnet contained ninety six (96) applicants.

- **Port Outs**

LHA currently has twenty nine (29) port-outs in the month of July. Port outs are clients that use their voucher in another jurisdiction.

- **Port Ins**

LHA currently has twenty one (21) port ins for the month of July. Port-ins are participants that transferred from another housing agency that we are billing for HAP and administrative fees.

- **Lease-up & Movers**

As of July 31, 2015, Lakeland Housing Authority issued thirteen (13) vouchers to movers. We received seven (7) Requests for Tenancy Approvals during the month of July. We processed four (4) unit transfers, three (3) initial move-in, and five (5) port-in.

- **Active Clients**

As of July 31, 2015, LHA is servicing 1,206 families on the Housing Choice Voucher program. These families include 934 regular Housing Choice Voucher holders, 36 Mainstream Disabled Housing Vouchers, 52 VASH, 95 Project-Based Vouchers, 59 Tenant Protection Program (TenPro) and 30 Port Ins.

- **EOP – End of Participation**

LHA processed four (4) EOP's with a date effective the month of July 2015. Below are the reasons for leaving the program:

<b>Reason</b>	<b>Number</b>
Termination – Criminal	1
Termination – Unreported income and/or family composition	0
Left w/out notice	0
No longer need S/8 Assistance	1
Deceased	2
Landlord Eviction	0
Lease and/or Program Violations non-curable	0
Voucher Expired	0

- **PIC Reporting Percentage**

All Housing Authorities are required to submit information to HUD through the PIH Information Center (PIC). All transactions processed on the Housing Choice Voucher Program are submitted on a monthly basis to PIC. HUD requires a monthly reporting rate of 95%. Below is our current reporting rate for the Housing Choice Voucher program:

Effective Date	HCV	Date Collected
06/30/2015	98.78%	08/03/2015

- **General information and activities for the month of July 2015**

- The Housing Choice Voucher Department processed one hundred seven (107) annual certifications and fifty four (54) interim certifications.

<b>RECEPTION MONTHLY REPORT 2015</b>					
<b>REQUEST TO LIST</b>					
	<b>VISITOR'S COUNT</b>	<b>RFTA</b>	<b>PROPERTY</b>	<b>INTERIM CHANGE</b>	<b>STAMPED MAIL</b>
<b>January</b>	669	28	8	35	2071
<b>February</b>	571	24	9	41	2053
<b>March</b>	565	11	6	61	2068
<b>April</b>	693	7	8	52	2050
<b>May</b>	788	9	5	42	2068
<b>June</b>	994	10	10	42	2061
<b>July</b>	752	7	12	54	2076



Reports from the Communities

Communities

1. West Lake
2. West Lake Addition
3. Cecil Gober
4. John Wright Homes
5. Carrington Place (Formerly known as Dakota Apartments)
6. Renaissance/Washington Ridge
7. Villas at Lake Bonnet
8. Colton Meadow
9. The Manor at West Bartow (Note: two units are down due to a broken sprinkle flooded these units, insurance company is working on the case)

Item	WestLake	WestLake Addition	Cecil Gober	John Wright	Carrington Place	Renaissance	Villas Lake Bonnet	Colton Meadow	Manor at West Bartow
<b>Occupancy 99% averaged</b>	100%	97%	100%	100%	100%	99%	100%	99%	98%
Down units due to modernization/ Insurance									
Vacant units	0	2	0	0	0	1	0	1	2
Current rents:									
1 bedroom	387	425	481	N/A	N/A	613	N/A	N/A	699
2 bedrooms	443	508	N/A	526	736	736	627	627	801
3 bedrooms	543	576	N/A	579	850	850	709	709	N/A
4 bedrooms	581	N/A	N/A	N/A	949	949	N/A	780	N/A
5 bedrooms	N/A	N/A	N/A	N/A	1047	N/A	N/A	N/A	N/A
Unit inspections	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Building inspections	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Security issues (Insurance claims)	No	No	No	No	No	No	No	No	No
Number of Annual Certifications done	11	12	8	13	5	29	10	10	10

Newsletter distributed	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Community Manager's Name	Vanessa C. Johnson	Vanessa C. Johnson	Vanessa C. Johnson	Vanessa C. Johnson	Lovett Johnson	Lovett Johnson	Jennifer Robinson	Jennifer Robinson	Jennifer Robinson
Comments	Monthly residents meeting. Tobacco free seminar.	Monthly residents meeting.	Monthly residents meeting, Health Fair and movie day. Trip to the Flea market for the residents.	Monthly residents meeting and free tax returns.	Monthly resident meeting, weekly activities for children and a senior outing. Trip to Peltz Shoe store in Brandon for children.	Health Screenings, movie day, birthday celebrations, resident meetings and daily feeding. Filed trip, and art classes for kids.	Monthly residents meetings and Tutoring: Weekly; each Wednesday from 4pm to 6pm	Monthly residents meetings and Tutoring: Weekly; each Wednesday from 4pm to 6pm. Health Fair.	Monthly residents meeting and community yard sale, bingo daily, Field trip, craft and movie night and Dinner and brunch.

## Family Self-Sufficiency Program and Resident Activities (July 2015 activities)

- West Lake Apartments

West Lake Computer Lab started the second wave of Basic Computer Training this month. The residents are learning Computer Basics, Microsoft Windows, Excel and Word. Our Computer Lab is open daily, Monday thru Friday from 10:00am – 1:00pm.

- Prodigy

Girls Inc. will roll the summer sessions right into their fall schedule beginning August 15<sup>th</sup>, Monday and Thursday from 3:45pm -7:00pm.

- Brains & Basket Ball

We are currently still recruiting youth between the ages of 14-18 from within our community to join the team. Games will be held at West Lake Community Center Basketball Court.

- Job Search/Florida ACCESS Center

The Job Search/Florida ACCESS Center continues to provide the opportunity for residents, especially West Lake residents, who are unemployed or underemployed to utilize the computers to search for employment. These same computers are also available for residents to complete the Children and Families Services Florida ACCESS new and/or recertification applications (for eligibility review) to receive food stamps and/or cash assistance

- Washington Renaissance Elderly

We Care Services & Tavares Pharmacy came out to provide Glucose Checks, Blood Pressure checks and Medication Management. Several of the residents had the opportunity to ask specific questions about the times of taking certain medications, and had one on one consultation by the nurse and pharmacy representative

- Senior Trip to Rays –vs- Cleveland Indians Game

Our seniors attended the baseball game on Saturday July 11, 2015. Our driver David Simpkins provided transportation for our seniors to St. Petersburg FL to enjoy this event.

- Senior Summer Outing

The seniors from Washington Renaissance, West Bartow Manor, Cecil Gober and West Lake COMMUNITIES had a wonderful time at the Lake Parker Pavilion. The LHA Staff fried Fish & Chicken and served several tasty dishes to make this event a success! One of our residents provided music by request and many seniors enjoyed themselves dancing.





- Lakeland Housing City-Wide Residents Organization (CWRO)

Our Resident Advisory Board 2015-2016 Election was held on Tuesday, July 7<sup>th</sup> 10am-4pm. This election was conducted by Men & Women on the Move Outreach, Inc. & We Care Services, Inc.

- We are currently looking for a contractor to teach Volley Ball @ Colton Meadows, Football @ Carrington Place and Basketball @ West Lake.

Respectfully,

*Carlos R. Pizarro An*

Carlos R. Pizarro, Vice-President of Affordable Housing

**Attachment 1: Karen Rudolph**





Board of Commissioners of the Lakeland Housing Authority  
 430 Hartsell Avenue  
 Lakeland, Florida 33815

RE: Karen Rudolph request and questions delivered to the Board of Commissioners on during the Public Forum at the May and July 2015 meetings

**Management Response:**

1. Tenant Participation Funds Amounts per AMP

Description	AMP 1- West Lake Apartments	AMP 2- Carrington Place	AMP 3- Renaissance at Washington Ridge	AMP 4- Hampton Hill Homes
Number of units used to calculate the TPF	172	20	109	11
HUD amount per unit per year	\$25.00	\$25.00	\$25.00	\$25.00
LHA administrative part 1 per unit per year	\$10.00	\$10.00	\$10.00	\$10.00
Resident's activity annual available funding before proration	\$15.00	\$15.00	\$15.00	\$15.00
HUD Subsidy proration at 76% Part 4 of PIH Notice 2013-21 (HA)	\$11.40	\$11.40	\$11.40	\$11.40
<b>Annual funding available for resident activities under PIH Notice 2013-21 (HA)</b>	<b>\$1960.80</b>	<b>\$228.00</b>	<b>\$1242.60</b>	<b>\$125.40</b>

- For a Resident Council (RC) or a Resident Advisory Board (RAB) be able to access and use the HUD defined Tenant Participation Fund, such organization must follow and comply with PIH Notice 2013-21 (HA) Cross Reference: 24 CFR Part 964 PIH Notice 2001-3 (See copy attached). In the meantime, any member of the RAB or any resident or residents must plan all activities through our Public Housing Family Self-Sufficiency Coordinator.
- Setting up a bank account is an action that can only be decided by the RC or the RAB. The Lakeland Housing Authority cannot set up such bank account.
- The stipend that the prior Resident Council was receiving was in violation of PIH Notice 2013-21 (HA)

5. Training will be set up as soon as the new elections are completed.
6. The RAB was assigned an office space for the use of all the members, not just one person.
7. Unit 70 (Located within the West Lake Community) has been designated as the RAB office and it counts with WIFI and other office amenities, but it is for the use of the entire RAB.
8. The computer lab located at the old Youth Build center is now run by two private contractors and they have assured us that they are working as intended.
9. Organizing the RAB assigned office is the responsibility of the RAB members, not the LHA staff.
10. The LHA website is updated daily.
11. To request transportation residents must contact our Family Self-Sufficiency Coordinator.
12. Kids House is a private company, any questions related to them should be directed and addressed by them.

**Attachment 2: Yvonne Sims**

# Lakeland Housing Authority

430 Hartsell Avenue - Post Office Box 1009  
Lakeland, Florida 33802-1009  
Telephone (863) 687-2911

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## Family Self-Sufficiency Review

August 06, 2015

Tenant # t0001703  
Yvonne Sims  
501 Hartsell Avenue Apt #112  
Lakeland, FL 33815

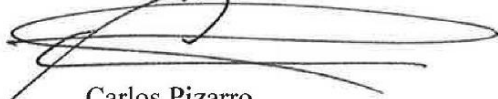
Dear Participant:

This letter is to inform you that we conducted an investigation regarding your participation and escrow funding for the Family Self-Sufficiency Program. Our investigation have concluded that:

- You were terminated from the Family Self-Sufficiency Program on 04/30/2012 for failure to complete your goals and for failure to respond
- The escrow funding can only be from earned income. (Social Security Payments and Food Stamps are not included) You don't have any earned income.

**Goals: Non Compliance**

Sincerely,



Carlos Pizarro  
Vice-President of Housing

# **ADMINISTRATION REPORT**

# **ADMINISTRATION REPORT**

- ◀ **Finance**
- ◀ **Contracting**
- ◀ **Development**
- ◀ **YouthBuild**



TO: Lakeland Housing Authority Board of Commissioners

FROM: Valerie Brown, VP of Administration

DATE: August 17, 2015

RE: June 2015 Financial Statements

I have attached the Statements of Operations, Balance Sheets and Cash Flows for June 2015 for the following entities:

1. Central Office Cost Center (COCC)
2. Housing Choice Voucher Program (Section 8)
3. Public Housing Program (AMP 1)
4. Dakota Park Limited Partnership, LLLP
5. Renaissance at Washington Ridge, Ltd., LLLP
6. Colton Meadow, LLLP
7. Bonnet Shores, LLLP
8. West Bartow Partnership, Ltd., LLLP
9. Hampton Hills (AMP 4)

These statements are unaudited and compiled from LHA Finance.

*Valerie Brown*

Valerie Brown, PMP  
VP of Administration  
Lakeland Housing Authority



## Monthly Statement of Operations Narrative Summary Report

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RE: For the current month and six months (Year to Date) ended June 30, 2015

### Summary report by Program and/or Property (Partnership)

1. Central Office Cost Center (COCC):
  - A. COCC has a positive cash flow for year-to-date of \$6,825.
  - B. Maintenance expenses for COCC continues to be over budget due to the financial advisor contract. The contract with the financial advisor continues to be necessary as LHA has been unable to fill the Finance Manager position and the expertise of a CPA continues to be needed for the LHA audit, transition from Yardi to Emphasys, and Recovery Plan. Despite additional costs associated with the financial advisor, COCC maintained a positive NOI for both the month and year-to-date.
2. Public Housing (AMP 1: West Lake Apartments, John Wright Homes and Cecil Gober Villas):
  - A. Presently, AMP 1 has a negative year-to-date net operating income. This is because the contract for job readiness was inadvertently posted to PHA operations instead of PHA reserves as outlined by Resolution Number 15-1403 *"Approving A Significant Amendment To The 2015 Agency Plan And Five-Year Action Plan"* dated March 23, 2015. Staff will ensure that this contract is reclassified in time for issuance of the September Board Report.
3. Section 8 Housing Choice Voucher Program:
  - A. Grant income for the program appears to be lower than anticipated. However, review of the HAP schedule from HUD dated July 29, 2015 reveals that the authority has been receiving the funds. Accordingly, it appears as if the income has been inadvertently posted to Section 8 HAP Grant Revenue instead of to Section 8 Admin Grant Revenue. Staff will perform additional due diligence on the revenue and ensure that all monies are correctly classified for the September Board Report.
4. The Manor at West Bartow:
  - A. The year-to-date net operating income is a positive \$55,033.
5. Colton Meadow LLLP:
  - A. Colton Meadow Apartments year-to-date net operating income is a positive \$46,925 and the overall expenses continue to be lower than expected.
6. Bonnet Shores LLLP:
  - A. Villas at Lake Bonnet year-to-date net operating income is a positive \$36,337 and the overall expenses are lower than expected.
7. Dakota Park Limited Partnership, LLLP d/b/a Carrington Place:
  - A. Carrington Place year-to-date net operating income is a positive \$28,969.
8. Renaissance at Washington Ridge LTD., LLLP:
  - A. The year-to-date net operating income for this property is negative due to costs associated with repair of a fire and water damaged unit.
9. Hampton Hills
  - A. This property has a positive year-to-date net operating income of \$26,323.

Conclusion: Although some properties or programs experienced a net operating loss, the overall financial health of the authority continues to improve.





**Lakeland Housing Authority  
Central Office Cost Center  
Statement of Operations  
For the Current Month and Six Months Ended June 30, 2015**

	Current Month				Year to Date				Annual Budget
	Actual	Budget	\$ Variance	% Variance	Actual	Budget	\$ Variance	% Variance	
Other Tenant Income	-	-	-	#DIV/0!	(131)	-	(131)	#DIV/0!	-
Public Housing & Sec 8 Management Income	46,127	49,019	(2,892)	-5.90%	286,301	294,114	(7,813)	-0.03	588,229
Other Income	900	-	900	#DIV/0!	14,300	-	14,300	#DIV/0!	-
Grants Salary Cont.(YB-Director)	1,000	1,000	-	0	6,000	6,000	-	0.00	12,000
Capital Fund Operations (1406)	5,000	5,000	-	0.00%	30,000	30,000	-	0.00	60,000
Capital Fund Allocation (1410)	3,000	3,000	-	0.00%	18,000	18,000	-	0.00	36,000
<b>Total Revenue</b>	<b>56,027</b>	<b>58,019</b>	<b>(1,992)</b>	<b>-3.43%</b>	<b>354,471</b>	<b>348,114</b>	<b>6,357</b>	<b>1.83%</b>	<b>696,229</b>
Administrative Expenses	44,082	54,486	(10,404)	-19.09%	309,556	326,918	(17,362)	-5.31%	653,836
Utility Expense	237	264	(27)	-10.09%	3,605	1,584	2,021	127.61%	3,168
Maintenance Expense	9,635	1,221	8,414	688.81%	31,346	7,329	24,018	327.71%	14,658
General Expenses	-	1,148	(1,148)	-100.00%	-	6,890	(6,890)	-100.00%	13,781
Total Expense before depreciation	53,955	57,120	(3,165)	-5.54%	344,508	342,721	1,787	0.52%	685,442
<b>Operating Income (Loss) before Depreciation</b>	<b>2,072</b>	<b>899</b>	<b>1,173</b>	<b>130.51%</b>	<b>9,963</b>	<b>5,393</b>	<b>4,570</b>	<b>84.74%</b>	<b>10,787</b>
Depreciation	523	133	-	0.00%	3,138	798	2,340	293.23%	1,596
<b>Total Expense</b>	<b>54,478</b>	<b>57,253</b>	<b>(3,165)</b>	<b>-5.53%</b>	<b>347,646</b>	<b>343,519</b>	<b>4,127</b>	<b>1.20%</b>	<b>687,038</b>
<b>Net Operating Income (Loss)</b>	<b>1,549</b>	<b>766</b>	<b>1,173</b>	<b>-</b>	<b>6,825</b>	<b>4,595</b>	<b>2,230</b>	<b>0</b>	<b>9,191</b>

Comments

- 1 Variable expenses have been less than the anticipated budget.
- 2 Maintenance expenses continue to exceed the budget due to ongoing contract with Financial Advisor.

**Lakeland Housing Authority  
Central Office Cost Center  
Balance Sheet  
June 30, 2015**

**ASSETS**

Unrestricted Cash	
Cash Operating 1	63,498.53
Total Unrestricted Cash	<u>63,498.53</u>
Clearing	-1,000.00
<b>TOTAL CASH</b>	<u><b>62,498.53</b></u>
<b>ACCOUNTS AND NOTES RECEIVABLE</b>	
A/R-Tenants	440.00
Due from Public Housing General	-153,477.24
A/R - ROSS/HUD	53,318.81
Due from Hampton Hills	210.00
Due from Polk County Housing	14.47
Due from Arbor Manor LTD	1,529.00
Due from West Lake Management, LLC	-106,891.28
A/R - 21st Century/DOE	67,831.11
Due from Youthbuild-DOL2011	17,208.05
A/R - Youth build DOL 2014	223,915.83
A/R - Capital Fund Grants/HUD	48,000.00
Due from Villas at Lake Bonnet	405.03
A/R - Twin Lakes LLLP	139.00
Due from Development-General	18,103.67
Due from Section 8 HCV	5,421.00
<b>TOTAL DUE FROM</b>	<u><b>176,167.45</b></u>
A/R-Youth build Non-Grant	6,000.00
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE</b>	<u><b>182,167.45</b></u>
<b>OTHER CURRENT ASSETS</b>	
Prepaid Software Licenses	910.22
<b>TOTAL OTHER CURRENT ASSETS</b>	<u><b>910.22</b></u>
<b>TOTAL CURRENT ASSETS</b>	<u><b>245,576.20</b></u>
<b>NONCURRENT ASSETS</b>	
<b>FIXED ASSETS</b>	
Furniture & Fixtures	11,858.60
Furn, Fixt, & Equip	22,582.84
Accum Depreciation- Misc FF&E	-15,425.00
Intangible Assets	
<b>TOTAL FIXED ASSETS (NET)</b>	<u><b>19,016.44</b></u>
<b>TOTAL NONCURRENT ASSETS</b>	<u><b>19,016.44</b></u>
<b>TOTAL ASSETS</b>	<u><b>264,592.64</b></u>

**LIABILITIES & EQUITY**

**LIABILITIES**

**CURRENT LIABILITIES**

A/P Vendors and Contractors	3,298.15
State Unemployment Tax	1,156.10
Workers Compensation	22,178.18
401 Plan Payable	7,565.00
Health Insurance Payable	146.99
Accrued Audit Fees	11,250.00
Due to Federal Master	2,831,247.32
Due to (17) Renaissance Family Non-ACC	30,400.00
Due to Polk County Developers, Inc.	253,800.00
Accrued Compensated Absences-Current	13,222.48
<b>TOTAL CURRENT LIABILITIES</b>	<u><b>3,174,264.22</b></u>

**NONCURRENT LIABILITIES**

Accrued Compensated Absences-LT	24,556.03
<b>TOTAL NONCURRENT LIABILITIES</b>	<u><b>24,556.03</b></u>

**TOTAL LIABILITIES**

**3,198,820.25**

**EQUITY**

<b>RETAINED EARNINGS</b>	
Retained Earnings-Unrestricted Net Assets	-2,934,227.61
<b>TOTAL RETAINED EARNINGS:</b>	<u><b>-2,934,227.61</b></u>

**TOTAL EQUITY**

**-2,934,227.61**

**TOTAL LIABILITIES AND EQUITY**

**264,592.64**

**Lakeland Housing Authority**  
**Central Office Cost Center**  
**Changes in Cash**  
**For the Current Month and Six Months Ended June 30, 2015**

<b>Period to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	0.00	63,498.53	63,498.53
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash COCC Master	0.00	0.00	0.00
<b>Total Cash</b>	<b>0.00</b>	<b>63,498.53</b>	<b>63,498.53</b>

<b>Year to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	0.00	63,498.53	63,498.53
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash COCC Master	0.00	0.00	0.00
<b>Total Cash</b>	<b>0.00</b>	<b>63,498.53</b>	<b>63,498.53</b>

**Lakeland Housing Authority**  
**Section 8 Housing Choice Voucher Program**  
**Statement of Operations - Program Administration**  
**For the Current and Six Months Ended June 30, 2015**

	Current Month					Year to Date				Annual Budget
	Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$Variance	% Variance	
Section 8 Admin Grant Revenue	51,894	55,773	(3,878)	-6.95%		308,370	334,635	(26,265)	-7.85%	669,271
Other Income	800	9	790	8623.45%	1	8,566	55	8,511	15474.29%	110
<b>Total Revenue</b>	<b>52,694</b>	<b>55,782</b>	<b>(3,088)</b>	<b>-5.54%</b>		<b>316,936</b>	<b>334,690</b>	<b>(17,754)</b>	<b>-5.30%</b>	<b>669,381</b>
Administrative Expenses	69,045	52,465	16,580	31.60%	2	332,605	314,789	17,816	5.66%	629,579
Utility Expense	726	723	3	0.42%		3,279	4,335	(1,056)	-24.37%	8,670
Maintenance Expense	1,307	1,454	(148)	-10.15%		17,567	8,725	8,842	101.34%	17,450
General Expenses (Insurance, etc.)	-	130	(130)	-100.00%	3	(1,133)	782	(1,915)	-244.87%	1,564
Total Expense before Depreciation	71,077	54,772	16,305	29.77%		352,318	328,631	23,687	7.21%	657,263
<b>Operating Income (Loss) before Depreciation</b>	<b>(18,382)</b>	<b>1,010</b>	<b>(19,392)</b>	<b>-1920.32%</b>		<b>(35,382)</b>	<b>6,059</b>	<b>(41,441)</b>	<b>-683.94%</b>	<b>12,118</b>
Depreciation	344	-	344			2,062	-	2,062		-
<b>Total Expense</b>	<b>71,420</b>	<b>54,772</b>	<b>16,648</b>	<b>30.40%</b>		<b>354,380</b>	<b>328,631</b>	<b>25,748</b>	<b>7.84%</b>	<b>657,263</b>
<b>Net Operating Income (Loss)</b>	<b>(18,726)</b>	<b>1,010</b>	<b>(19,736)</b>	<b>-1954.35%</b>	4	<b>(37,444)</b>	<b>6,059</b>	<b>(43,503)</b>	<b>-717.97%</b>	<b>12,118</b>

**Lakeland Housing Authority**  
**Section 8 Housing Choice Voucher Program**  
**Statement of Operations - Housing Assistance Payments (HAP)**  
**For the Current and Six Months Ended June 30, 2015**

	Current Month					Year to Date				Annual Budget
	Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$Variance	% Variance	
Section 8 HAP Grant Revenue	737,647	669,176	68,471	10.23%		4,468,433	4,015,058	453,375	11.29%	8,030,116
Port In HAP Reimbursements Received	13,902	35,000	(21,098)	-60.28%	5	77,205	210,000	(132,795)	-63.24%	420,000
Other income	5	-	800	0.00%		34	-	34	0.00%	-
<b>Total Revenue</b>	<b>751,554</b>	<b>704,176</b>	<b>47,378</b>	<b>6.73%</b>		<b>4,545,673</b>	<b>4,225,058</b>	<b>320,615</b>	<b>7.59%</b>	<b>8,450,116</b>
Housing Assistance Payments	681,318	660,000	21,318	3.23%		4,200,010	3,960,000	240,010	6.06%	7,920,000
Tenant Utility Reimbursement	22,115	22,424	(309)	-1.38%		139,573	134,544	5,029	3.74%	269,088
Port Out HAP Payments	3,730	15,390	(11,660)	-75.76%	3	34,641	92,340	(57,699)	-62.49%	184,680
FSS Escrow Payments	3,995	6,326	(2,331)	-36.85%	3	34,061	37,956	(3,896)	-10.26%	75,912
<b>Total Expense</b>	<b>711,158</b>	<b>704,140</b>	<b>7,018</b>	<b>1.00%</b>		<b>4,408,284</b>	<b>4,224,840</b>	<b>183,444</b>	<b>4.34%</b>	<b>8,449,680</b>
<b>Net Operating Income (Loss)</b>	<b>40,396</b>	<b>36</b>	<b>40,360</b>	<b>0.00%</b>		<b>137,388</b>	<b>218</b>	<b>137,170</b>	<b>0.00%</b>	<b>436</b>

Comments

- 1 Variance reflects revenue from port-ins that was not factored into the original budget.
- 2 Contractor expense associated with re-certifications and inspections were higher than anticipated due work being performed ahead of schedule. Overall costs will be within budget by year end.
- 3 Variance is due to expenses being less than budgeted.
- 4 Grant revenue was received but posted to HAP instead of HCV Admin. Staff will have to go back to the prior periods and reclassify the revenue.
- 5 Port In HAP reimbursements are less than budgeted due to LHA absorbing the clients.

**Lakeland Housing Authority**  
**Section 8 Housing Choice Voucher Program**  
**Balance Sheet**  
**as of June 30, 2015**

<b>ASSETS</b>		<b>LIABILITIES &amp; EQUITY</b>	
Unrestricted Cash		<b>CURRENT LIABILITIES</b>	
Cash Operating 1	-30,182.45	A/P Vendors and Contractors	-52,217.84
Cash Operating 2B	281,563.20	Accrued Audit Fees	50,625.00
Cash Operating 3	56,142.96	Due to Federal Master	180,561.29
Total Unrestricted Cash	307,523.71	Due to Section 8	706,585.94
Restricted Cash		Due to Central Office Cost Center	-2,479.00
Cash Restricted - FSS Escrow	176,010.00	Tenant Prepaid Rents	5,610.42
Total Restricted Cash	176,010.00	State of FL Unclaimed Funds	33,224.76
		Accrued Compensated Absences-Cur	4,108.72
		Accrued FSS Escrow Short Term	14,379.73
<b>TOTAL CASH</b>	<b>483,533.71</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>940,399.02</b>
<b>ACCOUNTS AND NOTES RECEIVABLE</b>			
A/R-Tenants	76,042.55	<b>NONCURRENT LIABILITIES</b>	
AR-Formal Agreements	4,706.04	Accrued Compensated Absences-LT	7,630.47
Due from Public Housing General	3,600.00	FSS Due to Tenant Long Term	152,537.82
Due from Section 8 Mainstream	-40,806.15	<b>TOTAL NONCURRENT LIABILITIES</b>	<b>160,168.29</b>
Due from Section 8 VASH	137,460.00		
Due from The Manor at West Bartow	355,016.00		
Due from Section 8 Tenant Protection Vouchers	216,189.00		
Due from PortProp	40,538.46		
Due from Portpay	-1,811.37	<b>TOTAL LIABILITIES</b>	<b>1,100,567.31</b>
<b>TOTAL DUE FROM</b>	<b>710,185.94</b>		
A/R-Other Government	2,982.68		
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE</b>	<b>793,917.21</b>		
<b>OTHER CURRENT ASSETS</b>			
Prepaid Software Licenses	3,634.42		
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>3,634.42</b>		
<b>TOTAL CURRENT ASSETS</b>	<b>1,281,085.34</b>		
<b>NONCURRENT ASSETS</b>		<b>EQUITY</b>	
<b>FIXED ASSETS</b>			
Furniture & Fixtures	26,461.08	<b>RETAINED EARNINGS</b>	
Accum Depreciation- Misc FF&E	-18,071.21	Retained Earnings-Unrestricted Net /	191,313.90
Intangible Assets		<b>TOTAL RETAINED EARNINGS:</b>	<b>191,313.90</b>
<b>TOTAL FIXED ASSETS (NET)</b>	<b>8,389.87</b>		
Non-Dwelling Equipment	2,406.00		
<b>TOTAL NONCURRENT ASSETS</b>	<b>10,795.87</b>	<b>TOTAL EQUITY</b>	<b>191,313.90</b>
<b>TOTAL ASSETS</b>	<b>1,291,881.21</b>	<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,291,881.21</b>

**Lakeland Housing Authority**  
**Section 8 Housing Choice Voucher Program**  
**Changes in Cash**  
**For the Current and Six Months Ended June 30, 2015**

<b>Period to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	18,802.02	-30,182.45	-48,984.47
Cash Operating 2	0.00	0.00	0.00
Cash Operating 2B	261,914.60	281,563.20	19,648.60
Cash Operating 3	55,352.31	56,142.96	790.65
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash S8 Voucher	0.00	0.00	0.00
Cash Restricted-Security Deposits	0.00	0.00	0.00
Cash Restricted - FSS Escrow	164,713.00	176,010.00	11,297.00
Accrued FSS Escrow	0.00	0.00	0.00
<b>Total Cash</b>	<b>500,781.93</b>	<b>483,533.71</b>	<b>-17,248.22</b>

<b>Year to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	70,739.82	-30,182.45	-100,922.27
Cash Operating 2	0.00	0.00	0.00
Cash Operating 2B	106,663.18	281,563.20	174,900.02
Cash Operating 3	49,918.24	56,142.96	6,224.72
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash S8 Voucher	0.00	0.00	0.00
Cash Restricted-Security Deposits	0.00	0.00	0.00
Cash Restricted - FSS Escrow	147,478.14	176,010.00	28,531.86
Accrued FSS Escrow	0.00	0.00	0.00
<b>Total Cash</b>	<b>374,799.38</b>	<b>483,533.71</b>	<b>108,734.33</b>

**Lakeland Housing Authority**  
**Public Housing (AMP 1)**  
**Statement of Operations**  
**For the Current and Six Months Ended June 30, 2015**

	Current Month					Year to Date				Annual Budget
	Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance	
Rental Income	24,520	24,107	413	1.71%	1	143,127	144,643	(1,516)	-1.05%	289,285
Other Tenant Income	1,529	8,946	(7,417)	-82.91%	2	3,654	53,674	(50,020)	-93.19%	107,348
Government Subsidy Income	58,480	56,115	2,365	4.21%		347,468	336,690	10,778	3.20%	673,380
Interest Income Restricted	5,636	2,820	2,816	99.83%	3	19,726	16,922	2,804	16.57%	33,844
Other Income	27	160	(133)	-83.00%	4	212	963	(750)	-77.94%	1,925
<b>Total Revenue</b>	<b>90,192</b>	<b>92,149</b>	<b>(1,957)</b>	<b>-2.12%</b>		<b>514,187</b>	<b>552,891</b>	<b>(38,704)</b>	<b>-7.00%</b>	<b>1,105,783</b>
Administrative Expenses	61,347	49,042	12,305	25.09%		242,021	294,253	(52,232)	-17.75%	588,506
Tenant Services Expenses	24,440	1,052	23,387	2222.44%	5	26,062	6,314	19,748	312.77%	12,628
Utility Expense	10,208	8,380	1,829	21.83%		53,823	50,277	3,546	7.05%	100,554
Maintenance and Development Expense	20,189	23,655	(3,466)	-14.65%	6	125,549	141,929	(16,379)	-11.54%	283,858
General Expenses	8,301	7,422	879	11.85%	7	49,852	44,530	5,322	11.95%	89,060
Housing Assistance Payments	3,161	2,500	661	26.44%	8	13,134	15,000	(1,866)	-12.44%	30,000
Transfer Out	-	-	-	#DIV/0!		17,500	-	17,500	#DIV/0!	-
Operating expense before Depreciation	127,647	92,050	35,596	38.67%		527,941	552,303	(41,862)	-7.58%	1,104,606
<b>Net Operating Income (Loss)</b>	<b>(37,455)</b>	<b>98</b>	<b>(37,553)</b>	<b>-38287.26%</b>	<b>9</b>	<b>(13,754)</b>	<b>588</b>	<b>3,158</b>	<b>536.56%</b>	<b>1,177</b>
Depreciation	-	66,917	(66,917)	-100.00%		34	401,502	(401,468)	-99.99%	803,004
<b>Total Expenses</b>	<b>127,647</b>	<b>158,967</b>	<b>(31,321)</b>	<b>-19.70%</b>		<b>527,975</b>	<b>953,805</b>	<b>(443,330)</b>	<b>-46.48%</b>	<b>1,907,610</b>
<b>Net Income (Loss)</b>	<b>(37,455)</b>	<b>(66,819)</b>	<b>29,364</b>	<b>-43.95%</b>	<b>9</b>	<b>(13,788)</b>	<b>(400,914)</b>	<b>404,625</b>	<b>-100.93%</b>	<b>(801,827)</b>

**Comments**

- 1 177 Public Housing units (West Lake Apartments, Cecil Gober Villas and John Wright Homes)
- 2 Variance reflects less damage to units.
- 3 Variance is due to the interest income for April and May being posted within the same month.
- 4 Interest from the bank has been less than what was anticipated by the budget.
- 5 Variance is due to the contract for Job Readiness services being charged to operations instead of PHA reserves as outlined by the revised Agency Plan. Staff will ensure that these costs are reclassified by the September Board Report.
- 6 Variable expenses where actual costs are less than budgeted.
- 7 Costs associated with insurance and reduction in rental income are higher than anticipated.
- 8 HAP expenses that were higher than budgeted.
- 9 Misclassification of costs associated with the Job Readiness contract has adversely impacted the NOI.

**Lakeland Housing Authority**  
**Public Housing (AMP 1)**  
**Balance Sheet**  
**June 30, 2015**

**ASSETS**

Unrestricted Cash	
Cash Operating 1	1,672,409.66
Petty Cash	500.00
Petty Cash Public Housing	300.00
Total Unrestricted Cash	<u>1,673,209.66</u>
Restricted Cash	
Cash Restricted-Security Deposits	49,727.74
Cash Restricted - FSS Escrow	23,989.55
Total Restricted Cash	<u>73,717.29</u>
<b>TOTAL CASH</b>	<b>1,746,926.95</b>
<b>ACCOUNTS AND NOTES RECEIVABLE</b>	
A/R-Tenants	38,638.90
Allowance for Doubtful Accounts-Tenants	-24,807.76
AR-Formal Agreements	743.89
Due from West Lake	-7,532.66
Due from West Lake Addition	-20,795.71
Due from John Wright Homes	-2,279.07
Due from Cecil Gober	-28,545.00
A/R - ROSS/HUD	-20,725.95
Due from Hampton Hills	7,526.80
Due from West Lake Management, LLC	124,711.11
A/R - 21st Century/DOE	235,944.97
Due from Youthbuild-DOL2011	-93,433.79
A/R - Capital Fund Grants/HUD	49,929.89
A/R - Safety & Security Grant	407.74
Due from Development-General	445,998.01
Due from Development-Williamstown	400.00
Due from Cecil Gober, LLLP	2,655.02
Due From Public Housing Reserve	52,025.80
Due from Section 8 HCV	180,561.29
Due from Central Office Cost Center	<u>2,813,331.55</u>
<b>TOTAL DUE FROM</b>	<b>3,740,180.00</b>
Lakeridge Homes 3rd Mortgage	251,000.00
Lakeridge Homes 2nd Mortgage	52,000.00
Colton Meadow Mortgage	450,845.00
Villas at Lake Bonnet Mortgage	1,009,877.00
A/R Villas at Lake Bonnet Mort. Interest	151,485.00
A/R - Colton Meadow	<u>5,636.00</u>
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE</b>	<b>5,675,598.03</b>
<b>OTHER CURRENT ASSETS</b>	
Eviction Escrow Acct.	1,000.00
Prepaid Expenses and Other Assets	2,252.60
Prepaid Insurance	39,113.09
Prepaid Software Licenses	1,106.84
Insurance Deposit	37,400.00
Utility Deposit - Electric	<u>2,600.00</u>
<b>TOTAL OTHER CURRENT ASSETS</b>	<b>83,472.53</b>
<b>TOTAL CURRENT ASSETS</b>	<b>7,505,997.51</b>
<b>NONCURRENT ASSETS</b>	
<b>FIXED ASSETS</b>	
Land	1,466,869.23
Buildings	387,372.77
Machinery & Equipment	6,687.73
Automobiles	149,853.20
Site Improvement-Infrastructure	582,079.00
Accum Depreciation-Buildings	-9,075,728.43
Accum Depreciation- Misc FF&E	-59,973.27
Accum Depreciation-Infrastructure	-582,079.00
Intangible Assets	
<b>TOTAL FIXED ASSETS (NET)</b>	<b>-7,124,918.77</b>
Fees & Costs - Architect & Engineering	72,255.82
Site Improvement	3,934,551.27
Dwelling Structures	5,068,651.47
Dwelling Equipment	26,489.50
Non-Dwelling Structures	526,046.24
Non-Dwelling Equipment	<u>622,929.94</u>
<b>TOTAL NONCURRENT ASSETS</b>	<b>3,126,005.47</b>
<b>TOTAL ASSETS</b>	<b>10,632,002.98</b>

**LIABILITIES & EQUITY**

<b>CURRENT LIABILITIES</b>	
A/P Vendors and Contractors	10,328.27
Tenant Security Deposits	48,527.74
Security Deposit Clearing Account	485.26
Security Deposit-Pet	1,200.00
Accrued PILOT	60,253.08
Accrued Audit Fees	37,291.40
Due to Federal Master	-66,751.83
YouthBuild Funds on Hand	131,728.05
HOPE VI Funds on Hand	249,952.85
Due to LPHC General	303,000.00
Due to Section 8	3,600.00
Due to Magnolia Pointe	155,869.65
Due to Central Office Cost Center	-191,777.58
Dakota Park Subsidy Payable	-6,893.00
Resident Participation Funds - LHA	-514.01
Tenant Prepaid Rents	5,849.02
Accrued Compensated Absences-Current	<u>2,349.71</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b>744,498.61</b>
<b>NONCURRENT LIABILITIES</b>	
Accrued Compensated Absences-LT	4,363.74
FSS Due to Tenant Long Term	<u>23,989.55</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b>28,353.29</b>
<b>TOTAL LIABILITIES</b>	<b>772,851.90</b>
<b>EQUITY</b>	
<b>RETAINED EARNINGS</b>	
Invested in Capital Assets-Net of Debt	5,668,053.00
Retained Earnings-Unrestricted Net Assets	<u>4,191,098.08</u>
<b>TOTAL RETAINED EARNINGS:</b>	<b>9,859,151.08</b>
<b>TOTAL EQUITY</b>	<b>9,859,151.08</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>10,632,002.98</b>



**Lakeland Housing Authority**  
**Public Housing (AMP 1)**  
**Changes in Cash**  
**For the Current and Six Months Ended June 30, 2015**

<b>Period to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	1,759,810.31	1,672,409.66	-87,400.65
Cash Operating 2	0.00	0.00	0.00
Negative Cash LHA Master	0.00	0.00	0.00
Cash Restricted-Security Deposits	51,227.74	49,727.74	-1,500.00
Cash Restricted - FSS Escrow	23,402.55	23,989.55	587.00
Accrued FSS Escrow	0.00	0.00	0.00
<b>Total Cash</b>	<b>1,834,440.60</b>	<b>1,746,126.95</b>	<b>-88,313.65</b>

<b>Year to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	1,821,543.99	1,672,409.66	-149,134.33
Cash Operating 2	0.00	0.00	0.00
Negative Cash LHA Master	0.00	0.00	0.00
Cash Restricted-Security Deposits	52,713.00	49,727.74	-2,985.26
Cash Restricted - FSS Escrow	39,601.36	23,989.55	-15,611.81
Accrued FSS Escrow	0.00	0.00	0.00
<b>Total Cash</b>	<b>1,913,858.35</b>	<b>1,746,126.95</b>	<b>-167,731.40</b>

**Lakeland Housing Authority**  
**Dakota Park Limited Partnership, LLLP**  
**d/b/a Carrington Place**  
**Statement of Operations**  
**For the Current and Six Months Ended June 30, 2015**

	Current Month					Year to Date				Annual Budget
	Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	%Variance	
Rental Income	11,988	11,675	313	2.68%	<b>1</b>	73,956	70,048	3,909	5.58%	<b>140,096</b>
Other Tenant Income	1,257	765	492	64.35%	<b>2</b>	4,116	4,590	(474)	-10.33%	<b>9,180</b>
Government Subsidy	3,447	8,564	(5,118)	-59.76%	<b>3</b>	42,383	51,384	(9,001)	-17.52%	<b>102,768</b>
Other Income	1	1	(0)	-20.00%		6	8	(1)	-18.27%	<b>15</b>
<b>Total Revenue</b>	<b>16,692</b>	<b>21,005</b>	<b>(4,312)</b>	<b>-20.53%</b>		<b>120,461</b>	<b>126,029</b>	<b>(5,568)</b>	<b>-4.42%</b>	<b>252,059</b>
Administrative Expenses	3,031	6,010	(2,979)	-49.57%	<b>4</b>	21,795	36,062	(14,267)	-39.56%	<b>72,123</b>
Tenant Services Expense	55	104	(50)	-47.61%	<b>4</b>	287	625	(338)	-54.01%	<b>1,250</b>
Utility Expense	3,177	1,698	1,478	87.05%	<b>5</b>	9,855	10,189	(335)	-3.28%	<b>20,379</b>
Maintenance Expense	4,707	4,103	604	14.72%	<b>6</b>	19,069	24,618	(5,548)	-22.54%	<b>49,235</b>
General Expenses	2,453	2,607	(154)	-5.91%		7,550	15,643	(8,094)	-51.74%	<b>31,287</b>
Housing Assistance Payments	267	1,102	(835)	-75.77%	<b>4</b>	1,411	6,612	(5,201)	-78.66%	<b>13,224</b>
Financing Expenses	5,799	2,562	3,237	126.34%	<b>7</b>	31,525	15,372	16,152	105.07%	<b>30,745</b>
Operating Expenses before Depreciation	19,488	18,187	1,301	7.16%		91,492	109,121	(17,629)	-16.16%	<b>218,242</b>
<b>Net Operating Income (Loss)</b>	<b>(2,796)</b>	<b>2,818</b>	<b>(5,614)</b>	<b>-199.21%</b>		<b>28,969</b>	<b>16,908</b>	<b>12,061</b>	<b>71.33%</b>	<b>33,816</b>
Depreciation & Amortization	2,199	2,199	(0)	0.00%		13,193	13,193	(0)	0.00%	<b>26,386</b>
Reimburse Replacement Reserves	-	-	-	#DIV/0!		(1,850)	-	(1,850)	0.00%	-
Capital Replacement Items	673	-	673	#DIV/0!		3,964	-	3,964	#DIV/0!	-
<b>Total Expense</b>	<b>22,360</b>	<b>21,059</b>	<b>1,974</b>	<b>9.37%</b>		<b>110,498</b>	<b>122,314</b>	<b>(15,516)</b>	<b>-12.69%</b>	<b>244,628</b>
<b>Net Income (Loss)</b>	<b>(5,667)</b>	<b>(54)</b>	<b>(6,287)</b>	<b>11682.56%</b>		<b>9,963</b>	<b>3,715</b>	<b>6,248</b>	<b>168.17%</b>	<b>7,431</b>

Comments

- 1** Consists of 20 Low Income and 20 Tax Credit apartment units.
- 2** Income received exceeds the budget due to residents damaging the units. Additionally management is collecting administrative charge for late payment of rent.
- 3** HUD inadvertently overpaid the subsidy for March 2015. This resulted in HUD withholding subsidy for the property in April and reducing subsidy for May and June.
- 4** Variance reflects lower than budgeted expense.
- 5** Electricity expenses are over budget for the month but are within budget for the year.
- 6** Maintenance expenses are over budget for the month because costs for lawn care for May and June were posted within the same month.
- 7** Budget did not include financing expense related to HOPE VI Mortgage Note.

**Lakeland Housing Authority**  
**Dakota Park Limited Partnership, LLLP**  
**d/b/a Carrington Place**  
**Balance Sheet**  
**as of June 30, 2015**

**ASSETS**

Unrestricted Cash	
Cash Operating 1	4,239.08
Total Unrestricted Cash	<u>4,239.08</u>
Restricted Cash	
Cash Restricted-Security Deposits	10,607.26
Cash Restricted-Reserve for Replacement	<u>23,484.77</u>
Total Restricted Cash	<u>34,092.03</u>
<b>TOTAL CASH</b>	<b><u>38,331.11</u></b>
<b>ACCOUNTS AND NOTES RECEIVABLE</b>	
A/R-Tenants	9,248.01
Allowance for Doubtful Accounts-Tenants	-619.65
Due from Dakota Park Non-ACC	5,253.76
Due from LPHC	<u>550.00</u>
<b>TOTAL DUE FROM</b>	<b><u>5,253.76</u></b>
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE</b>	<b>14,432.12</b>
<b>OTHER CURRENT ASSETS</b>	
Eviction Escrow Acct.	500.00
Prepaid Expenses and Other Assets	0.53
Prepaid Insurance	9,539.46
Prepaid Software Licenses	250.16
Utility Deposit	<u>7,060.00</u>
<b>TOTAL OTHER CURRENT ASSETS</b>	<b><u>17,350.15</u></b>
<b>TOTAL CURRENT ASSETS</b>	<b>70,113.38</b>
<b>NONCURRENT ASSETS</b>	
<b>FIXED ASSETS</b>	
Land	34,672.00
Buildings	892,048.00
Accum Depreciation-Buildings	-78,053.72
Intangible Assets	
Loan Costs	28,340.90
Compliance Fees	1,640.00
Monitoring Fees	41,744.00
AA Compliance Fees	-1,381.00
AA Monitoring Fees	-25,048.00
AA Loan Costs	<u>-13,079.00</u>
<b>TOTAL FIXED ASSETS (NET)</b>	<b><u>880,883.18</u></b>
<b>TOTAL NONCURRENT ASSETS</b>	<b>880,883.18</b>
<b>TOTAL ASSETS</b>	<b><u>950,996.56</u></b>

**LIABILITIES & EQUITY**

<b>CURRENT LIABILITIES</b>	
A/P Vendors and Contractors	4,207.65
Tenant Security Deposits	10,050.00
Accrued Property Taxes	3,453.00
Accrued Interest - HOPE VI	451,401.41
Accrued - Developer Fee	149,859.50
Accrued Interest Payable	1,719.34
Accrued Audit Fees	16,200.22
Due to (13) Dakota Park Public Housing	5,920.43
Due to West Lake Mgmt.	5,800.63
Tenant Prepaid Rents	<u>-796.77</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b><u>647,815.41</u></b>
<b>NONCURRENT LIABILITIES</b>	
Due to Partner	19,033.64
Due to GP	84,778.00
Due to LP	21,142.00
Permanent Loan - HOPE VI	714,591.00
Permanent Loan - SunTrust	357,211.56
Permanent Loan - LHA	<u>101,380.00</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b><u>1,298,136.20</u></b>
<b>TOTAL LIABILITIES</b>	<b><u>1,945,951.61</u></b>
<b>EQUITY</b>	
Capital - LP	-1,219,110.00
Capital - GP2	<u>240,496.13</u>
<b>TOTAL CONTRIBUTED CAPITAL</b>	<b><u>-978,613.87</u></b>
<b>RETAINED EARNINGS</b>	
Retained Earnings-Unrestricted Net Assets	<u>-16,341.18</u>
<b>TOTAL RETAINED EARNINGS:</b>	<b><u>-16,341.18</u></b>
<b>TOTAL EQUITY</b>	<b><u>-994,955.05</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>950,996.56</u></b>

**Lakeland Housing Authority**  
**Dakota Park Limited Partnership, LLLP**  
**d/b/a Carrington Place**  
**Changes in Cash**  
**For the Current and Six Months Ended June 30, 2015**

<b>Period to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	2,673.99	4,239.08	1,565.09
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash - Partnership	0.00	0.00	0.00
Cash Restricted-Security Deposits	10,007.26	10,607.26	600.00
Cash Restricted - FSS Escrow	0.00	0.00	0.00
Cash Restricted-Reserve for Replacement	24,000.43	23,484.77	-515.66
Cash Restricted - Escrow	0.00	0.00	0.00
Restricted Cash - Partnership Devmt	0.00	0.00	0.00
Dakota Working Cap Resv	0.00	0.00	0.00
<b>Total Cash</b>	<b>36,681.68</b>	<b>38,331.11</b>	<b>1,649.43</b>

<b>Year to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	6,334.13	4,239.08	-2,095.05
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash - Partnership	0.00	0.00	0.00
Cash Restricted-Security Deposits	8,294.06	10,607.26	2,313.20
Cash Restricted - FSS Escrow	0.00	0.00	0.00
Cash Restricted-Reserve for Replacement	24,619.22	23,484.77	-1,134.45
Cash Restricted - Escrow	0.00	0.00	0.00
Restricted Cash - Partnership Devmt	0.00	0.00	0.00
Dakota Working Cap Resv	0.00	0.00	0.00
<b>Total Cash</b>	<b>39,247.41</b>	<b>38,331.11</b>	<b>-916.30</b>

**Lakeland Housing Authority**  
**Renaissance at Washington Ridge Ltd., LLLP**  
**Statement of Operations**  
**For the Current and Six Months ending June 30, 2015**

	Current Month					Year to Date				Annual Budget
	Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance	
Rental Income	58,483	57,884	599	1.03%	1	347,084	347,303	(219)	-0.06%	694,607
Other Tenant Income	1,640	2,420	(780)	-32.22%	2	8,821	14,520	(5,699)	-39.25%	29,039
Government Subsidy	24,892	30,792	(5,901)	-19.16%	3	147,898	184,752	(36,854)	-19.95%	369,504
Other Income	176	3,010	(2,834)	0.00%		2,246	18,059	(15,813)	0.00%	36,117
<b>Total Revenue</b>	<b>85,190</b>	<b>94,106</b>	<b>(8,915)</b>	<b>-9.47%</b>		<b>506,049</b>	<b>564,634</b>	<b>(58,585)</b>	<b>-10.38%</b>	<b>1,129,267</b>
Administrative Expenses	23,905	30,743	(6,837)	-22.24%	4	157,543	184,455	(26,912)	-14.59%	368,910
Tenant Services	100	250	(150)	-60.00%	4	707	1,500	(793)	-52.86%	3,000
Utility Expense	14,192	6,436	7,755	120.49%	5	45,474	38,618	6,856	17.75%	77,236
Maintenance Expense	35,381	27,831	7,550	27.13%	6	180,162	166,988	13,174	7.89%	333,976
General Expenses	6,298	6,995	(697)	-9.97%		39,266	41,972	(2,705)	-6.45%	83,943
Housing Assistance Payments	2,387	2,043	344	16.84%	7	13,709	12,258	1,451	11.84%	24,516
Financing Expenses	13,438	13,550	(112)	-0.83%		77,483	81,301	(3,818)	-4.70%	162,602
Operating Expense before Depreciation	95,701	87,849	7,852	8.94%		514,344	527,092	(12,748)	-2.42%	1,054,183
<b>Net Operating Income (Loss)</b>	<b>(10,511)</b>	<b>6,257</b>	<b>(16,768)</b>	<b>-267.98%</b>		<b>(8,295)</b>	<b>37,542</b>	<b>(45,837)</b>	<b>-122.10%</b>	<b>75,084</b>
Depreciation & Amortization	60,979	61,574	(595)	-0.97%		365,874	369,444	(3,570)	-0.97%	738,888
Capital Replacement Items	268	6,619	(6,351)	-95.96%	4	10,062	39,712	(29,650)	-74.66%	79,424
Reimburse Replacement Reserves	-	(6,619)	6,619	-100.00%	4	(6,137)	(39,712)	33,575	-84.55%	(79,424)
<b>Total Expense</b>	<b>156,947</b>	<b>149,423</b>	<b>7,525</b>	<b>5.04%</b>		<b>896,417</b>	<b>896,536</b>	<b>(12,393)</b>	<b>-1.38%</b>	<b>1,793,071</b>
<b>Net Income (Loss)</b>	<b>(71,757)</b>	<b>(55,317)</b>	<b>(16,440)</b>	<b>29.72%</b>		<b>(390,368)</b>	<b>(331,902)</b>	<b>(58,466)</b>	<b>17.62%</b>	<b>(663,804)</b>

**Comments**

- 1 Consists of 109 low and moderate income family and senior apartment units and 87 Tax Credit units.
- 2 Variance reflects less damage to units.
- 3 Subsidy received from HUD has been less than budgeted due to more efficient operations.
- 4 Variance reflects lower than budgeted expenses.
- 5 Electricity and trash removal expenses are higher than anticipated.
- 6 Variance is due to repair of a fire and water damaged unit.
- 7 Variance reflects higher HAP payments than budgeted.

**Lakeland Housing Authority**  
**Renaissance at Washington Ridge Ltd., LLLP**  
**Balance Sheet**  
**June 30, 2015**

**ASSETS**

Unrestricted Cash	
Cash Operating 1	236,495.29
Negative Cash - Partnership	5,059.80
Petty Cash	300.00
Total Unrestricted Cash	<u>241,855.09</u>
Restricted Cash	
Cash Restricted-Security Deposits	50,651.55
Cash Restricted - FSS Escrow	2,256.00
Cash Restricted-Reserve for Replacement	158,917.62
Restricted Cash - Partnership Devmt	1,188.93
Restricted Cash - OA Reserve	76,221.26
Restricted Cash - AA Reserve	46,981.45
Investment 1	254,765.54
Investment 2	254,136.08
Total Restricted Cash	<u>845,118.43</u>
Clearing	1,038.67
<b>TOTAL CASH</b>	<u><b>1,088,012.19</b></u>

**ACCOUNTS AND NOTES RECEIVABLE**

A/R-Tenants	37,174.90
Allowance for Doubtful Accounts-Tenants	-26,223.11
AR-Formal Agreements	-500.00
Due from Renaissance Fam PH	276,668.34
Due from Renaissance Sr. PH	-3,226.67
Due from Renaissance FAM Non ACC	-88,981.91
Due from Renaissance Senior Non ACC	-146,179.29
Due from LPHC	550.00
Due from West Lake Management, LLC	7,000.00
Due from Central Office Cost Center	30,400.00
<b>TOTAL DUE FROM</b>	<u><b>75,680.47</b></u>

**TOTAL ACCOUNTS AND NOTES RECEIVABLE**

86,682.26

**OTHER CURRENT ASSETS**

Eviction Escrow Acct.	1,000.00
Prepaid Insurance	38,691.62
Prepaid Software Licenses	1,225.63
Utility Deposit - Electric	20,500.00
<b>TOTAL OTHER CURRENT ASSETS</b>	<u><b>61,417.25</b></u>

**TOTAL CURRENT ASSETS**

1,236,111.70

**NONCURRENT ASSETS**

**FIXED ASSETS**

Buildings	21,088,272.28
Machinery & Equipment	150,483.39
Furniture & Fixtures	596,259.09
Site Improvement-Infrastructure	2,382,356.15
Accum Depreciation-Buildings	-5,914,926.30
Accum Depreciation- Misc FF&E	-782,074.60
Accum Depreciation-Infrastructure	-1,399,095.60
Intangible Assets	
Loan Costs	137,065.70
Monitoring Fees	131,658.00
AA Compliance Fees	-5,117.00
AA Monitoring Fees	-101,848.93
AA Loan Costs	-112,753.00
<b>TOTAL FIXED ASSETS (NET)</b>	<u><b>16,170,279.18</b></u>

**TOTAL NONCURRENT ASSETS**

16,170,279.18

**TOTAL ASSETS**

**17,406,390.88**

**LIABILITIES & EQUITY**

**CURRENT LIABILITIES**

A/P Vendors and Contractors	19,499.95
Tenant Security Deposits	46,270.39
Security Deposit-Pet	1,700.00
Accrued Interest - HOPE VI	407,997.97
Accrued - Developer Fee	1,308,453.00
Accrued Audit Fees	19,025.00
Due to (14) Renaissance Family Public Housing	-3,226.67
Due to (15) Renaissance Senior Public Housing	41,807.14
Due to (17) Renaissance Family Non-ACC	-300.00
Due to West Lake Mgmt.	-7,900.09
HAP Overpayments	649.00
Tenant Prepaid Rents	1,218.96
Accrued Compensated Absences-Current	4,506.85
<b>TOTAL CURRENT LIABILITIES</b>	<u><b>1,839,701.50</b></u>

**NONCURRENT LIABILITIES**

Accrued Compensated Absences-LT	8,369.86
FSS Due to Tenant Long Term	2,256.00
Notes Payable-LT	381,200.32
Permanent Loan - HOPE VI	2,200,000.00
Permanent Loan - SunTrust	615,540.41
<b>TOTAL NONCURRENT LIABILITIES</b>	<u><b>3,207,366.59</b></u>

**TOTAL LIABILITIES**

5,047,068.09

**EQUITY**

**CONTRIBUTED CAPITAL**

Capital - LP	6,951,274.41
Capital - GP2	7,123,264.00
<b>TOTAL CONTRIBUTED CAPITAL</b>	<u><b>14,074,538.41</b></u>

**RETAINED EARNINGS**

Retained Earnings-Unrestricted Net Assets	-1,715,215.62
<b>TOTAL RETAINED EARNINGS:</b>	<u><b>-1,715,215.62</b></u>

**TOTAL EQUITY**

12,359,322.79

**TOTAL LIABILITIES AND EQUITY**

**17,406,390.88**

**Lakeland Housing Authority**  
**Renaissance at Washington Ridge Ltd., LLLP**  
**Changes in Cash**  
**For the Current and Six Months Ended June 30, 2015**

<b>Period to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	189,780.68	236,495.29	46,714.61
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash - Partnership	5,059.80	5,059.80	0.00
Negative Cash COCC Master	0.00	0.00	0.00
Cash Restricted-Security Deposits	49,901.55	50,651.55	750.00
Cash Restricted - FSS Escrow	2,256.00	2,256.00	0.00
Cash Restricted-Reserve for Replacement	158,594.79	158,917.62	322.83
Restricted Cash - Partnership Devmt	1,188.90	1,188.93	0.03
Restricted Cash - OA Reserve	76,218.13	76,221.26	3.13
Restricted Cash - AA Reserve	46,979.52	46,981.45	1.93
Investment 1	254,679.28	254,765.54	86.26
Investment 2	254,058.21	254,136.08	77.87
<b>Total Cash</b>	<b>1,038,716.86</b>	<b>1,086,673.52</b>	<b>47,956.66</b>

<b>Year to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	320,566.98	236,495.29	-84,071.69
Negative Cash LHA Master	0.00	0.00	0.00
Negative Cash - Partnership	0.00	5,059.80	5,059.80
Negative Cash COCC Master	0.00	0.00	0.00
Cash Restricted-Security Deposits	46,687.44	50,651.55	3,964.11
Cash Restricted - FSS Escrow	881.00	2,256.00	1,375.00
Cash Restricted-Reserve for Replacement	154,370.45	158,917.62	4,547.17
Restricted Cash - Partnership Devmt	1,188.75	1,188.93	0.18
Restricted Cash - OA Reserve	76,202.36	76,221.26	18.90
Restricted Cash - AA Reserve	46,969.82	46,981.45	11.63
Investment 1	254,247.98	254,765.54	517.56
Investment 2	253,668.86	254,136.08	467.22
<b>Total Cash</b>	<b>1,154,783.64</b>	<b>1,086,673.52</b>	<b>-68,110.12</b>

**Lakeland Housing Authority**  
**Colton Meadow, LLLP**  
**Statement of Operations**  
**For the Current and Six Months Ended June 30, 2015**

	Current Month					Year to Date				Annual Budget
	Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance	
Rental Income	44,197	44,373	(176)	-0.40%	1	264,869	266,238	(1,369)	-0.51%	532,476
Other Tenant Income	1,010	1,554	(544)	-35.02%	2	4,069	9,326	(5,257)	-56.37%	18,652
Other Income	-	35	(35)	-100.00%		10	208	(198)	-95.19%	415
<b>Total Revenue</b>	<b>45,207</b>	<b>45,962</b>	<b>(755)</b>	<b>-1.64%</b>		<b>268,947</b>	<b>275,772</b>	<b>(6,824)</b>	<b>-2.47%</b>	<b>551,543</b>
Administrative Expense	16,166	12,717	3,449	27.12%	3	75,969	76,302	(332)	-0.44%	152,603
Tenant Services	-	150	(150)	-100.00%	4	59	900	(841)	-93.48%	1,800
Utility Expense	4,973	5,465	(492)	-9.00%		32,530	32,791	(261)	-0.79%	65,582
Maintenance Expense	7,099	9,516	(2,417)	-25.40%	4	48,738	57,098	(8,360)	-14.64%	114,197
General Expense	4,155	7,135	(2,980)	-41.76%	4	40,121	42,808	(2,687)	-6.28%	85,617
Financing Expense	3,989	4,212	(223)	-5.29%		24,604	25,272	(668)	-2.64%	50,544
Operating Expense before Depreciation	36,382	39,195	(2,813)	-7.18%		222,022	235,171	(13,150)	-5.59%	470,343
<b>Net Operating Income (Loss)</b>	<b>8,825</b>	<b>6,767</b>	<b>2,058</b>	<b>30.41%</b>		<b>46,925</b>	<b>40,600</b>	<b>6,325</b>	<b>15.58%</b>	<b>81,200</b>
Depreciation & Amortization Expense	39,013	38,981	32	0.08%		234,078	233,889	189	0.08%	467,777
Capital Replacement Items	-	1,373	(1,373)	-100.00%		1,217	8,240	(7,023)	-85.23%	16,480
<b>Total Expense</b>	<b>75,395</b>	<b>79,550</b>	<b>(4,155)</b>	<b>-5.22%</b>		<b>457,317</b>	<b>477,300</b>	<b>(19,983)</b>	<b>-4.19%</b>	<b>954,600</b>
<b>Net Operating Income (Loss)</b>	<b>(30,188)</b>	<b>(33,588)</b>	<b>3,400</b>	<b>-10.12%</b>		<b>(188,370)</b>	<b>(201,528)</b>	<b>13,159</b>	<b>-6.53%</b>	<b>(403,057)</b>

Comments

- 1 Consists of 72 Tax Credit apartment units. Rent collections are in line with the budget.
- 2 Variance reflects less damage to units.
- 3 Salaries and temporary administrative labor costs were higher than budgeted for the month but remain within budget for the year.
- 4 Variance reflects expenses are lower than budgeted.



**Lakeland Housing Authority**  
**Colton Meadow, LLLP**  
**Balance Sheet**  
**June 30, 2015**

**ASSETS**

Unrestricted Cash	
Cash Operating 1	101,787.84
Petty Cash	225.00
Total Unrestricted Cash	<u>102,012.84</u>
Restricted Cash	
Cash Restricted-Security Deposits	24,077.86
Cash Restricted-Operating Reserve	440,827.29
Cash Restricted-Reserve for Replacement	88,200.00
Cash-Tax & Insurance Escrow	46,471.48
Total Restricted Cash	<u>599,576.63</u>
Clearing	-7,247.25
<b>TOTAL CASH</b>	<u><b>694,342.22</b></u>
<b>ACCOUNTS AND NOTES RECEIVABLE</b>	
A/R-Tenants	10,716.47
Allowance for Doubtful Accounts-Tenants	-2,722.31
Due from LPHC	550.00
Due from Colton Meadow GP, Inc.	101,151.61
<b>TOTAL DUE FROM</b>	<u><b>101,151.61</b></u>
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE</b>	<u><b>109,695.77</b></u>
<b>OTHER CURRENT ASSETS</b>	
Eviction Escrow Acct.	1,000.00
Prepaid Expenses and Other Assets	5,113.34
Prepaid Insurance	33,052.40
Prepaid Software Licenses	417.31
Utility Deposit	5,000.00
<b>TOTAL OTHER CURRENT ASSETS</b>	<u><b>44,583.05</b></u>
<b>TOTAL CURRENT ASSETS</b>	<u><b>848,621.04</b></u>
<b>NONCURRENT ASSETS</b>	
<b>FIXED ASSETS</b>	
Land	300,000.00
Buildings	856,353.89
Building Acquisition	2,010,000.00
Building Improvements	5,802,500.00
Machinery & Equipment	67,970.48
Automobiles	15,484.50
Furniture & Fixtures	1,503,657.00
Site Improvement-Infrastructure	1,496,187.97
Accum Depreciation-Buildings	-2,042,396.20
Intangible Assets	
Amortization Tax Credit Fees	62,606.00
Monitoring Fees	208,695.00
<b>TOTAL FIXED ASSETS (NET)</b>	<u><b>10,155,846.64</b></u>
Site Improvement	16,364.00
Non-Dwelling Structures	28,019.32
Non-Dwelling Equipment	60,262.45
<b>TOTAL NONCURRENT ASSETS</b>	<u><b>10,260,492.41</b></u>
<b>TOTAL ASSETS</b>	<u><b>11,109,113.45</b></u>

**LIABILITIES & EQUITY**

<b>CURRENT LIABILITIES</b>	
A/P Vendors and Contractors	5,512.10
Tenant Security Deposits	22,977.86
Security Deposit-Pet	1,100.00
Accrued Property Taxes	13,576.00
Accrued Interest Payable	19,889.77
Accrued Audit Fees	14,265.00
Due to West Lake Mgmt.	-4,885.79
Due to Polk County Developers, Inc.	362,901.17
Tenant Prepaid Rents	805.34
Accrued Compensated Absences-Current	3,757.60
First Mortgage - TCAP	1,231,424.00
Tax Credit Exchange Program (TCEP)	7,370,157.40
HOME Funds	115,899.60
Mortgage Note Payable	450,845.00
<b>TOTAL CURRENT LIABILITIES</b>	<u><b>9,608,225.05</b></u>
<b>NONCURRENT LIABILITIES</b>	
Accrued Compensated Absences-LT	6,978.41
Developer Fee Payable - PCHD	197,907.00
<b>TOTAL NONCURRENT LIABILITIES</b>	<u><b>204,885.41</b></u>
<b>TOTAL LIABILITIES</b>	<u><b>9,813,110.46</b></u>
<b>EQUITY</b>	
<b>CONTRIBUTED CAPITAL</b>	
Capital - LP	1,205,286.00
GP Equity	46.12
<b>TOTAL CONTRIBUTED CAPITAL</b>	<u><b>1,205,332.12</b></u>
<b>RETAINED EARNINGS</b>	
Retained Earnings-Unrestricted Net Assets	90,670.87
<b>TOTAL RETAINED EARNINGS:</b>	<u><b>90,670.87</b></u>
<b>TOTAL EQUITY</b>	<u><b>1,296,002.99</b></u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u><b>11,109,113.45</b></u>

**Lakeland Housing Authority**  
**Colton Meadow, LLLP**  
**Changes in Cash**  
**For the Current and Six Months Ended June 30, 2015**

<b>Period to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	90,138.98	101,787.84	11,648.86
Cash Operating 2	0.00	0.00	0.00
Cash Restricted-Security Deposits	23,877.86	24,077.86	200.00
Cash Restricted-Operating Reserve	440,827.29	440,827.29	0.00
Cash Restricted-Reserve for Replacement	86,400.00	88,200.00	1,800.00
Cash-Tax & Insurance Escrow	40,408.09	46,471.48	6,063.39
<b>Total Cash</b>	<b>681,652.22</b>	<b>701,364.47</b>	<b>19,712.25</b>

<b>Year to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	70,267.26	101,787.84	31,520.58
Cash Operating 2	0.00	0.00	0.00
Cash Restricted-Security Deposits	24,750.00	24,077.86	-672.14
Cash Restricted-Operating Reserve	440,827.29	440,827.29	0.00
Cash Restricted-Reserve for Replacement	77,400.00	88,200.00	10,800.00
Cash-Tax & Insurance Escrow	50,982.79	46,471.48	-4,511.31
<b>Total Cash</b>	<b>664,227.34</b>	<b>701,364.47</b>	<b>37,137.13</b>

**Lakeland Housing Authority**  
**Bonnet Shores, LLLP**  
**Statement of Operations**  
**For the Current and Six Months Ended June 30, 2015**

	Current Month					Year to Date				Annual Budget
	Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance	
Rental Income	48,040	49,823	(1,783)	-3.58%	1	297,359	298,938	(1,580)	-0.53%	597,877
Other Tenant Income	615	1,325	(710)	-53.57%		8,185	7,948	236	2.97%	15,897
<b>Total Revenue</b>	<b>48,655</b>	<b>51,148</b>	<b>(2,493)</b>	<b>-4.87%</b>		<b>305,543</b>	<b>306,887</b>	<b>(1,343)</b>	<b>-0.44%</b>	<b>613,774</b>
Administrative Expense	10,962	13,263	(2,301)	-17.35%	2	78,238	79,576	(1,337)	-1.68%	159,151
Tenant Services	-	208	(208)	-100.00%	2	-	1,250	(1,250)	-100.00%	2,500
Utility Expense	1,964	4,547	(2,583)	-56.80%	2	25,636	27,283	(1,646)	-6.03%	54,565
Maintenance Expense	8,730	10,119	(1,389)	-13.73%	2	59,716	60,715	(999)	-1.65%	121,431
General Expense	4,266	8,432	(4,166)	-49.41%	2	45,727	50,590	(4,863)	-9.61%	101,180
Financing Expense	9,658	10,327	(669)	-6.48%		59,889	61,963	(2,075)	-3.35%	123,927
Operating Expense before Depreciation	35,580	46,896	(11,316)	-24.13%		269,207	281,377	(12,170)	-4.33%	562,754
<b>Net Operating Income (Loss)</b>	<b>13,075</b>	<b>4,252</b>	<b>8,823</b>	<b>207.52%</b>	<b>3</b>	<b>36,337</b>	<b>25,510</b>	<b>10,827</b>	<b>42.44%</b>	<b>51,019</b>
Depreciation & Amortization Expense	47,465	47,465	0.07	0.00%		284,790	284,790	0.41	0.00%	569,579
Capital Replacement Items	-	1,373	(1,373.33)	-100.00%		5,373	8,240	(2,866.91)	-34.79%	16,480
Reimburse Replacement Reserve	-	-	-	#DIV/0!		-	-	-	#DIV/0!	-
<b>Total Expense</b>	<b>83,045</b>	<b>95,734</b>	<b>(12,689)</b>	<b>-13.25%</b>		<b>559,370</b>	<b>574,407</b>	<b>(15,037)</b>	<b>-2.62%</b>	<b>1,148,813</b>
<b>Net Income (Loss)</b>	<b>(34,390)</b>	<b>(44,587)</b>	<b>10,196</b>	<b>-22.87%</b>		<b>(253,827)</b>	<b>(267,520)</b>	<b>13,693</b>	<b>-5.12%</b>	<b>(535,040)</b>

Comments

- 1 75 apartment units, Tax Credit and Section 8 Vouchers. Tenant rent income is in line with the budget.
- 2 Variance is the result of expenses being less than the budget.
- 3 Year to date NOI is a positive \$36,337.

**Lakeland Housing Authority  
Bonnet Shores, LLLP  
Balance Sheet  
June 30, 2015**

**ASSETS**

Unrestricted Cash	
Cash Operating 2	319,757.86
Petty Cash	<u>225.00</u>
Total Unrestricted Cash	319,982.86
Restricted Cash	
Cash Restricted-Security Deposits	23,615.33
Cash Restricted-Operating Reserve	460,094.78
Cash Restricted-Reserve for Replacement	106,875.00
Cash-Tax & Insurance Escrow	<u>57,122.07</u>
Total Restricted Cash	647,707.18
Clearing	<u>-248.00</u>
<b>TOTAL CASH</b>	<b><u>967,442.04</u></b>
ACCOUNTS AND NOTES RECEIVABLE	
A/R-Tenants	26,996.37
Allowance for Doubtful Accounts-Tenants	-4,383.28
Due from Bonnet Shores GP, Inc	<u>7,062.23</u>
<b>TOTAL DUE FROM</b>	<b><u>7,062.23</u></b>
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE</b>	<b><u>29,675.32</u></b>
OTHER CURRENT ASSETS	
Eviction Escrow Acct.	500.00
Prepaid Expenses and Other Assets	3,252.38
Prepaid Insurance	12,012.14
Prepaid Software Licenses	427.15
Utility Deposit	<u>5,000.00</u>
<b>TOTAL OTHER CURRENT ASSETS</b>	<b><u>21,191.67</u></b>
<b>TOTAL CURRENT ASSETS</b>	<b><u>1,018,309.03</u></b>
NONCURRENT ASSETS	
FIXED ASSETS	
Land	300,000.00
Buildings	11,447,110.83
Automobiles	24,477.33
Furniture & Fixtures	423,152.78
Site Improvement-Infrastructure	679,255.00
Accum Depreciation-Buildings	-1,873,159.50
Accum Depreciation- Misc FF&E	-402,858.00
Accum Depreciation-Infrastructure	-203,784.00
Intangible Assets	
Loan Costs	41,419.00
Amortization Loan Cost	9,332.00
Compliance Fees	246,589.00
Amortization Tax Credit Fees	<u>73,978.04</u>
<b>TOTAL FIXED ASSETS (NET)</b>	<b><u>10,598,892.40</u></b>
<b>TOTAL NONCURRENT ASSETS</b>	<b><u>10,598,892.40</u></b>
<b>TOTAL ASSETS</b>	<b><u>11,617,201.43</u></b>

**LIABILITIES & EQUITY**

LIABILITIES	
CURRENT LIABILITIES	
A/P Vendors and Contractors	2,526.91
Tenant Security Deposits	23,875.00
Security Deposit Clearing Account	1,358.81
Security Deposit-Pet	500.00
Accrued Property Taxes	17,149.35
Current Portion of LT Debt	38,193.00
Accrued Interest Payable	209,992.09
Accrued Audit Fees	13,995.00
Due to West Lake Mgmt.	-7,798.86
Due to Central Office Cost Center	405.03
Tenant Prepaid Rents	2,577.53
Accrued Compensated Absences-Current	1,806.82
First Mortgage - TCAP	3,819,255.00
HOME Funds	131,028.00
Mortgage Note Payable	<u>1,009,877.00</u>
<b>TOTAL CURRENT LIABILITIES</b>	<b><u>5,264,740.68</u></b>
NONCURRENT LIABILITIES	
Accrued Compensated Absences-LT	3,355.52
Developer Fee Payable - PCHD	<u>320,033.00</u>
<b>TOTAL NONCURRENT LIABILITIES</b>	<b><u>323,388.52</u></b>
<b>TOTAL LIABILITIES</b>	<b><u>5,588,129.20</u></b>
EQUITY	
CONTRIBUTED CAPITAL	
Capital - LP	6,812,347.00
GP Equity	-162.00
Syndication Costs	<u>-40,000.00</u>
<b>TOTAL CONTRIBUTED CAPITAL</b>	<b><u>6,772,185.00</u></b>
RETAINED EARNINGS	
Retained Earnings-Unrestricted Net Assets	-743,112.77
<b>TOTAL RETAINED EARNINGS:</b>	<b><u>-743,112.77</u></b>
<b>TOTAL EQUITY</b>	<b><u>6,029,072.23</u></b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b><u>11,617,201.43</u></b>

**Lakeland Housing Authority**  
**Bonnet Shores, LLLP**  
**Changes in Cash**  
**For the Current and Six Months Ended June 30, 2015**

<b>Period to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	0.00	0.00	0.00
Cash Operating 2	315,608.07	319,757.86	4,149.79
Cash Operating 3	0.00	0.00	0.00
Negative Cash - Partnership	0.00	0.00	0.00
Cash Restricted-Security Deposits	23,925.00	23,615.33	-309.67
Cash Restricted-Operating Reserve	460,094.78	460,094.78	0.00
Cash Restricted-Reserve for Replacement	105,000.00	106,875.00	1,875.00
Cash-Tax & Insurance Escrow	50,725.65	57,122.07	6,396.42
<b>Total Cash</b>	<b>955,353.50</b>	<b>967,465.04</b>	<b>12,111.54</b>

<b>Year to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	0.00	0.00	0.00
Cash Operating 2	249,320.93	319,757.86	70,436.93
Cash Operating 3	0.00	0.00	0.00
Negative Cash - Partnership	0.00	0.00	0.00
Cash Restricted-Security Deposits	24,625.00	23,615.33	-1,009.67
Cash Restricted-Operating Reserve	460,094.78	460,094.78	0.00
Cash Restricted-Reserve for Replacement	95,625.00	106,875.00	11,250.00
Cash-Tax & Insurance Escrow	29,456.62	57,122.07	27,665.45
<b>Total Cash</b>	<b>859,122.33</b>	<b>967,465.04</b>	<b>108,342.71</b>

**Lakeland Housing Authority**  
**West Bartow Partnership, Ltd., LLLP**  
**Statement of Operations**  
**For the Current and Six Months Ended June 30, 2015**

	Current Month					Year to Date				Annual Budget
	Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance	
Rental Income	61,578	70,540	(8,962)	-12.71%	<b>1</b>	412,113	423,242	(11,128)	-2.63%	<b>846,484</b>
Other Tenant Income	41	(485)	526	-108.45%		659	(2,912)	3,570	-122.63%	<b>(5,823)</b>
Other Income	87	85	2	2.50%		565	511	54	10.55%	<b>1,022</b>
<b>Total Revenue</b>	<b>61,706</b>	<b>70,140</b>	<b>(8,434)</b>	<b>-12.02%</b>		<b>413,337</b>	<b>420,841</b>	<b>(7,504)</b>	<b>-1.78%</b>	<b>841,682</b>
Administrative Expenses	10,598	15,947	(5,349)	-33.54%	<b>2</b>	74,747	95,681	(20,935)	-21.88%	<b>191,363</b>
Tenants Service Expenses	100	300	(200)	-100.00%	<b>2</b>	301	1,800	(1,499)	-100.00%	<b>3,600</b>
Utility Expense	1,446	8,753	(7,307)	-83.48%	<b>2</b>	43,303	52,520	(9,217)	-17.55%	<b>105,040</b>
Maintenance Expense	9,263	10,275	(1,012)	-9.85%		76,872	61,651	15,221	24.69%	<b>123,303</b>
General Expenses	72	4,208	(4,135)	-98.29%	<b>2</b>	18,399	25,245	(6,846)	-27.12%	<b>50,490</b>
Financing Expenses	23,736	24,278	(543)	-2.24%		144,683	145,669	(986)	-0.68%	<b>291,339</b>
Operating expense before depreciation	45,215	63,761	(18,546)	-29.09%		358,304	382,567	(24,263)	-6.34%	<b>765,134</b>
<b>Net Operating Income (Loss)</b>	<b>16,492</b>	<b>6,379</b>	<b>10,113</b>	<b>158.53%</b>	<b>3</b>	<b>55,033</b>	<b>38,274</b>	<b>16,759</b>	<b>43.79%</b>	<b>76,548</b>
Depreciation & Amortization	41,940	41,940	-	0.00%		251,640	251,640	-	0.00%	<b>503,280</b>
Capital Replacement Items	-	3,291.33	(3,291)	-100.00%		709	19,748.00	(19,039)	-96.41%	<b>39,496</b>
Reimburse Replacement Reserve	-	-	-			-	-	-		-
Transfer In	-	-	-			-	-	-		-
<b>Total Expense</b>	<b>87,155</b>	<b>108,993</b>	<b>(21,838)</b>	<b>-20.04%</b>		<b>610,653</b>	<b>653,955</b>	<b>(43,302)</b>	<b>-6.62%</b>	<b>1,307,910</b>
<b>Net Operating Income (Loss)</b>	<b>(25,448)</b>	<b>(38,852)</b>	<b>13,404</b>	<b>-34.50%</b>		<b>(197,316)</b>	<b>(233,114)</b>	<b>35,798</b>	<b>-15.36%</b>	<b>(466,228)</b>

Comments

- 1** Consists of 100 Tax Credit and Section 8 Voucher units. Tenant rents are in line with the budget.
- 2** Variance is due to expenses being less than the budget.
- 3** Variance reflects higher than budgeted NOI of \$55,033

**Lakeland Housing Authority**  
**West Bartow Partnership, Ltd., LLLP**  
**Balance Sheet**  
**June 30, 2015**

**ASSETS**

Unrestricted Cash	
Cash Operating 1	170,467.99
Petty Cash	300.00
Total Unrestricted Cash	<u>170,767.99</u>
Restricted Cash	
Cash Restricted-Security Deposits	9,487.87
Cash Restricted-Operating Reserve	25,155.58
Cash Restricted-Reserve for Replacement	155,606.89
Cash-Tax & Insurance Escrow	17,010.41
Investment 1	228,399.20
Total Restricted Cash	<u>435,659.95</u>
<b>TOTAL CASH</b>	<u><b>606,427.94</b></u>
ACCOUNTS AND NOTES RECEIVABLE	
A/R-Tenants	19,409.21
Allowance for Doubtful Accounts-Tenants	-2,768.07
<b>TOTAL ACCOUNTS AND NOTES RECEIVABLE</b>	<u><b>16,641.14</b></u>
OTHER CURRENT ASSETS	
Eviction Escrow Acct.	500.00
Prepaid Insurance	47,072.59
Prepaid Software Licenses	509.54
Utility Deposit	85.00
<b>TOTAL OTHER CURRENT ASSETS</b>	<u><b>48,167.13</b></u>
<b>TOTAL CURRENT ASSETS</b>	<u><b>671,236.21</b></u>
NONCURRENT ASSETS	
FIXED ASSETS	
Land	432,717.00
Buildings	12,796,743.00
Furn, Fixt, & Equip	1,157,974.64
Accum Depreciation-Buildings	-1,919,514.00
Accum Depreciation- Misc FF&E	-692,481.00
Accum Depreciation-Infrastructure	-213,479.00
Intangible Assets	
Loan Costs	335,121.42
Amortization Loan Cost	111,700.00
Compliance Fees	200,558.00
Amortization Tax Credit Fees	80,220.00
<b>TOTAL FIXED ASSETS (NET)</b>	<u><b>11,905,720.06</b></u>
Site Improvement	711,597.00
<b>TOTAL NONCURRENT ASSETS</b>	<u><b>12,617,317.06</b></u>
<b>TOTAL ASSETS</b>	<u><b>13,288,553.27</b></u>

**LIABILITIES & EQUITY**

<b>CURRENT LIABILITIES</b>	
A/P Vendors and Contractors	621.70
Tenant Security Deposits	8,750.00
Security Deposit-Pet	700.00
Accrued Property Taxes	897.85
Accrued Interest NLP Loan	607.00
Accrued Audit Fees	16,935.00
Due to West Lake Mgmt.	-5,273.05
HAP Overpayments	28.00
Tenant Prepaid Rents	3,910.63
Accrued Compensated Absences-Current	2,080.38
Mortgage Note Payable	3,160,147.39
Second Mortgage Payable	850,000.00
Third Mortgage Payable	372,092.18
Fourth Mortgage Payable	400,000.00
Note Payable-City of Bartow Impact Fees	564,621.00
Deferred Development Fee	1,543,373.97
<b>TOTAL CURRENT LIABILITIES</b>	<u><b>6,919,492.05</b></u>
NONCURRENT LIABILITIES	
Accrued Compensated Absences-LT	3,863.56
<b>TOTAL NONCURRENT LIABILITIES</b>	<u><b>3,863.56</b></u>
<b>TOTAL LIABILITIES</b>	<u><b>6,923,355.61</b></u>
<b>EQUITY</b>	
CONTRIBUTED CAPITAL	
Capital Private Investors	6,936,810.00
GP Equity	-13.00
Special LP Equity	-10.00
Syndication Costs	-30,000.00
<b>TOTAL CONTRIBUTED CAPITAL</b>	<u><b>6,906,787.00</b></u>
RETAINED EARNINGS	
Retained Earnings-Unrestricted Net Assets	-541,589.34
<b>TOTAL RETAINED EARNINGS:</b>	<u><b>-541,589.34</b></u>
<b>TOTAL EQUITY</b>	<u><b>6,365,197.66</b></u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u><b>13,288,553.27</b></u>

**Lakeland Housing Authority**  
**West Bartow Partnership, Ltd., LLLP**  
**Changes in Cash**  
**For the Current and Six Months Ended June 30, 2015**

<b>Period to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	175,918.41	170,467.99	-5,450.42
Cash Restricted-Security Deposits	9,337.85	9,487.87	150.02
Cash Restricted-Operating Reserve	25,155.58	25,155.58	0.00
Cash Restricted-Reserve for Replacement	153,106.89	155,606.89	2,500.00
Cash-Tax & Insurance Escrow	12,514.41	17,010.41	4,496.00
Investment 1	228,311.93	228,399.20	87.27
<b>Total Cash</b>	<b>604,345.07</b>	<b>606,127.94</b>	<b>1,782.87</b>

<b>Year to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	165,312.29	170,467.99	5,155.70
Cash Restricted-Security Deposits	8,662.85	9,487.87	825.02
Cash Restricted-Operating Reserve	25,155.58	25,155.58	0.00
Cash Restricted-Reserve for Replacement	140,606.89	155,606.89	15,000.00
Cash-Tax & Insurance Escrow	38,082.37	17,010.41	-21,071.96
Investment 1	227,884.46	228,399.20	514.74
<b>Total Cash</b>	<b>605,704.44</b>	<b>606,127.94</b>	<b>423.50</b>



**Lakeland Housing Authority  
Hampton Hills (AMP 4)  
Statement of Operations  
For the Current and Six Months Ended June 30, 2015**

	Current Month					Year to Date				Annual Budget
	Actual	Budget	\$ Variance	% Variance		Actual	Budget	\$ Variance	% Variance	
Rental Income	4,984	5,120	(136)	-2.66%	1	32,570	30,720	1,850	6.02%	61,440
Other Tenant Income	-	50	(50)	-100.00%	2	25	300	(275)	-91.67%	600
Government Subsidy Income	2,773	1,624	1,149	70.75%	3	16,474	9,744	6,730	69.07%	19,488
Other Income	1	0	1	455.29%		6	1	4	350.20%	3
<b>Total Revenue</b>	<b>7,758</b>	<b>6,794</b>	<b>964</b>	<b>14.19%</b>		<b>49,075</b>	<b>40,765</b>	<b>8,309</b>	<b>20.38%</b>	<b>81,531</b>
Administrative Expenses	2,452	2,735	(283)	-10.35%	4	7,250	16,409	(9,159)	-55.82%	32,817
Tenant Services Expenses	-	-	-	#DIV/0!		-	-	-	#DIV/0!	-
Utility Expense	-	1,210	(1,210)	-100.00%	4	-	7,260	(7,260)	-100.00%	14,520
Maintenance and Development Expense	1,045	1,602	(556)	-34.73%	4	7,293	9,610	(2,316)	-24.10%	19,219
General Expenses	166	886	(720)	-81.28%	4	8,457	5,318	3,139	59.04%	10,635
Housing Assistance Payments	183	-	183	#DIV/0!	5	602	-	602	#DIV/0!	-
Transfer In	-	-	-	#DIV/0!		(850)	-	(850)	#DIV/0!	-
Operating expense before Depreciation	3,846	6,433	(2,587)	-40.21%		22,752	38,596	(14,994)	-38.85%	77,192
<b>Net Operating Income (Loss)</b>	<b>3,912</b>	<b>362</b>	<b>3,551</b>	<b>981.99%</b>	<b>6</b>	<b>26,323</b>	<b>2,169</b>	<b>23,304</b>	<b>1074.17%</b>	<b>4,339</b>
Depreciation	-	-	-	#DIV/0!		-	-	-	#DIV/0!	-
<b>Total Expenses</b>	<b>3,846</b>	<b>6,433</b>	<b>(2,587)</b>	<b>-40.21%</b>		<b>22,752</b>	<b>38,596</b>	<b>(14,994)</b>	<b>-38.85%</b>	<b>77,192</b>
<b>Net Income (Loss)</b>	<b>3,912</b>	<b>362</b>	<b>3,551</b>	<b>981.99%</b>	<b>6</b>	<b>26,323</b>	<b>2,169</b>	<b>23,304</b>	<b>1074.17%</b>	<b>4,339</b>

**Comments**

- 1 Property is comprised of 11 Section 32 Homeownership Units.
- 2 Variance reflects less damage to units.
- 3 Government subsidy has been higher than anticipated.
- 4 Variance reflects less than anticipated expenses.
- 5 HAP expenses that were higher than budgeted.
- 6 NOI is consistent with the budget.

**Lakeland Housing Authority  
Hampton Hills (AMP 4)  
Balance Sheet  
June 30, 2015**

**ASSETS**

CASH

Unrestricted Cash

Cash Operating 1 78,855.74

Total Unrestricted Cash 78,855.74

Restricted Cash

Cash Restricted-Security Deposits 3,266.87

Cash Restricted - Escrow 1,705.00

Total Restricted Cash 4,971.87

Clearing -33.13

TOTAL CASH 83,794.48

ACCOUNTS AND NOTES RECEIVABLE

A/R-Tenants 485.00

A/R-PHA Projects 50,000.00

TOTAL ACCOUNTS AND NOTES RECEIVABLE 50,485.00

OTHER CURRENT ASSETS

Eviction Escrow Acct. 500.00

Prepaid Insurance -904.13

Prepaid Software Licenses 68.81

TOTAL OTHER CURRENT ASSETS -335.32

TOTAL CURRENT ASSETS 133,944.16

NONCURRENT ASSETS

FIXED ASSETS

Furniture & Fixtures 2,248.94

Accum Depreciation- Misc FF&E -642.28

Intangible Assets           

TOTAL FIXED ASSETS (NET) 1,606.66

TOTAL NONCURRENT ASSETS 1,606.66

TOTAL ASSETS 135,550.82

**LIABILITIES & EQUITY**

CURRENT LIABILITIES

A/P Vendors and Contractors 1,054.90

Tenant Security Deposits 3,266.87

Lease Purchase Escrow 1,705.00

Accrued Audit Fees -666.40

Due to Federal Master 15,126.19

Tenant Prepaid Rents 530.35

TOTAL CURRENT LIABILITIES 21,016.91

NONCURRENT LIABILITIES

FSS Due to Tenant Long Term 2,343.00

TOTAL NONCURRENT LIABILITIES 2,343.00

TOTAL LIABILITIES 23,359.91

EQUITY

RETAINED EARNINGS

Retained Earnings-Unrestricted Net Assets 112,190.91

TOTAL RETAINED EARNINGS: 112,190.91

TOTAL EQUITY 112,190.91

TOTAL LIABILITIES AND EQUITY 135,550.82

**Lakeland Housing Authority  
Hampton Hills (AMP 4)  
Changes in Cash  
For the Current and Six Months Ended June 30, 2015**

<b>Period to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	74,014.95	78,855.74	4,840.79
Negative Cash LHA Master	0.00	0.00	0.00
Cash Restricted-Security Deposits	3,266.85	3,266.87	0.02
Cash Restricted - Escrow	1,680.00	1,705.00	25.00
<b>Total Cash</b>	<b>78,961.80</b>	<b>83,827.61</b>	<b>4,865.81</b>

<b>Year to Date</b>	<b>Beginning Balance</b>	<b>Ending Balance</b>	<b>Difference</b>
Cash Operating 1	42,627.12	78,855.74	36,228.62
Negative Cash LHA Master	0.00	0.00	0.00
Cash Restricted-Security Deposits	2,657.86	3,266.87	609.01
Cash Restricted - Escrow	1,605.00	1,705.00	100.00
<b>Total Cash</b>	<b>46,889.98</b>	<b>83,827.61</b>	<b>36,937.63</b>

**LAKELAND HOUSING AUTHORITY**  
**Grant Report**  
**Updated as of August 8, 2015**

		START DATE	OBLIGATION END DATE	DISTRIBUTION END DATE	AUTHORIZED	OBLIGATION 90% THRESHHOLD	OBLIGATED AMOUNT	DISBURSED	AVAILABLE BALANCE
<b>Capital Fund Program</b>	<b>(HUD)</b>								
CFP - 2011		07-15-11	08-03-13	08-02-15	562,980.00	506,682.00	562,980.00	562,980.00	0.00
CFP - 2012		03-12-12	03-11-14	03-11-16	327,414.00	294,672.60	311,236.16	305,556.81	21,857.19
CFP - 2013		08-09-13	09-08-15	09-08-17	251,538.00	226,384.20	194,571.06	178,501.06	73,036.94
CFP - 2014		05-01-14	05-01-16	05-01-18	341,004.00	306,903.60	21,907.50	16,803.50	324,200.50
CFP - 2015		04-13-15	04-12-17	04-12-19	345,575.00	311,017.50	21,502.50	0.00	345,575.00
				<b>CFP Subtotal:</b>	<b>1,828,511.00</b>	<b>1,645,659.90</b>	<b>1,112,197.22</b>	<b>1,063,841.37</b>	<b>764,669.63</b>
<b>Replacement Housing Factor</b>	<b>(HUD)</b>								
RHF - 2009(a)		09-15-09	10-29-15	07-27-17	282,108.00	253,897.20	0.00	0.00	282,108.00
RHF - 2009(b)		04-02-10	10-29-15	10-29-17	149,804.00	134,823.60	0.00	0.00	149,804.00
RHF - 2010		07-15-10	10-29-15	10-29-17	441,385.00	397,246.50	0.00	0.00	441,385.00
RHF - 2011		08-03-11	10-29-15	10-29-17	380,321.00	342,288.90	0.00	0.00	380,321.00
RHF - 2012(a)		03-12-12	10-29-15	10-29-17	185,485.00	166,936.50	0.00	0.00	185,485.00
RHF - 2012(b)		03-12-12	10-29-15	10-29-17	70,661.00	63,594.90	0.00	0.00	70,661.00
RHF - 2013(a)		09-09-13	09-08-15	09-08-17	208,904.00	188,013.60	0.00	0.00	208,904.00
RHF - 2013(b)		09-09-13	09-08-15	09-08-17	62,529.00	56,276.10	0.00	0.00	62,529.00
RHF - 2014		05-13-14	05-12-16	05-12-18	185,710.00	167,139.00	0.00	0.00	185,710.00
RHF - 2015		04-13-15	04-12-17	04-12-19	187,612.00	168,850.80	0.00	0.00	187,612.00
				<b>RHF Subtotal:</b>	<b>2,154,519.00</b>	<b>1,939,067.10</b>	<b>0.00</b>	<b>0.00</b>	<b>2,154,519.00</b>
<b>HOPE VI</b>	<b>(HUD)</b>	04-05-00		12-31-17	<b>21,842,801.00</b>	19,658,520.90	<b>19,908,767.13</b>	<b>19,908,767.13</b>	<b>1,934,033.87</b>
<b>Safety &amp; Security Grant</b>	<b>(HUD)</b>	03-20-13	03-19-14	03-19-15	250,000.00	225,000.00	250,000.00	250,000.00	0.00
				<b>Safety &amp; Security Subtotal:</b>	<b>250,000.00</b>	<b>225,000.00</b>	<b>250,000.00</b>	<b>250,000.00</b>	<b>0.00</b>
<b>Resident Opportunities and Self Sufficiency</b>	<b>(HUD)</b>								
ROSS - Family Self Sufficiency 2014		09-29-14	02-13-16		104,856.00	94,370.40	66,848.28	66,848.28	38,007.72
ROSS - Family Self Sufficiency 2013		07-01-13	07-01-14		52,084.00	46,875.60	52,084	52,084.00	0.00
ROSS - Service Coordinator 2011		09-22-11	09-29-14		140,838.00	126,754.20	140,838	140,838.00	0.00
				<b>ROSS Subtotal:</b>	<b>297,778.00</b>	<b>268,000.20</b>	<b>259,770.28</b>	<b>259,770.28</b>	<b>38,007.72</b>
<b>YouthBuild</b>	<b>(DOL)</b>	06-01-11	05-31-15		997,492.00	897,742.80	997,492.00	997,492.00	0.00
				<b>YouthBuild Subtotal:</b>	<b>997,492.00</b>	<b>897,742.80</b>	<b>997,492.00</b>	<b>997,492.00</b>	<b>0.00</b>
<b>YouthBuild (new)</b>	<b>(DOL)</b>	08-11-14	12-10-2017		974,124.00	876,711.60	240,732.74	240,732.74	733,391.26
				<b>YouthBuild Subtotal:</b>	<b>974,124.00</b>	<b>876,711.60</b>	<b>240,732.74</b>	<b>240,732.74</b>	<b>733,391.26</b>
<b>21st Century</b>	<b>(DOE)</b>	08-01-13	07-31-14		324,331.00	291,897.90	199,395.53	199,395.50	124,935.50
				<b>21st Century Subtotal:</b>	<b>324,331.00</b>	<b>291,897.90</b>	<b>199,395.53</b>	<b>199,395.50</b>	<b>124,935.50</b>

# Administration Department

## Board Report August Meeting 2015

### I. Authority-Wide Updates

**Section 3 and M/WBE:** The Housing Authority of the City of Lakeland, Florida (LHA) entered into two (2) agreements, one (1) modification, and five (5) task orders during this reporting period. This contracting activity has had the following effect on LHA's Section 3 and M/WBE percentages:

- The total dollar volume of work contracted to outside vendors by LHA, or its affiliates, **"increased"** from \$2,681,391 to **\$2,734,260**.
- The total dollar volume of work contracted to M/WBE firms remained **"unchanged"** at **\$956,231**. This equates to 35% of the total dollar volume contracted by LHA.
- Nineteen (19) of the 68 contracts are with M/WBE firms. This represents 28% of the contracts.
- Four (4) of the 68 contracts are with Section 3 Business Concerns; which represents approximately 6% of the contracts.
- Three (3) Section 3 Hires have been employed as part of LHA's existing contracts.

**Lake Ridge Home Owners Association (HOA):** On July 30, 2015, staff participated in a meeting with Lakeland Police Department (LPD) and Lakeland Habitat for Humanity. The purpose of the meeting was to discuss concerns that Lakeland Habitat for Humanity continues to have with the safety and security of the community. Their issues were as follows:

- 1) The Housing Authority of the City of Lakeland, Florida (LHA) donated \$1,000 to LPD for installation of cameras. The intent was for the cameras to be installed throughout the Lake Ridge community. LPD subsequently returned the funds to LHA once they realized that the intent of the donation was for installation of cameras throughout the Lake Ridge community instead of the Lake Ridge Center.
- 2) Lakeland Habitat for Humanity reported that their homeowners no longer want security cameras installed throughout the Lake Ridge community. Instead, their homeowners are seeking installation of decorative fence to address trespass issues. Specifically, representatives from Lakeland Habitat for Humanity recommended that the \$1,000 donation be given to them so that they can have YouthBuild staff erect the fence along N. Florence Avenue.
- 3) LHA staff reminded Lakeland Habitat for Humanity that the homeowners on N. Florence Avenue are not the only members of the association. Accordingly, pricing would have to be received for a contractor to install fencing at certain trouble areas within the Lake Ridge community. Additionally, the HOA would also have to provide a price for the installation of security cameras. Once the pricing was received, all members of the HOA would have to vote on the use of the HOA fees.

The outcome of the meeting was that LPD would consider installing a fence at the Lake Ridge Center in an effort to prevent youth from playing basketball after hours at the property. LHA staff agreed to provide pricing for installation of fence and security cameras. Once the pricing is finalized, members of the HOA will be given an opportunity to vote on both options.

**LHA 2014 Audited Financials:** Staff and the financial advisor continued to work with the independent auditor to complete the audited financials. The independent auditor will present the audited financials to the Board of Commissioners as part of the August Meeting.

LHA still has not been able to fill the Finance Manager position. Subsequently, the services of *Innovative Financial Housing Solutions, Inc. (IFH)* are still required to complete submission of LHA's 2014 Audited Financial Statements. LHA also requires their expertise for the transition from the *Yardi* software to *Emphasys*. Additionally, *IFH's* expertise is needed for preparation of the financial component of the Development Proposal for Williamstown. Accordingly, staff is seeking Board approval of Resolution Number 15-1412 authorizing the Executive Director to increase the total dollar value of the task order contract with *IFH Solutions* up to \$310,000.

## II. LHA Portfolio

### **Arbor Manor**

The status of this item remains ***"unchanged"***. Staff continues to move forward with disposition of the 17-acre site at Hunterfield despite the fact that the original buyer elected not to move forward with the purchase. This is because the disposition application can be easily amended to reflect a new buyer once approved. Approval must come from HUD's Special Application Center.

### **Cecil Gober**

**Aging-In-Place Design:** The Stop Work Order dated July 11, 2013 remains in effect. On Tuesday, July 7, 2015, staff met with representatives from *Robert Reid Wedding Architects and Planners, AIA, Inc.* to discuss items needed to resume work on the design. The next step is for staff to issue a Task Order, to the architect for pricing.

**Aging-In-Place Modernization:** There are no updates to provide for this item. This item will remain *"On Hold"* until revisions to the design are completed.

**Tax Credit Application:** Staff did not perform any activities related to the tax credit application this reporting period.

**Asphalt Repairs:** On July 1, 2015, LHA executed a contract with *M & M Asphalt Maintenance, Inc. (M & M)*. The statement of work included asphalt repair, sealing, and striping. *M & M* completed all work associated with the asphalt repairs on July 14, 2015. *M & M* submitted all closeout documentation by month's end. All costs have been paid in full and the project is officially closed out.

### **Hampton Hills**

**Homeownership Plan:** Representatives from *Solita's House* continued to perform outreach to families living at the 11 remaining houses. *Solita's House* conducted a third Workshop on Saturday, August 8, 2015. The Workshop occurred from 9 am – 5 pm. Three potential homeowners participated in the Workshop. The next Workshop is scheduled for Saturday, August 15, 2015. Once residents complete all of the workshops, staff from *Solita's House* will commence working with lenders to get the residents with the best credit history closed by year's end. Initial assessments from *Solita's House* indicate that six (6) of the 11 residents fall within this category.

Existing homeowners from the Hampton Hills community attended the July 20, 2015 Board of Commissioners Meeting to express their concerns with the maintenance of the 11 homes owned

by LHA and the families living within the houses. Most of their concerns had been addressed on Sunday, July 19, 2015. Copies of the responses are included as attachments to this report.

### **LHA Administration Building**

Remediation and Renovation of Administration Building: Johnson Laux Construction (JLC) completed installation of the control access to the Finance and Housing area. Staff is now working with representatives from JLC to close out the contract and issue final payment.

Installation of Roof Drains and Scuppers: On June 10, 2015, LHA entered into a purchase order with Springer-Peterson Roofing & Sheet Metal, Inc. (Springer-Peterson). The statement of work included removal and reinstallation of coping, providing and installing six (6) face plates at the overflow scuppers, removal and disposal of drain inserts, and installation of Carlisle TPO drains and drain baskets. All work associated with the roof drains and scuppers were completed on July 27, 2015. The closeout documentation was submitted the same week. All costs associated with the purchase order have been paid in full and the project is now officially closed out.

### **Tenth Street Property**

Negotiation of a Master Development Agreement (MDA): On Monday, June 8, 2015, representatives from Saxon, Gilmore & Carraway, P.A., outside counsel, transmitted the first draft of the MDA to The Integral Group (TIG) for review. TIG submitted comment comments to LHA on July 16, 2015. LHA staff facilitated a conference call with representatives from TIG on July 23, 2015 to discuss business points that would be affected by TIG's comments. Additionally, representatives from TIG submitted a working pro forma to LHA for review the following day. LHA staff has since forwarded TIG's comments to Saxon, Gilmore & Carraway, P.A. for review. The Executive Director presented TIG's comments to the Recovery Plan Committee on August 6, 2015. The Executive Director is scheduled to present key aspects of the proposed MDA revisions to the full Board as part of the August Meeting.

### **WestLake**

Redevelopment of Westlake: On July 1, 2015, representatives from Saxon, Gilmore & Carraway, P.A. facilitated a conference call with LHA and the Housing Trust Group, LLC (HTG). As part of the meeting, team members agreed on terms for the Master Development Agreement (MDA). This allowed representatives from Saxon, Gilmore & Carraway, P.A. to finalize language contained within the MDA. They forwarded the final draft to LHA staff for review the same day. Subsequently, staff is seeking Board approval of Resolution Number 15-1411 authorizing the Executive Director to execute the MDA with HTC for redevelopment of the WestLake Community.

Re-roofing of Various Buildings: On June 12, 2015, LHA executed a contract with Residential Investment Group, Inc. (RIG). The contract was for re-roofing of three (3) duplex buildings and three (3) quad buildings. Residents living at Unit number 009, 010, 011, 012, 025, 026, 027, 028, 033, 034, 035, and 036 are all impacted by the work; however, RIG has been able to re-roof the buildings with all of the units occupied. During this reporting period, RIG completed approximately 67% of the work associated with re-roofing of the buildings.

### **Williamstown**

On Monday, July 20, 2015, the Lakeland City Commission adopted Ordinance 5524. This ordinance approved a major modification of Planned Unit Development zoning to allow 48 multifamily dwelling units and a community building to be constructed on property that LHA owns at 1450 Kennedy Boulevard. The ordinance was approved based upon two (2) provisions. First, the dwelling units must be limited to persons age 55 or older. Secondly, the units cannot exceed 550 square feet in size. Adoption of this ordinance allowed Wallis Murphey Boyington Architects, Inc. (WMB), architect of record, to issue 100% Permit Set of drawings on June 24, 2015. The next steps are for LHA to complete the frontend documents and submit an amendment to the

Replacement Housing Factor (RHF) Fund Plan so that the drawings and specifications can be submitted to HUD's Jacksonville Field Office (JFO) for review. Furthermore, staff must submit the Predevelopment Budget to JFO the week of August 10, 2015. JFO's approval of the Predevelopment Budget will allow \$271,433 in 2013 RHF Funds to be obligated by the September 8, 2015 deadline. Both items are in progress and remain on schedule for a submission to JFO the week of August 10<sup>th</sup>.

### III. Mixed Finance Developments

#### **Colton Meadow**

Staff did not perform any activities directly related to Colton Meadow during this reporting period.

#### **Carrington Place (formerly Dakota Park)**

Staff did not perform any activities directly related to Carrington Place during this reporting period.

#### **Renaissance**

FY 1999 HOPE VI Funds: On Thursday, June 18, 2015, staff received notification that HUD Headquarters approved the HOPE VI Revitalization Plan Amendment. On August 4, 2015, staff emailed a status report to The Miami Field Office (MFO). The next step is for LHA to submit the Development Proposal to MFO with Williamstown as the offsite component of the Renaissance at Washington Ridge HOPE VI. Staff must also submit a request for elderly designation. Additionally, the corresponding Replacement Housing Factor (RHF) Plan and Development Proposal must be submitted to the Jacksonville Field Office (JFO) for approval. These tasks are in progress and remain on schedule for submission to each HUD Field Office the week of August 10<sup>th</sup>. Please note that LHA must provide both field offices with an independent control estimate of anticipated construction cost prior to sending the Development Proposal to the loan review committee at HUD Headquarters. Presently, an independent control estimate is not included within the various Williamstown task orders for *Wallis Murphey Boyington Architects, Inc. (WMB)*, architect of record. Subsequently, staff is seeking Board approval of Resolution Number 15-1413 authorizing the Executive Director to increase the total dollar value of the task order contract with *WMB* to a not-to-exceed value of \$269,550.

Intersection of N. Florida Avenue and W. Tenth Street: On July 30, 2015, LHA received approval from the Special Applications Center (SAC) to amend its disposition approval for an 11.68-acre tract of land at Lake Ridge Homes that contains the commercial corner. Receipt of SAC's approval will allow LHA to sale the property to *GH&G Florida, LLC (GH&G)*. The approved sale price is \$1,330,000. On Friday, August 7, 2015, staff met with representatives from *GH&G*. Now that LHA has SAC approval to sell the property, *GH&G* will proceed with the survey and Phase I Environmental Site Assessment. Rezoning of the property is expected to take approximately four (4) months. Accordingly, *GH&G* plan to submit the zoning application by October 1, 2015.

Design of Single-Family and Duplex Buildings for 15 Vacant Lots: Representatives from *Wallis Murphey Boyington Architects, Inc. (WMB)* are 50% complete with design of Phase 1 and 2 Construction Documents. As with the Williamstown project, LHA will have to submit a Development Proposal to the Jacksonville Field Office in order to obligate future Replacement Housing Factor (RHF) funds. One component of the Development Proposal is an independent control estimate of anticipated construction costs. Presently, a control estimate is not included within the existing design task orders with *WMB* for the 15 vacant lots at Renaissance. Accordingly, staff is seeking Board approval of Resolution Number 15-1413 authorizing the



Executive Director to increase the total dollar value of the task order contract with *WMB* to a not-to-exceed value of \$269,550.

*Asphalt Repairs:* On July 1, 2015, LHA executed a contract with *M & M Asphalt Maintenance, Inc. (M & M)*. The statement of work included asphalt repair, sealing, and striping for portions of the Washington Park Renaissance community. *M & M* completed all work associated with the asphalt repairs on July 14, 2015. *M & M* submitted all closeout documentation by month's end. All costs have been paid in full and the project is officially closed out.

**The Manor at West Bartow**

Staff did not perform any activities related to the Manor at West Bartow during this reporting period.

**Villas at Lake Bonnet**

Staff did not perform any activities related to the Villas at Lake Bonnet during this reporting period.

**Magnolia Pointe**

Staff did not perform any activities related to Magnolia Pointe during this reporting period.

**YouthBuild Support**

On July 29, 2015, staff submitted the ETA Financial Reports for the YouthBuild 2011 and 2014 grants to the U.S. Department of Labor (DOL). Staff also commenced preparation of the closeout documentation that must be submitted to DOL by August 14, 2015. Additionally on August 5, 2015 staff received notification that the Office of Inspector General (OIG) is conducting an audit of the YouthBuild program. Staff commenced gathering information for the audit. All information must be submitted to the OIG by the August 12, 2015 deadline.

**HAMPTON HILLS MASTER ASSOCIATION**

Legend of Addresses to Account Numbers

Item No.	Address	Unit No./ Serial No.	Bill Pay Account No.	Association No.	Note	Fees Per Quarter
1	3896 Hampton Hills Drive, Lakeland	01850741	15003019741	01282	LHA-owned	\$ 171.00
2	1848 Holton Road, Lakeland	01853049	15003020451	01282	LHA-owned	\$ 171.00
3	1825 Holton Road, Lakeland	01852781	15004455621	01282	LHA-owned	\$ 171.00
4	1786 Holton Road, Lakeland	01852639	15003020401	01282	LHA-owned	\$ 171.00
5	1755 Holton Road, Lakeland	01852273	15003020291	01282	LHA-owned	\$ 171.00
6	3974 Rollingsford Circle, Lakeland	01860731	15003021641	01282	LHA-owned	\$ 171.00
7	3845 Rollingsford Circle, Lakeland	01859166	15003021121	01282	Sold	\$ -
8	3842 Rollingsford Circle, Lakeland	01859137	15003021111	01282	LHA-owned	\$ 171.00
9	3841 Rollingsford Circle, Lakeland	01859108	15003021101	01282	LHA-owned	\$ 171.00
10	3837 Rollingsford Circle, Lakeland	01859056	15003021081	01282	LHA-owned	\$ 171.00
11	3810 Rollingsford Circle, Lakeland	01858808	15003020991	01282	LHA-owned	\$ 171.00
12	3887 Covington Lane, Lakeland	01848407	15004455331	01282	LHA-owned	\$ 171.00
<b>Totals</b>						<b>\$ 1,881.00</b>

3896 Hampton Hills Drive



2:25PM 7-15-2015





2:25PM 7-15-2015





2:25PM 7-15-2015

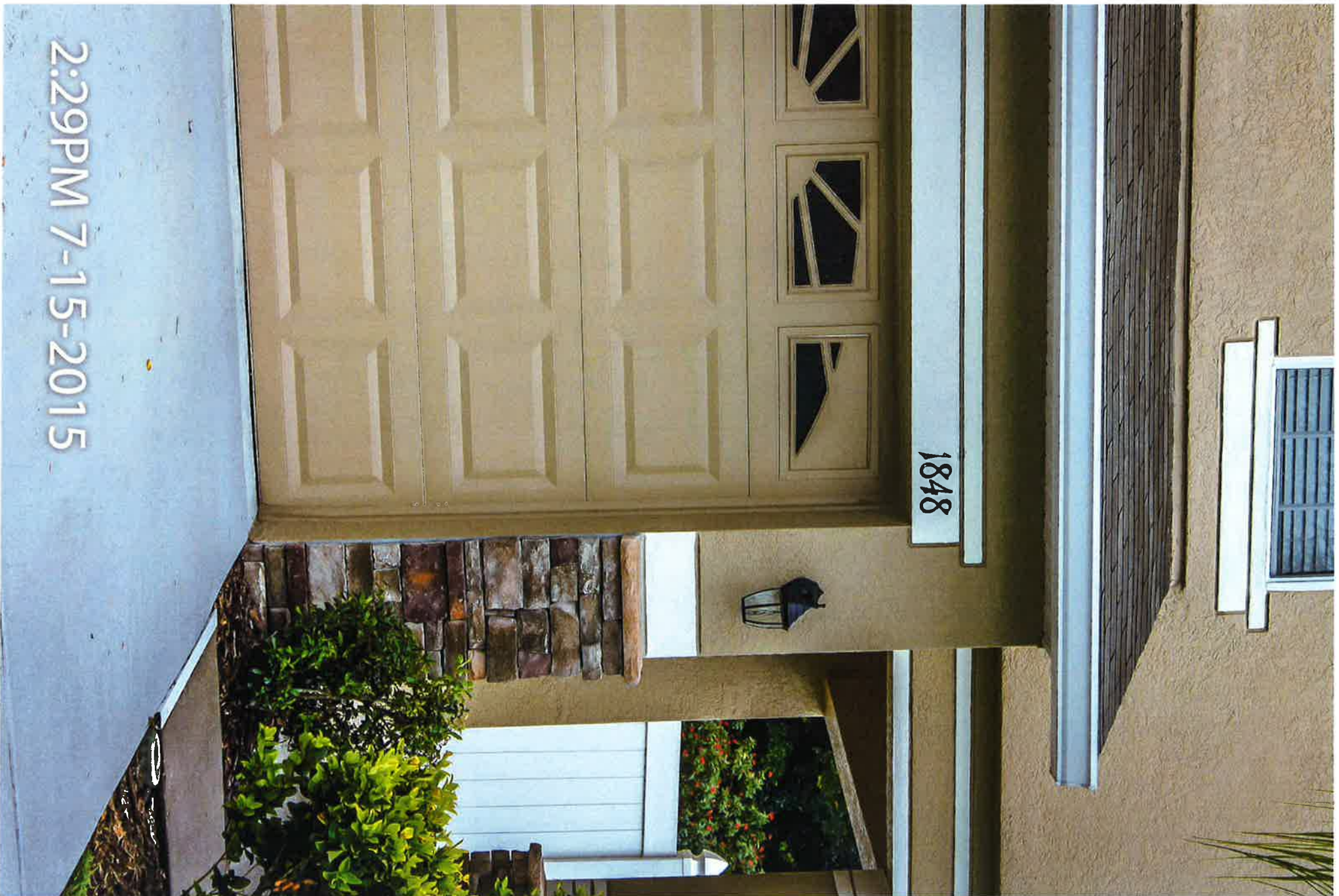




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**1848 Holton Road**





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2:29PM 7-15-2015





2:29PM 7-15-2015





2:29PM 7-15-2015





2:29PM 7-15-2015

**1825 Holton Road**





2:29PM 7-15-2015





2:32PM 7-15-2015





2:32PM 7-15-2015





2:32PM 7-15-2015





2:32PM 7-15-2015

**1786 Holton Road**





2:25PM 7-15-2015





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2:25PM 7-15-2015



**1755 Holton Road**





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2:25PM 7-15-2015





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**3974 Rollingsford Circle**





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2:29PM 7-15-2015





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3842 Rollingsford Circle









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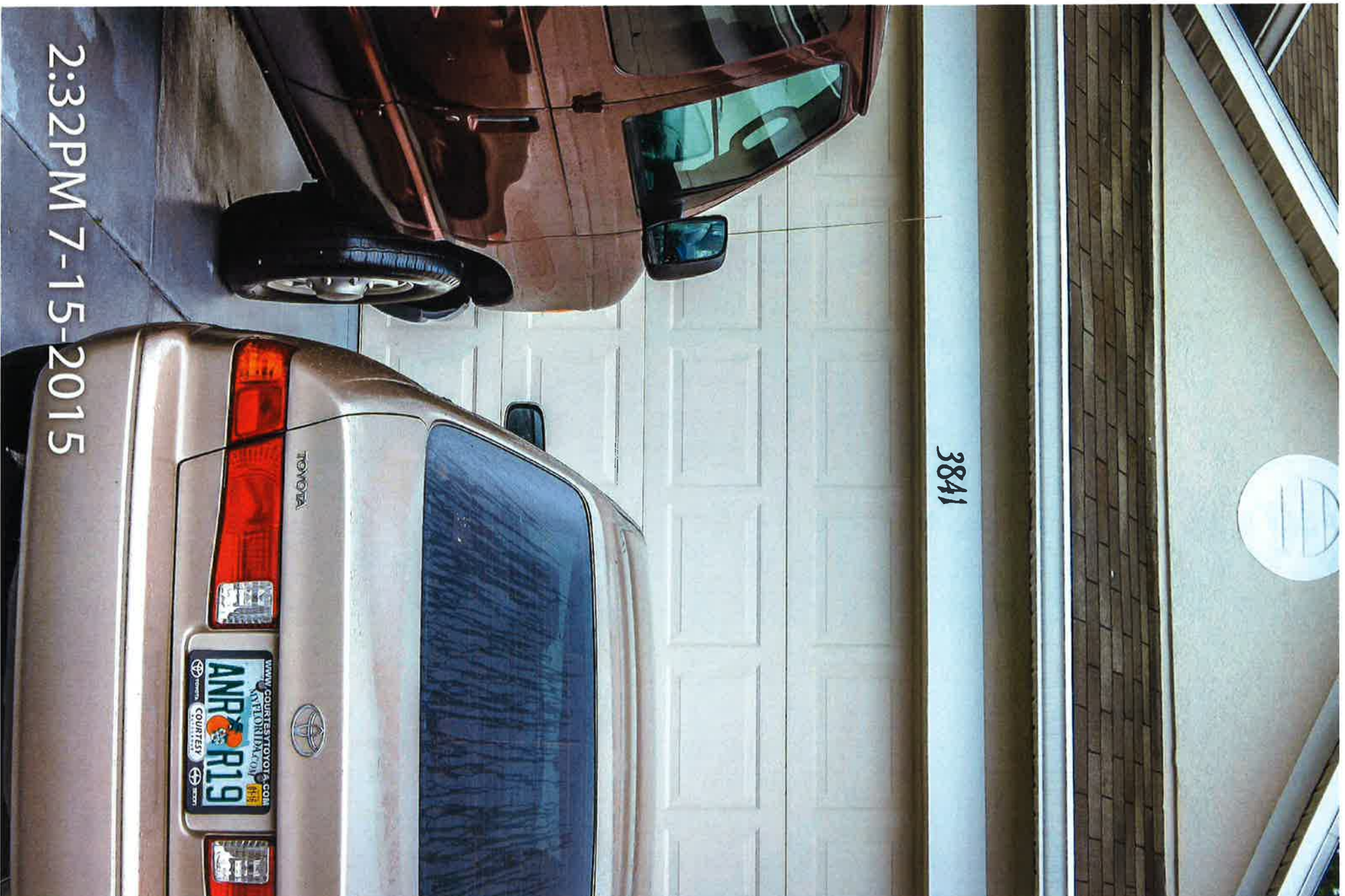




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**3841 Rollingsford Circle**





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**3837 Rollingsford Circle**





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**3810 Rollingsford Circle**





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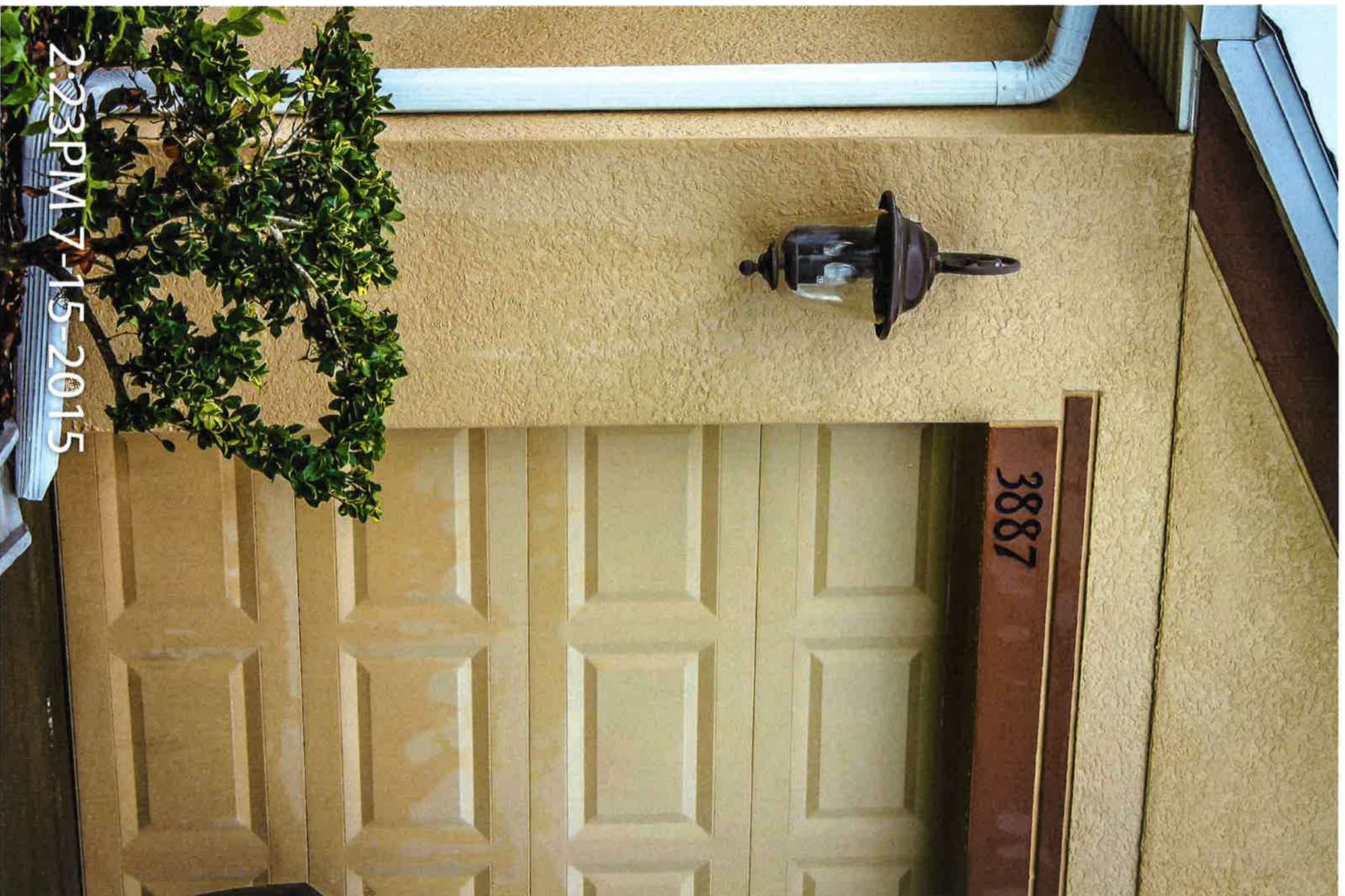




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3887 Covington Lane





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August 2015

## PROCUREMENT

In addition to the normal day-to-day procurement activities (such as: monitoring invoices and certified payroll reports submitted by contractors and maintaining contract files and vendor lists), the following activities were accomplished in July 2015:

- Issued an Invitation for Bids for a **Back-up Electrical System for the LHA Administration Building** as well as **installing a HVAC Upgrade for certain portions of the LHA Administration Building**
- Issued an Invitation for Bids for the **Construction of the IT Server Room at the LHA Administration Building**
- Issued a Request for Proposals for **Resident Leadership Training Services**
- Developed an agreement with **M & M Asphalt Maintenance, Inc.** for **Asphalt Repair, Sealing, and Striping for Cecil Gober Villas** for a not-to-exceed value of \$8,717.00
- Developed an agreement with **M & M Asphalt Maintenance, Inc.** for **Asphalt Repair, Sealing, and Striping for portions of the Washington Park Renaissance community** for a not-to-exceed value of \$5,284.00
- Developed Modification #01 with **Citrus Air Conditioning, Inc.** to **provide and install coil guards on two Trane condenser units** and to increase the not-to-exceed value of the agreement from \$17,922.00 to \$18,977.00
- Developed Task Order #11 to the professional services agreement with **Boggs Engineering, LLC** for **Irrigation and Landscaping Plan Development for The Manor at Washington Ridge and the Emma Turner Community Center** for a not-to-exceed amount of \$14,700.00
- Developed Task Order #12 to the professional services agreement with **Boggs Engineering, LLC** for **Geotechnical Study for the Williamstown project** for a not-to-exceed amount of \$5,433.00
- Developed Task Order #04 to the professional services agreement with **GLE Associates, Inc.** for **Phase II of an environmental study of The Manor at West Bartow** for a not-to-exceed amount of \$8,630.00
- Developed Task Order #03 to the professional services agreement with **EE&G Environmental Services, LLC** for a **Phase I Environmental Site Assessment for the Williamstown Property** for a not-to-exceed amount of \$1,650.00
- Developed Task Order #04 to the professional services agreement with **EE&G Environmental Services, LLC** for a **Phase II Environmental Site Assessment for the Williamstown Property** for a not-to-exceed amount of \$7,400.00

**LAKELAND HOUSING AUTHORITY**  
**SECTION 3 AND M/WBE SUMMARY REPORT**  
(Existing Contracts: April 01, 2012--July 31, 2015)

Item #	Contractor	Amount	M/WBE	Type	M/WBE Totals	Section 3 Firm	Section 3 Firm Totals	Section 3 Hires	Section 3 Totals
1	Rodmon and Rodman Hampton Hills	\$20,000.00	Yes	African-American	1	Yes	1	No	0
2	Bio Mass Tech	\$33,278.05	No	N/A	0	No	0	No	0
3	Robert's Painting	\$8,100.00	No	N/A	0	No	0	No	0
4	Zee's Construction	\$24,500.00	No	N/A	0	No	0	No	0
5	NKA Contractors	\$23,750.00	Yes	African-American	1	No	0	No	0
6	Jackson Management Consulting	\$10,198.00	Yes	African-American	1	No	0	No	0
7	Florida Dance Theatre	\$3,840.00	No	N/A	0	No	0	No	0
8	Rodmon and Rodmon (09-27-12 to 10-26-12)	\$5,750.00	Yes	African-American	1	Yes	1	No	0
9	Rodmon and Rodmon (10-29-12 to 10-28-13)	\$30,000.00	Yes	African-American	1	Yes	1	No	0
10	Bruce Reeves	\$5,000.00	No	N/A	0	No	0	No	0
11	Beachfront Community Outreach	\$31,900.00	Yes	African-American	1	No	0	Yes	1
12	PAINTSMART USA, INC.	\$31,000.00	Yes	African-American	1	No	0	Yes	2
13	Nova Engineering and Environmental, LLC	\$19,000.00	No	N/A	0	No	0	No	0
14	Atkins Paving, Inc	\$7,400.00	Yes	African-American	1	No	0	No	0
15	Best Termite & Pest Control	\$88,000.00	No	N/A	0	No	0	No	0
16	Clampett Industries dba EMG	\$39,000.00	No	N/A	0	No	0	No	0
17	Reeves Building and Plumbing Contractor	\$7,950.00	Yes	African-American	1	No	0	No	0
18	Jacksonville Sound	\$552.00	No	N/A	0	No	0	No	0
19	Marshalls, LLC	\$6,377.00	No	N/A	0	No	0	No	0
20	R.I.G., Inc. aka Residential Investment Group	\$79,425.00	Yes	Woman-owned	1	No	0	No	0
21	Reeves Building and Plumbing Contractor	\$9,975.00	Yes	African-American	1	No	0	No	0
22	All Florida Fire Equipment Company	\$5,500.00	No	N/A	0	No	0	No	0
23	Campolong Enterprises dba DH Striping Company	\$5,000.00	No	N/A	0	No	0	No	0
24	Professional Roof Systems	\$37,800.00	No	N/A	0	No	0	No	0
25	State Alarm	\$287,591.50	No	N/A	0	No	0	No	0
26	Stripe A Lot of America II, Corp	\$4,100.00	No	N/A	0	No	0	No	0
27	Waller Construction	\$20,800.00	No	N/A	0	No	0	No	0
28	Annettie Machuca & Associates	\$25,000.00	Yes	Hispanic and Woman-owned	1	No	0	No	0
29	Haskell Termite and Pest Control	\$17,872.00	No	N/A	0	No	0	No	0
30	Johnson-Laux Construction	\$205,031.96	Yes	Woman-owned	1	No	0	No	0
31	Yardi Systems	\$50,824.70	No	N/A	0	No	0	No	0
32	Annettie Machuca & Associates	\$123,000.00	Yes	Hispanic and Woman-owned	1	No	0	No	0

Note: Amounts referenced within the table include all contracts, amendments/change orders, and/or task orders issued to the vendors between April 01, 2012 and July 31, 2015.



**LAKELAND HOUSING AUTHORITY**  
SECTION 3 AND M/WBE SUMMARY REPORT  
(Existing Contracts: April 01, 2012--July 31, 2015)

Item #	Contractor	Amount	M/WBE	Type	M/WBE Totals	Section 3 Firm	Section 3 Firm Totals	Section 3 Hires	Section 3 Totals
33	West Lake Management	\$135,150.00	No	N/A	0	No	0	No	0
34	West Lake Management	\$10,000.00	No	N/A	0	No	0	No	0
35	We Care Services	\$95,000.00	Yes	African American and Woman owned	1	Yes	1	No	0
36	BDO USA dba BDO PHA Finance	\$95,000.00	No	N/A	0	No	0	No	0
37	Emphasys Computer Solutions	\$165,600.00	No	N/A	0	No	0	No	0
38	Waller Construction	\$11,197.66	No	N/A	0	No	0	No	0
39	Bonnet Shores, LLLP.	\$97,450.00	No	N/A	0	No	0	No	0
40	Colton Meadow, LLLP.	\$84,050.00	No	N/A	0	No	0	No	0
41	West Bartow Partnership Ltd, LLLP.	\$89,950.00	No	N/A	0	No	0	No	0
42	Solita's House	\$15,600.00	Yes	African-American and Woman owned	1	No	0	No	0
43	William V. Hunter Educational Foundation	\$0.00	1	African-American	1	No	0	No	0
44	Citrus Air Conditioning	\$18,977.00	No	N/A	0	No	0	No	0
45	R.I.G., Inc. aka Residential Investment Group	\$48,250.00	Yes	Woman-owned	1	No	0	No	0
46	Nan McKay	\$3,975.00	No	N/A	0	No	0	No	0
47	M & M Asphalt Maintenance, Inc	\$8,717.00	No	N/A	0	No	0	No	0
48	M & M Asphalt Maintenance, Inc	\$5,284.00	No	N/A	0	No	0	No	0
<i>Indefinite Delivery, Indefinite Quantity Architectural Services Pool</i>									
49	GLE Associates	\$18,020.00	No	N/A	0	No	0	No	0
50	Wallis Murphey Boyington	\$234,279.00	No	N/A	0	No	0	No	0
51	Bessolo Design Group	\$0.00	No	N/A	0	No	0	No	0
52	Robert Reid Wedding	\$47,227.50	No	N/A	0	No	0	No	0
<i>Indefinite Delivery, Indefinite Quantity Property Appraisal Services Pool</i>									
53	Valuation Advisors	\$2,900.00	No	N/A	0	No	0	No	0
<i>Indefinite Delivery, Indefinite Quantity Surveying Services Pool</i>									
54	DRMP	\$0.00	No	N/A	0	No	0	No	0
55	Hamilton Engineering & Surveying	\$0.00	No	N/A	0	No	0	No	0
56	ECON	\$5,020.00	No	N/A	0	No	0	No	0
57	Pickett & Associates	\$0.00	No	N/A	0	No	0	No	0
<i>Indefinite Delivery, Indefinite Quantity Environmental Testing/Building Inspection Services Pool</i>									
58	ACT-American Compliance Technologies	\$0.00	No	N/A	0	No	0	No	0
59	GLE Associates	\$13,905.00	No	N/A	0	No	0	No	0
60	Terracon Consultants	\$2,495.00	No	N/A	0	No	0	No	0
<i>Indefinite Delivery, Indefinite Quantity Engineering Services Pool</i>									
61	Boggs Engineering (Civil)	\$39,973.00	No	N/A	0	No	0	No	0
62	Hamilton Engineering & Surveying (Civil)	\$0.00	No	N/A	0	No	0	No	0

Note: Amounts referenced within the table include all contracts, amendments/change orders, and/or task orders issued to the vendors between April 01, 2012 and July 31, 2015.

**LAKELAND HOUSING AUTHORITY**  
SECTION 3 AND M/WBE SUMMARY REPORT  
(Existing Contracts: April 01, 2012--July 31, 2015)

Item #	Contractor	Amount	M/WBE	Type	M/WBE Totals	Section 3 Firm	Section 3 Firm Totals	Section 3 Hires	Section 3 Totals
63	EE & G Environmental (Environmental)	\$30,300.00	No	N/A	0	No	0	No	0
64	GLE Associates (Multi-discipline)	\$1,425.00	No	N/A	0	No	0	No	0
65	Biller Reinhart (Structural)	\$0.00	No	N/A	0	No	0	No	0
<i>Indefinite Delivery, Indefinite Quantity Financial Advisor Services Pool</i>									
66	Baker Tilly	\$0.00	No	N/A	0	No	0	No	0
67	Innovative Financial Housing Solutions	\$187,000.00	Yes	Woman-owned	1	No	0	No	0
68	TAG Associates	\$0.00	No	N/A	0	No	0	No	0
<b>TOTALS</b>		<b>\$2,734,260.37</b>			<b>19</b>		<b>4</b>		<b>3</b>

Note: Amounts referenced within the table include all contracts, amendments/change orders, and/or task orders issued to the vendors between April 01, 2012 and July 31, 2015.

**LAKELAND HOUSING AUTHORITY**  
SECTION 3 AND M/WBE SUMMARY  
(New Contracts: July 01, 2015 - July 31, 2015)

Item #	Contractor	Amount	M/WBE	Type	M/WBE Totals	Section 3 Firm	Section 3 Firm Totals	Section 3 Hires	Section 3 Totals
1	M & M Asphalt Maintenance, Inc	\$8,717.00	No	N/A	0	No	0	No	0
2	M & M Asphalt Maintenance, Inc	\$5,284.00	No	N/A	0	No	0	No	0
3	Citrus Air Conditioning, Inc.	\$1,055.00	No	N/A	0	No	0	No	0
4									
5									
6									
7									
8									
9									
10									
11									
12									
<i>Indefinite Delivery, Indefinite Quantity Architectural Services Pool</i>									
13									
14									
15									
<i>Indefinite Delivery, Indefinite Quantity Property Appraisal Services Pool</i>									
16									
<i>Indefinite Delivery, Indefinite Quantity Surveying Services Pool</i>									
17									
18									
19									
20									
<i>Indefinite Delivery, Indefinite Quantity Environmental Testing/Building Inspection Services Pool</i>									
21	GLE Associates	\$8,630.00	No	N/A	0	No	0	No	0
22									
23									
<i>Indefinite Delivery, Indefinite Quantity Engineering Services Pool</i>									
24	Boggs Engineering (Civil)	\$14,700.00	No	N/A	0	No	0	No	0
25	Boggs Engineering (Civil)	\$5,433.00	No	N/A	0	No	0	No	0
26	EE & G Environmental (Environmental)	\$1,650.00	No	N/A	0	No	0	No	0
27	EE & G Environmental (Environmental)	\$7,400.00	No	N/A	0	No	0	No	0
<i>Indefinite Delivery, Indefinite Quantity Legal Services Pool</i>									
28									
29									
30									
<b>TOTALS</b>		<b>\$52,869.00</b>			<b>1</b>		<b>0</b>		<b>0</b>

Note: Amounts referenced within the table include all contracts, amendments/change orders, and/or task orders issued to the vendor July 01, 2015 - July 31, 2015.



## August 2015 Board Report



### Academics

The month of July welcomed three successful GED completions and one high school diploma completion. For the first time in our program we had a participant complete his high school diploma online. Using the Penn Foster high school program, he was able to complete the remaining credits he needed in just less than two months. Several students continue to work towards finishing the final tests of their GEDs.

### Recruitment

We continue to recruit for Cycle 12. We continue to spread the word about YouthBuild through social media, flyers, and by word of mouth in the community. **The last open house before our next cycle start is on August 11th at 2 p.m.**

### Construction

Cycle 11 participants completed building a new Habitat home at 3033 Strawberry Lane and a total restoration of a home at 620 Park Street. Both of these homes are in Lakeland.

### Career Development

During the month of July, students completed on-line employment registrations and applications with various staffing agencies and businesses. The final student mock interviews were completed with YouthBuild staff members, Rick Mooneyham and Cynthia Zorn-Shaw.

### Education and Training

Justin Paul continues to excel in secondary education at Polk State College while Ashley Powell, Shakala Hicks, Dominique Manor, and Wykesha Murray completed the four-week nursing assistant training program under the instruction of Ms. Nikki Brunson. Powell and Hicks completed and submitted their applications for the State of Florida exam for certification. Manor and Murray are expected to submit in August.

### Placement News

Several YouthBuild-Lakeland Cycle 11 participants have begun employment at local businesses in Lakeland. Graduates of Cycle 10 continue to stay strong in employment retention.

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**Janiene Bambridge**  
YouthBuild Program Manager

**Richard Mooneyham**  
YouthBuild Program Instructor

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YouthBuild Career Development Specialist

# **RESOLUTIONS**

**The Housing Authority of the City of Lakeland  
Request for Board Action**

**1. Describe Board action requested and why it is necessary:**

**Re: Resolution # 15-1411**

The Board of Commissioners is requested to approve the above-referenced resolution to authorize the Executive Director to enter into a Master Development Agreement with the **Housing Trust Group, LLC** to become a Developer Partner specifically for, but not restricted to, the redevelopment of the West Lake community.

**2. Who is making request:**

- A. Entity: The Housing Authority of the City of Lakeland
- B. Project: Master Developer Agreement with the **Housing Trust Group, LLC**
- C. Originator: Valerie Brown

**3. Cost Estimate:**

n/a

**Narrative:**

Via a Request for Qualifications (RFQ) that was issued on April 21, 2014, the Housing Authority of the City of Lakeland invited developers with extensive experience in the fields of urban redevelopment and master planning to submit statements of qualifications for a vast array of comprehensive services related to the master planning and redevelopment of Housing Authority properties beginning with the West Lake community.

Based on the above selection process, staff recommended that the Board of Commissioners, at its March 23, 2015 meeting via Resolution #15-1402, authorize the Executive Director to negotiate a Master Developer Agreement with the *Housing Trust Group, LLC*. The contract negotiations with the Developer Partner were successful; thus, the Executive Director is presenting the terms of the agreement to the Board of Commissioners. The Board of Commissioners may approve, reject, or approve with revisions, the negotiated terms.



**RESOLUTION NO. 15-1411**

**AUTHORIZING THE EXECUTIVE DIRECTOR TO EXECUTE A  
MASTER DEVELOPMENT AGREEMENT WITH THE HOUSING TRUST GROUP, LLC**

**WHEREAS**, via Resolution #15-1402, the Board of Commissioners of the Housing Authority of the City of Lakeland authorized the Executive Director to negotiate a Master Developer Agreement with the *Housing Trust Group, LLC*; and

**WHEREAS**, the Master Developer Agreement requires the *Housing Trust Group, LLC* to provide master planning and secure financial funding and related resources necessary for the successful redevelopment of the West Lake community; and

**WHEREAS**, the terms of this Master Developer Agreement allows the Housing Authority of the City of Lakeland at its sole discretion to partner with the *Housing Trust Group, LLC* for the redevelopment of other properties owned and controlled by the Housing Authority of the City of Lakeland; and

**WHEREAS**, the Master Developer Agreement with the *Housing Trust Group, LLC* was presented to the Board of Commissioners of the Housing Authority of the City of Lakeland for acceptance, rejection, or acceptance with revisions.

**NOW THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the City of Lakeland hereby authorizes the Executive Director to execute a Master Development Agreement with the *Housing Trust Group, LLC* for the redevelopment of the West Lake community and other properties owned and controlled by the Housing Authority of the City of Lakeland.

**CERTIFICATE OF COMPLIANCE**

This is to certify that the Board of Commissioners of the Housing Authority of the City of Lakeland has approved and adopted this Resolution No. 15-1411 dated August 17, 2015.

Attested by:

\_\_\_\_\_  
Benjamin Stevenson, Secretary

\_\_\_\_\_  
Michael A. Pimentel, Chair



**BOARD OF  
COMMISSIONERS**

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Benjamin J. Stevenson  
**Executive Director**

430 Hartsell Ave  
Lakeland, FL 33815

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[www.LakelandHousing.org](http://www.LakelandHousing.org)

DATE: August 11, 2015  
TO: LHA Commissioners  
FROM: Benjamin Stevenson, Executive Director  
RE: Terms of the West Lake Apartments MDA

Below is brief summary of the terms negotiated and agreed to with the potential Developer Partner for the redevelopment of the West Lake community. The terms are designed to ensure the successful construction and completion of the development project while being financially beneficial to LHA. The original proposed language in this MDA was drafted by Saxon Gilmore.

The terms listed below have been discussed with the Recovery Plan Review Committee and LHA Legal Counsel. Specifically, the terms of the MDA agreed to by the Developer Partner that LHA staff deems favorable include the following:

- LHA to receive 30% split of the Developer Fee
- LHA Affiliate to receive 100% of net cash flow after stabilization
- LHA to receive 2% of the Management Fee during the first two to three years
- LHA to receive the contracts for maintenance, landscaping and inspections while property is under the management of the Developer Partner
- LHA to assume management of the property after two to three years
- LHA to share in Development Cost Savings
- Developer Partner provides guaranties for financing applications and warranties for construction

Based upon the above listed favorable terms LHA staff is recommending approval of the MDA with the Housing Trust Group, LLC.

BJS

Attachment(s)

**MASTER DEVELOPMENT AGREEMENT**

**BETWEEN**

**HOUSING AUTHORITY OF THE CITY OF LAKELAND, FLORIDA**

**AND**

**HOUSING TRUST GROUP, LLC**



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THIS MASTER DEVELOPMENT AGREEMENT (“Agreement”) is dated as of July 20, 2015, by and between HOUSING AUTHORITY OF THE CITY OF LAKELAND, FLORIDA, a public body corporate and politic organized and existing under the laws of the State of Florida (the “Authority”), and HOUSING TRUST GROUP, LLC, a Florida limited liability company (the “Development Partner”).

**RECITALS:**

1. WHEREAS, in accordance with the competitive procurement process described in 24 CFR 85.36 and the Authority procurement procedures, the Authority selected the Development Partner to co-develop with the Authority, the Authority’s public housing community known as WestLake Apartments and, at the Authority’s sole election, other properties owned and/or controlled by the Authority, subject to the execution of a Master Development Agreement;

2. WHEREAS, the purpose of this Agreement is to set forth the respective roles and responsibilities of the parties with respect to all predevelopment and development activities; to establish a scope of work to be performed by the Development Partner and the Authority; and to establish a schedule for performance of the scope of work relative to the Development (as defined below), which schedule shall be based on alternative sources of funding.

NOW, THEREFORE, in consideration of the sum of Ten Dollars (\$10.00) and of the promises, covenants, representations, warranties, and agreements set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Authority and the Development Partner agree as follows:

**ARTICLE I. DEFINITIONS**

**1.1 Definitions.** As used in this Agreement, the following terms shall have the meanings set forth below:

“ACC” means a Consolidated Annual Contributions Contract between HUD and the Authority, as amended by one or more Mixed Finance ACC Amendments incorporating the Public Housing Units, as the same may be further amended from time to time.

“Act” shall mean the United States Housing Act of 1937 (42 U.S.C. § 1437, *et seq.*), as amended from time to time, any successor legislation, and all implementing regulations issued thereunder or in furtherance thereof.

“Agreement” shall mean this Master Development Agreement entered into by and between the Authority and the Development Partner, including any Exhibits incorporated herein by reference, as amended from time to time in writing.

“Applicable Public Housing Requirements” shall mean all requirements applicable to public housing, including, but not limited to, the Act, HUD regulations thereunder (and, to the extent applicable, any HUD-approved waivers of regulatory

requirements), the ACC, the Mixed Finance ACC Amendment(s), the HOPE VI grant agreement (as applicable), HUD notices (including any notice of fund availability under which the Authority received an award of HOPE VI funds for use in connection with the Project), HUD-approved Declaration of Restrictive Covenants in favor of HUD, the Authority's admissions and occupancy policies applicable to the Development, as set forth in the Authority's approved "PHA Plan" under 24 CFR part 903, and all applicable Federal, statutory, regulatory and executive order requirements, as those requirements may be amended from time to time.

"Area of Operation" means an area defined by that geographical area within five (5) miles outside the City's municipal limits.

"Assigned Representative" is defined in Section 10.11 of this Agreement.

"Authority" shall have the meaning as provided in the introductory paragraph of this Agreement, and shall include the Authority's designees or assigns.

"Authority Commission" shall mean the Board of Commissioners of the Authority.

"Authority Loan Documents" shall have the meaning as provided in Section 6.2(H) of this Agreement.

"City" shall mean the City of Lakeland, Florida.

"Closing" shall have the meaning as provided in Section 6.2(G) of this Agreement.

"Completion" with respect to the Development shall mean the date on which the last of all the following conditions have been satisfied: (i) all requisite certificates or permits permitting occupancy of one hundred percent (100%) of the units in the Development have been issued by all government agencies having jurisdiction, provided, however, that if such certificates or permits are of a temporary nature, the Completion shall not be deemed to have occurred unless that work remaining to be done is of a nature which would not impair the permanent occupancy of any such units; (ii) the Development and the real property on which the Development is located are free of any mechanics' or materialmen's liens (except for liens which are bonded against in a manner as to preclude the holder thereof from having any recourse to the Development or the Authority or an Owner Entity, as applicable, for payment of any debt secured thereby); and (iii) the work to be performed by the Development Partner under this Agreement has been substantially completed in accordance with this Agreement.

"Construction Completion" with respect to any Development, shall mean the date on which the Principal Architect issues a Certificate of Substantial Completion and the Owner Entity receives a Certificate of Occupancy, or its equivalent, issued by the appropriate local governmental entity for such Development and the Owner Entity provides such documentation to the Authority.



“Construction Contract” shall mean the contract between the Owner Entity and the General Contractor for the construction of a designated Development.

“County” means Polk County, Florida.

“CSSP” shall have the meaning as provided in Section 4.2.11 of this Agreement.

“Declaration of Restrictive Covenants” shall mean a document executed by the Authority and the Owner Entity and filed in the public records that shall assure to HUD’s satisfaction that the Public Housing Units shall be available for use by eligible low-income families in accordance with all Applicable Public Housing Requirements for the maximum period required by law.

“Declaration of Trust” means a document executed by the Authority in favor of HUD setting forth the restrictions upon the real property owned by the Authority and subject to the Act, pertinent HUD regulations, and/or the ACC.

“Development” shall mean those portions of the Site and all of the necessary design, plans and construction to meet the requirements of this Agreement and the Plans and Specifications for each undertaking by the Owner Entity or on behalf of the Owner Entity. Development shall include all site work, infrastructure, utilities, and common areas, along with any approved changes by the Authority and/or HUD.

“Development Activities” or “Development Services” shall mean those activities outlined in Section 4.2 of this Agreement.

“Development Budget” means the budget for each Development prepared by the Development Partner and approved by the Authority in accordance with Section 4.2.8 of this Agreement.

“Development Cost Savings” shall mean any cost savings or realized earnings above projections set forth in the Development Budget, or both, achieved by the Development Partner in the diligent and good faith execution of any and all components of any Development.

“Development Documents” shall have the meaning as provided in Section 6.2 of this Agreement.

“Development Fee” shall have the meaning as provided in Section 3.2.1 of this Agreement.

“Development Partner” shall have the meaning as provided in the introductory paragraph of this Agreement.

“Development Partner Updates” shall have the meaning as provided in Section 6.6(A) of this Agreement.

“Development Schedule” means the schedule for each Development prepared by the Development Partner and approved by the Authority in accordance with Section 4.2.9 of this Agreement.

“Dispute Notice” shall have the meaning as provided in Section 10.31 of this Agreement.

“Event of Default” shall have the meaning as provided in Section 8.1 of this Agreement.

“Extended Low-Income Housing Agreement” shall mean a document executed by an Owner Entity and filed on the public record that shall assure the Internal Revenue Service that the Tax Credit Units, as defined below, shall be operated pursuant to Internal Revenue Code Section 42.

“Federal Uniform Relocation Act” shall mean the Uniform Relocation Act (42 U.S.C. § 4601, *et seq.*), as amended from time to time, any successor legislation, and all implementing regulations issued thereunder or in furtherance thereof.

“FHFC” shall mean the Florida Housing Finance Corporation.

“Force Majeure” shall have the meaning as provided in Section 8.5 of this Agreement.

“General Contractor” shall mean the general contractor with which the Development Partner subcontracts to construct a designated Development.

“Hiring and Training Plans” shall have the meaning as provided in Section 4.3.6(C) of this Agreement.

“HUD” shall have the meaning as provided in Recital 1 of this Agreement.

“HUD Funds” shall have the meaning as provided in Section 3.2.6 of this Agreement.

“Initiating Party” shall have the meaning as provided in Section 10.31(A) of this Agreement.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended from time to time and as codified at 26 U.S.C. §1, *et seq.* (2012), its applicable regulations, revenue rulings, revenue procedures, interpretive memoranda and letters, and decisions.

“Local Agency” shall mean the City or the County, as applicable.

“LIHTC” shall mean Low Income Housing Tax Credit, pursuant to Section 42 of the Internal Revenue Code of 1986, as amended.

“Master Development Activities” shall mean those master development activities with respect to the Development, which are not deemed Development Activities, and which are not included in a Development, and which are outlined in Section 4.1 of this Agreement.

“Master Site Plan” shall mean the master site plan approved by the Authority, HUD (if required) and the Local Agency, as amended from time to time with the approval of the Authority, HUD (if required) and the Local Agency.

“Mediation Notice” shall have the meaning as provided in Section 10.31(A) of this Agreement.

“Monthly Status Report” shall have the meaning as provided in Section 6.6(A) of this Agreement.

“Non-Initiating Party” shall have the meaning as provided in Section 10.31(A) of this Agreement.

“Owner Entity” shall mean any limited liability company which shall own any Development.

“Plans and Specifications” means all plans, specifications, documents, permits, approvals, contracts, or other agreements which may be necessary or required to complete the Development and which have been previously approved by the Authority pursuant to Section 6.4.2 of this Agreement.

“Principal Architect” means the lead principal architect for a Development, which has a direct contractual relationship with the Development Partner, and primary responsibility for the architectural/engineering services of such Development.

“Prohibited Substances” shall have the meaning as provided in Section 6.5.18(A) of this Agreement.

“Proposal” shall mean a Development proposal or term sheet approved by the Authority pursuant to Section 5.5 of this Agreement and submitted to HUD in accordance with HUD requirements.

“Project” with respect to each Development, means any Public Housing Units and related appurtenances in each such Development.

"Project Manager" shall mean Bryan Finnie or, in the case that the Project Manager is terminated, resigns, adjudicated to be legally incompetent, permanently disabled or dead, such other person as the Development Partner identifies to act as Project Manager provided that the person appointed by the Development Partner other than Bryan Finnie shall have the necessary experience and skills required to perform the duties of a project manager as contemplated herein. The Development Partner shall provide the Authority with notice of any successor to the initial Project Manager. With respect to the Assigned Representative set forth in Section 10.11, the Project Manager and the Assigned Representative shall be the same person unless the Development



Partner notifies the Authority in advance and in writing that the Project Manager and the Assigned Representative shall be different persons.

“Public Housing Units” shall mean housing units to be leased to public housing eligible households who qualify as being eligible to occupy “public housing” as defined in Section 3(b) of the Act.

“Regulatory and Operating Agreement” shall have the meaning as provided in Section 6.2(C) of this Agreement.

“Reserves” shall have the meaning as provided in Section 5.11 of this Agreement.

“Safe Harbor Guidelines” shall mean the Cost Control and Safe Harbor Standards for Rental Mixed-Finance Development published by HUD on February 23, 2000, as revised April 9, 2003, and as further revised from time to time.

“Section 3 Plan” shall have the meaning as provided in Section 4.3.6(B)(ii) of this Agreement.

“Site” shall mean the land situated in the Authority’s area of operation, on which each Development is located.

“Stabilization” with respect to each Development shall mean the date following Construction Completion on which such Development has achieved stabilization for a certain period of time as defined in the operating agreement of the applicable Owner Entity entered into on or about the Closing, which is typically based on reaching and maintaining a certain occupancy level and/or reaching and maintaining an average income to expense ratio.

“Subcontractors” shall have the meaning as provided in Section 6.5.1 of this Agreement.

“Tax Credit Units” shall mean the Public Housing Units and any other units within the Development that are financed by the syndication of LIHTCs.

“Third-Party Costs” shall mean all third-party costs incurred prior to Closing with persons performing consulting or professional services in connection with each Development.

## **ARTICLE II. RECITALS AND EXHIBITS**

The foregoing recitals are true and correct and are incorporated herein by this reference as the agreements of the parties. This Agreement contains the following Exhibits, which are incorporated herein by this reference as the agreements of the parties:

- A. Approved Subcontractors
- B. The Authority’s Selection Policy and Procedures

- C. HUD General Conditions For Non-Construction Contracts
- D. Monthly Status Report Form
- E. The Authority's Section 3 and Minority and Woman Business Enterprise Policy

### **ARTICLE III. DEVELOPMENT, COMPENSATION, AND GUARANTIES**

**3.1 Development.** During the term of this Agreement, the Authority shall co-develop with the Development Partner the Authority's public housing community known as WestLake Apartments in accordance with the terms set forth in this Agreement, which is hereby deemed a "Development" for purposes of this Agreement. Further, the Authority, in its sole discretion, may elect to co-develop with the Development Partner other properties owned and/or controlled by the Authority. If, during the term of this Agreement, the Authority elects in writing to co-develop any such properties with the Development Partner and the Development Partner agrees in writing to co-develop any such properties, then any such properties shall be co-developed in accordance with the terms set forth in this Agreement and shall be deemed a "Development" for purposes of this Agreement. Each Development shall be co-developed by the Development Partner in accordance with the applicable Proposal and in the priority established mutually by the parties from time to time pursuant to the Development Schedule, except that no terms or conditions in the Proposal or any other agreement shall supersede the terms of this Agreement.

#### **3.2 Compensation.**

**3.2.1 Development Fee.** The Development Partner and the Authority acknowledge that compensation to the Development Partner for Development Activities and the Authority for its activities hereunder shall be an amount not to exceed the percentage set forth below in Section 3.2.1(A) or (B), as applicable, and payable under the terms specified herein (collectively, the "Development Fee"). The Development Fee is to be paid as a project cost from project sources of each applicable Development. The Authority shall support the payment of the Development Fee in the amounts and under the terms specified herein, but if any funds are allocated from the HUD Funds, in no event shall the Development Fee be paid from HUD Funds unless such payment is lawfully permitted by HUD. If the Development utilizes HUD Funds or is otherwise subject to HUD's subsidy layering rules or any other rules on mixed finance (as amended and set forth in 24 CFR Part 941, et seq.), the Development Fee shall be an amount not to exceed the percentage set forth below in Section 3.2.1(A) or (B), as applicable, and payable at such times during the construction of the Development as are permitted by the Safe Harbor Guidelines or otherwise as approved by HUD. In the event that the Development Partner engages another party to perform or assist with any of the Development Activities, the Development Partner shall compensate such party out of the Development Partner's Development Fee provided for herein. The Development Fee shall be paid as follows and as provided in the Development Documents approved by the Authority, and subject to the applicable limitations in the Safe Harbor Guidelines and the FHFC rules:

A. 9% LIHTC Developments. With respect to any 9% LIHTC Development that (i) does not utilize federal funds that are subject to HUD's subsidy layering or mixed finance rules, the Development Fee will be that amount that is permitted by law or applicable rule or regulation, and (ii) does utilize federal funds subject to HUD's mixed finance rules, the Development Fee for each such Development shall not exceed sixteen percent (16%) of the total Development cost of each such Development or such other maximum Development Fee as federal law or regulation may permit. With respect to Section 3.2.1 (A)(i) and (ii), the Development Partner shall be entitled to receive a Development Fee for each such Development from the Owner Entity of each such Development equal to seventy percent (70%) of the Development Fee for each such Development. Subject to the requirements of an investor member, which shall control under all circumstances, the Development Fee shall be paid pursuant to a separate development services agreement between the Owner Entity and the Development Partner, subject to equity or lender restrictions, payable as follows: (i) one-fourth (1/4) at the Closing of each such Development; (ii) one-fourth (1/4) at fifty percent (50%) Construction Completion of each such Development; (iii) one-fourth (1/4) at Construction Completion of each such Development; and (iv) one-fourth (1/4) upon Stabilization of each such Development. The Authority's co-developer affiliate shall be entitled to receive a Development Fee for each such Development from the Owner Entity of each such Development equal to thirty percent (30%) of the Development Fee for each such Development. Subject to the requirements of an investor member, which shall control under all circumstances, the Development Fee shall be paid to a separate development services agreement between the Owner Entity and the Authority's co-developer affiliate, subject to equity or lender restrictions, payable as follows: (i) one-fourth (1/4) at the Closing of each such Development; (ii) one-fourth (1/4) at fifty percent (50%) Construction Completion of each such Development; (iii) one-fourth (1/4) at Construction Completion of each such Development; and (iv) one-fourth (1/4) upon Stabilization of each such Development. In addition to the foregoing, the net cash flow of each Owner Entity shall be shared, with fifty percent (50%) distributed to the Development Partner's member affiliate of the applicable Owner Entity and fifty percent (50%) distributed to the Authority's member affiliate of the applicable Owner Entity, until such time as each such Development reaches Stabilization and then one hundred percent (100%) will be distributed to the Authority's member affiliate of the applicable Owner Entity. Subject to the approval of the tax credit investor for any such Development, if the Authority makes a loan in connection with each such Development, cash flow



distributions to the Authority's member affiliate in connection with any such Development shall be structured as debt service payments, and such payments shall count towards the net cash flow payable to the Authority's member affiliate, except that any such loan shall be subordinate to the payment of any fees and reimbursements of any kind owed to the Development Partner. Any deferred Development Fee shall be allocated equally between the Development Partner and the Authority's co-developer affiliate. Any incentive management fee shall be split equally, with fifty percent (50%) distributed to the Development Partner's member affiliate of the applicable Owner Entity, and fifty percent (50%) distributed to the Authority's member affiliate of the applicable Owner Entity, except that if the Development Partner's tax advisers recommend an alternative allocation of the Development Fee for purposes of avoiding an adverse tax impact on the Development Partner and such alternative allocation has no negative economic impact on the Authority's member affiliate of the applicable Owner Entity, as determined by the Authority, then Development Partner may elect such alternative allocation.

- B. Non- 9% LIHTC Developments. With respect to any non-9% LIHTC Development, the Development Fee for each Development shall not exceed eighteen percent (18%) of the total Development cost of each such Development. Subject to the requirements of any lender, if applicable, or any investor member, which shall control under all circumstances, the Development Partner shall be entitled to receive a Development Fee for each such Development from the Owner Entity of each such Development equal to seventy percent (70%) of the Development Fee for each such Development, pursuant to a separate development services agreement between the Owner Entity and the Development Partner, subject to lender restrictions, payable as follows: (i) one-fourth (1/4) at the Closing of each such Development; (ii) one-fourth (1/4) at fifty percent (50%) Construction Completion of each such Development; (iii) one-fourth (1/4) at Construction Completion of each such Development; and (iv) one-fourth (1/4) upon Stabilization of each such Development. The Authority's co-developer affiliate shall be entitled to receive a Development Fee for each such Development from the Owner Entity of each such Development equal to thirty percent (30%) of the Development Fee for each such Development, pursuant to a separate development services agreement between the Owner Entity and the Authority's co-developer affiliate, Subject to the requirements of any lender, if applicable, or any investor member, which shall control under all circumstances,, payable as follows: (i) one-fourth (1/4) at the Closing of each such Development; (ii) one-fourth (1/4) at fifty percent (50%) Construction Completion of each such Development; (iii) one-fourth (1/4) at Construction Completion of

each such Development; and (iv) one-fourth (1/4) upon Stabilization of each such Development. In addition to the foregoing, the net cash flow of each Owner Entity shall be shared, with fifty percent (50%) distributed to the Development Partner's member affiliate of the applicable Owner Entity and fifty percent (50%) distributed to the Authority's member affiliate of the applicable Owner Entity, until such time as each such Development reaches Stabilization and then one hundred percent (100%) will be distributed to the Authority's member affiliate of the applicable Owner Entity. In the event that the Authority makes a loan in connection with each such Development, cash flow distributions to the Authority's member affiliate in connection with any such Development shall be structured as debt service payments, and such payments shall count towards the net cash flow payable to the Authority's member affiliate. Any deferred Development Fee shall be allocated equally between the Development Partner and the Authority's co-developer affiliate. Any incentive management fee shall be split equally, with fifty percent (50%) distributed to the Development Partner's member affiliate of the applicable Owner Entity, and fifty percent (50%) distributed to the Authority's member affiliate of the applicable Owner Entity. Notwithstanding the foregoing, the parties may mutually agree to a different Development Fee arrangement for any non-9% LIHTC Development based on the available funding sources and the requirements for same.

**3.2.2 Development Cost Savings.** If, at the Completion of any Development, the payment of, or provision for, all outstanding obligations, and the reconciliation and final audit of the Development Budget for that Development, a positive balance remains that is attributable to Development Cost Savings by the Development Partner, then subject to the approval of other interested parties, the Development Partner is eligible to retain seventy-five percent (75%) of such positive balance, up to a maximum bonus payment equal to three and one half percent (3.5%) of the total Development cost for such Development; provided, however, and only if applicable, such bonus shall not be paid if or to the extent it would cause the Development Partner's Development Fee to exceed the amount permitted by Safe Harbor Guidelines or as otherwise approved by HUD. The Authority shall be entitled to the remaining positive balance as a bonus payment, which may, at the Authority's option, be structured as debt service payments, if applicable, and not counted towards the net cash flow payable to the Authority's member affiliate.

**3.2.3 Advance of Third Party Development Costs.** The Development Partner shall advance all third-party costs incurred by the Development Partner with persons and entities performing consulting or professional services to the Development Partner in furtherance of the Development Activities for each Development ("Third-Party Costs"), and the Development Partner shall be reimbursed Third Party Costs, one hundred percent (100%) at the Closing of the appropriate Development; provided, however that such Third Party Costs are included in the Development Budget (and the

Development Budget must be approved by HUD if federal funds from HUD's Office of Public and Indian Housing are being used), are in accordance with the terms of this Agreement, and in the case of individual cost items in excess of Twenty-Five Thousand Dollars (\$25,000.00), are pre-approved in writing by the Authority. As may be applicable, the Authority shall coordinate with the Development Partner in seeking HUD approval of predevelopment funding for all Third-Party Costs necessary for the Development Partner to incur with respect to the Development and, to the extent permitted by HUD and the applicable investor member, the Authority shall assist the Development Partner in obtaining predevelopment funding for such Third-Party Costs. If this Agreement is terminated and the Development Partner pays for any Third-Party Costs on the Authority's behalf that result in an improvement of the Authority's real property, the Authority shall pay the Development Partner for all such Third-Party Costs. Nothing in this Agreement shall require the Authority or the applicable Owner Entity to reimburse the Development Partner upon the expiration or termination of this Agreement for any Third-Party Costs or other Development costs associated with any FHFC Request for Applications or other funding applications.

**3.2.4 Disbursement for Third Party Costs Prior to Closing.** For all disbursements, other than disbursements of the Development Fee, the Development Partner shall provide statements that identify the Development Activities performed and the party performing such service, the hours worked and the direct and indirect costs incurred prior to the Closing. Such statements shall be in the form reasonably requested by the Authority. The applicable Owner Entity shall reimburse one hundred percent (100%) of such payments to the Development Partner at the Closing of the appropriate Development pro-rated through the Closing date; provided, that the Development has a Closing and such reimbursement is included in the Development Budget. The request for disbursement for the Development Activities with respect to those Third-Party Costs which are designated hard costs shall be on Application and Certificate for Payment (AIA Document G702) and signed by an authorized representative of the Development Partner. Subject to federal law and regulation, as may be applicable, no request for payment shall be or result in excess of one hundred and five percent (105%) of the line item in the Development Budget, without the prior written approval of the Authority and, if required, HUD.

**3.2.5 Availability of Funds.** All payments to be made by the Authority pursuant to this Agreement are contingent upon the receipt of funds for the Development Services. The Authority shall not be obligated to pay any moneys in the event that public housing funds are terminated, withheld or are insufficient; provided that the Authority shall pursue, with the Development Partner's assistance and cooperation, alternative sources of funding. The Authority may suspend the Development Services until sufficient funding is secured or, if necessary, terminate this Agreement for convenience in accordance with Section 8.6 of this Agreement.

**3.2.6 Treatment of HUD Funds.** Any transfer of public housing capital funds made by HUD's Office of the Public and Indian Housing (the "HUD Funds") pursuant to this Agreement shall not be an assignment of HUD funds or be deemed an assignment of HUD funds. The Development Partner shall not succeed to any rights or benefits the Authority may have under the applicable grant agreements with HUD or



attain any privilege, authority, interest, or right under applicable grant agreements between the Authority and HUD. Nothing contained in this Agreement shall be construed to create any relationship of third party beneficiary or otherwise with HUD.

**3.2.7 No Other Fees.** The Development Partner hereby certifies to the Authority that it shall receive no additional fees for its work under this Agreement, without receiving the Authority's approval of such additional fees, and, if applicable, HUD's approval, if required.

**3.3 Guaranties.** The Development Partner shall provide to the Authority a construction completion guaranty. In addition, the Development Partner shall provide, and cause any necessary person(s) and/or entity(ies) to provide, to any investor member, third party lender, and purchaser of housing tax credit equity for the Development, the following guaranties, if applicable, and such other guaranties required by any investor member, third party lender, and purchaser of housing tax credit equity for the Development: (i) a lien-free construction completion guaranty; (ii) a development deficit guaranty; (iii) a tax credit recapture guaranty; and (iv) an operating deficit guaranty. In lieu thereof, to the extent allowed by any investor member, third party lender and purchaser of housing tax credit equity for the Development, the Development Partner may provide letters of credit. Nothing in this Agreement, whether set forth in this Section 3.3, Section 6.5.4, or otherwise shall be construed to limit the Development Partner's obligation to provide a site free of liens or, if public land, claims through the date that the Development Partner is obligated to provide such a guarantee pursuant to the terms of this Agreement or through the date that the guaranties expire, as may be applicable, except that this Agreement shall not be deemed in default if a lien is asserted against real property that is not subject to C. 713, Fla. Stat.

#### **ARTICLE IV. RESPONSIBILITIES OF THE DEVELOPMENT PARTNER**

##### **4.1 Master Development Activities.**

**4.1.1 Demolition.** The Development Partner shall arrange for all demolition necessary for construction of the Development. All demolition of public housing necessary for construction of the Development shall be in accordance with an HUD-approved demolition and disposition plan, if applicable, and shall not commence until the issuance of a disposition and/or demolition consent letter by HUD to the Authority. Any HUD Funds or other HUD allocated monies that are allocated to the Authority for purposes of demolition of public housing on the Development shall be used for such purpose. Any such demolition shall be a project cost.

**4.1.2 Environmental and Abatement** The Development Partner shall coordinate and/or direct all remediation of any environmental condition that may exist or arise on the Site provided that, if the real property and improvements subject to environmental remediation hereunder was subject to an ACC or Declaration of Trust, then the Authority expressly states that the Development Partner shall not be deemed "potentially responsible party" as set forth under federal law. If the real property and improvements subject to environmental remediation hereunder was subject to an ACC or Declaration of Trust, then the cost of all environmental remediation shall be borne by the

Authority unless the costs are allocated and eligible project costs, as that term is defined under the Internal Revenue Code. If the real property and improvements were acquired after the date of this Agreement, such remediation shall be a project cost, unless such environmental condition was caused by the gross negligence of the Development Partner, its agents, employees or Subcontractors, in which event any such remediation shall be at the Development Partner's sole cost and expense except that the Authority's failure to disclose any environmental condition or potential environmental condition of the Authority's real property and improvements shall mean that the Development Partner shall not have committed gross negligence. Nothing herein shall be interpreted to release the Development Partner from any liability for any environmental damage to any real property owned by, leased to or otherwise held in the beneficial interest of the Owner Entity and caused by the gross negligence of the Development Partner. Except as otherwise provided in Section 6.5.18 of this Agreement, the Authority shall pay for all environmental remediation whatever the nature, including without limitation, attorneys fees and costs and costs for consultants, and any such remediation shall be a project cost unless prohibited by applicable federal or state law or regulation. The Development Partner shall immediately notify the Authority in writing of any environmental condition which requires remediation, and the Development Partner shall comply with all laws, ordinances, regulations and orders of all governmental, regulatory and other public and quasi-public agencies, authorities and entities having jurisdiction over the same with respect thereto. The Development Partner shall coordinate and/or direct all environmental assessments and abatement activities, in accordance with an environmental abatement plan approved by the Authority and HUD (if applicable). The parties certify that: (i) until the environmental review requirements contained at 24 CFR § 970.4, if applicable, are completed to the satisfaction of HUD (if applicable), the parties shall take no action to demolish, rehabilitate, or otherwise affect any improvements now on the Site, or expend federal funds on the improvements other than with respect to action that is taken in the normal maintenance or operation of the improvements; and (ii) the parties shall take such actions as may be necessary to preserve the improvements in their current condition, until such time as the environmental review is completed. Provided further, that in the event that a separate environmental review with respect to actions to abate asbestos is completed under 24 CFR Part 50 and HUD provides written approval for such actions, such actions shall be undertaken by the parties in accordance with the conditions of such approval.

## **4.2 Development Activities.**

**4.2.1 Designation as Development Partner.** By this Agreement, the Authority, to the extent that the Authority has elected to co-develop a Development with the Development Partner, grants Development Partner the right to develop the Site for such Development in accordance with this Agreement; but conditioned, however, on its satisfactory performance of its obligations under this Agreement. The Development Activities are not services to be performed for the Authority for a fee, but rather are conditions to the grant of development rights, the satisfaction of which shall be demonstrated at the Closing of each Development or as provided for in Development Documents before the Authority shall proceed to the Closing of each Development and deliver those resources (including without limitation site control and development funding) which it commits in this Agreement.

**4.2.2 Master Site Plans.** The Development Partner shall prepare the Master Site Plans for the Development, and any amendments thereto, and obtain the Local Agency's and (if required) HUD's approval of such Master Site Plans. The Development Partner shall submit the draft Master Site Plans, and any amendments thereto, to the Authority for approval. The Development Partner shall submit the Authority-approved Master Site Plans to the Local Agency and HUD (if required) for approval.

**4.2.3 Engineering.** The Development Partner shall (i) master plan the Development, (ii) coordinate the grading, (iii) coordinate street abandonments or dedications to the Local Agency, (iv) coordinate the construction of private utilities, (v) construct the private infrastructure; and (vi) coordinate with the Local Agency the engineering for the public improvements.

**4.2.4 Zoning.** The Development Partner shall obtain all applicable land use and zoning permits or changes necessary for the Development, and the Authority covenants to use reasonable efforts in the Authority's undertakings related to zoning and land use matters requiring the Authority's approval, resolution, signature or any other affirmative act.

**4.2.5 Infrastructure Improvements.** The Development Partner shall coordinate the design and construction of all infrastructure necessary for the development of the Site, management offices and community spaces, including, but not limited to, roadways, sidewalks, curbs, gutters and underground utilities.

**4.2.6 Overall Design, Construction and Management.** The Development Partner shall diligently and in good faith seek to design and construct all components of the Development in accordance with the requirements of the Authority and this Agreement, the Development Documents and all Applicable Public Housing Requirements, and the Development Schedule. Subject to the satisfaction of all conditions precedent in this Agreement, including the availability of funding projected in the Development Budget, and subject to events of Force Majeure and unless otherwise set forth in this Agreement, through the date of Completion, the Development Partner shall be responsible for Completion of the Development. Nothing in this Section 4.2.6 or this Agreement shall be construed to impose or create an ongoing duty or obligation on the Development Partner to continue any guaranty made by the Development Partner that has expired under the terms of this Agreement or any guaranty related to the Development.

**4.2.7 Develop and Construct Multi-family Housing.** The Development Partner shall develop and construct all multi-family and other facilities within the Development (including private or public infrastructure to the extent not separately constructed as a Master Development Activity) in compliance with this Agreement and the Plans and Specifications. To the greatest extent possible, local contractors, sub-contractors, materials suppliers, and employees will be hired for the Development Services. The Authority will assist in advertising and marketing for a local pool of contractors and laborers, including Section 3 contractors and laborers.

**4.2.8 Prepare Development Budgets.** The Development Partner shall



submit to the Authority for its review and approval the initial Development Budget, which upon its mutual approval shall be fully incorporated herein by reference. /Except as otherwise set forth herein with respect to line items within the Development Budget, the Development Partner shall submit to the Authority for approval any material changes to the Development Budget as changes become necessary and, upon review and approval by the Authority, the modified Development Budget shall be fully incorporated herein by reference. The Authority shall be responsible for obtaining the approval of HUD (if required) as to any revisions to the Development Budget. When and if the Development Partner becomes aware that there likely shall be a gap between available sources of funds and the uses of funds with respect to the Development Budget, the Development Partner shall promptly notify the Authority, and the Development Partner shall diligently attempt to effectuate cost savings and/or secure additional sources of funds, with the assistance and cooperation of the Authority, to eliminate such budget gap in a manner satisfactory to the Authority.

**4.2.9 Prepare Schedules.** The Development Partner shall submit to the Authority for its review and approval a Development Schedule, which upon its mutual approval shall be fully incorporated herein by reference. The Development Schedule shall include milestones which include a construction phasing schedule and implementation schedule for the entire Development. The Development Schedule shall be updated periodically by the Development Partner and, upon review and approval by the Authority, shall be fully incorporated herein by reference. The Development Partner shall use commercially reasonable efforts to adhere to the time objectives that are outlined in the Development Schedule, subject to events of Force Majeure and any delay caused by the action or inaction of any state, county or local government, corporation, agency, or political subdivision which act or failure to act shall suspend the Development Partner's obligations under this provision.

**4.2.10 Securing and Implementing Financing.** The Development Partner shall exercise commercially reasonable efforts to secure and implement the necessary financing for the completion of each Development, other than Authority capital funding as may be provided. The Development Partner shall submit to the Authority the names and proposals of the proposed third party lenders and purchasers of housing credit equity in a timely manner so as to allow the Authority and/or its representatives an opportunity to review and comment on the same. The Development Partner shall prepare Proposals and other related documents required by HUD for accessing any HUD Funds for any aspect of the Development and all financial applications, plans and proposals, and submit them to the Authority in a timely manner so as to allow the Authority and/or its representatives an opportunity to review and comment on the same. The Authority shall have sole responsibility to submit such materials to HUD. The Development Partner shall perform any additional work related to such applications, plans and proposals. The Development Partner shall use diligent efforts to obtain all financing for which it is responsible pursuant to this Section 4.2.10. Except with respect to any document that requires approval or action by the Authority's Board or any action that would create a material financial obligation upon the Authority, any document complying with this provision and required to be executed by an authorized signatory of the Authority shall be immediately provided by the Authority to the Development Partner without condition, amendment or unreasonable delay. The Development Partner shall prepare and submit to

FHFC all LIHTC applications necessary for the Development and any additional work related thereto, and shall only fail to submit those LIHTC applications for which the Development would not be successful, as determined mutually by the parties. The Development Partner shall submit each such LIHTC application to the Authority for approval before submitting the application to FHFC. If the Authority elects to submit an application for HUD's Choice Neighborhood Initiative Program Planning Grant, then the Development Partner shall assist the Authority with such application.

**4.2.11 Cooperation with Social Service Program.** Pursuant to Article VII of this Agreement, the Development Partner shall cooperate in good faith with the Authority's staff, and any case managers and social service providers retained by the Authority, to provide technical assistance in the planning and implementation of a comprehensive community and supportive services program ("CSSP") as needed and as related to A and B below.

- A. Such cooperation shall be directed toward:
  - (i) Design of Section 3 program that addresses the identified needs of the Development residents; and
  - (ii) Identification of good candidates for participation in Section 3-related construction trade program; and
  - (iii) Design of the community facilities that is consistent with plans for CSSP.
- B. Such cooperation by the Development Partner shall also involve attending meetings called by the Authority with residents, community task force and economic/community development groups, at intervals to facilitate the CSSP and related Community Facilities initiatives.

**4.2.12 Information Flow.** The Development Partner and the Authority shall cooperate to achieve an effective flow of information between and among themselves and the Subcontractors, the community residents and other interested parties, including, but not limited, to the following:

- A. Conduct monthly progress meetings in person or via telephone as requested by the Authority, or more frequently as circumstances require; and
- B. The Assigned Representative of the Development Partner, who, as part of the Development Partner's obligations hereunder, shall be readily available as needed to meet with representatives of the Authority upon reasonable notice in connection with matters related to the performance of this Agreement.

**4.2.13 HUD Reports.** Upon timely request by the Authority, the

Development Partner shall provide to the Authority information for the Authority to prepare quarterly reports in the format specified by HUD, or other reports required by HUD, no later than ten (10) business days before the Authority must submit such reports to HUD. However, the Development Partner or its Subcontractors shall provide only such information for such reports which relates to facts, information, or activities for which the Development Partner or its Subcontractors are directly responsible.

**4.2.14 Plans and HUD Approvals.** The Development Partner shall prepare such demolition and disposition plans, environmental abatement plans, elderly designation plans and other plans as may be required by HUD. The Development Partner shall submit such plans to the Authority for approval and submission to HUD.

**4.2.15 Assist with Relocation of Current Residents.** The Development Partner shall assist the Authority and its consultants with tenant relocation, as necessary.

**4.2.16 Property Acquisition.** The Development Partner shall assist the Authority in the identification, negotiation and acquisition of real property within the Authority's area of operation, as needed. The Development Partner shall make recommendations to the Authority for pricing, affordability and funding sources and uses, and the Authority shall have final approval of the same.

**4.2.17 Green Building.** The Development Partner shall seek to meet or exceed any green standards set forth in the funding applications for each Development, which will include elements to provide a green and environmentally friendly community; provided that such certification can be accomplished within the Development Budget for each such Development. The Authority and the Development Partner shall work together to review green building options and the costs associated with such options and, if the funding is there for the options selected by the Authority, the Development Partner shall include such options in such Development. The parties shall work together to accomplish the highest green building/green practices certification obtainable for each Development, if funding is available. The Development Partner shall explore solar energy for electricity, alternative water heating, and advanced water conservation techniques for each Development to the extent economically feasible. Energy Star equipment and materials shall be used in the Development wherever economically feasible as mutually agreed upon by the parties.

### **4.3 General Responsibilities.**

**4.3.1 Responsiveness.** For all actions requiring the Development Partner's response, excluding emergency situations, the Authority shall submit the request for response with a notice that bears a bold face legend substantially as follows: **"Important - Your Response is Required in \_\_\_\_ Business Days."** The Development Partner shall have a minimum of fifteen (15) business days to respond in writing, except for emergency situations in which event the response period shall be designated by the Authority. For some issues, this Agreement identifies the number of days that the Development Partner shall have to respond. If the Authority does not receive a response within the specified number of days, it may send the Development Partner a notice of non-response which shall be delivered to the managing member of the Owner Entity in



accordance with the formal notice provisions hereof and which shall bear the bold-faced legend, “**Important: Notice of Non-response**”. Following the giving of this notice, the Development Partner shall have an additional five (5) days in which to respond. If the Development Partner does not respond within that five (5) day period, the Development Partner shall be in default of this Agreement and the additional notice and cure period set forth in Section 8.2 of this Agreement shall not be applicable. Should the Authority elect to continue with the Development and presume the Development Partner’s acquiescence to any course of action proposed by the Authority in its notice requesting a response, and should the Development Partner later notify the Authority of its disapproval, the Development Partner shall be liable for any additional costs incurred by the Authority as a result of the delay in disapproval. The procedure described above does not apply to emergency situations.

**4.3.2 Oversee Work.** The Development Partner shall perform or cause to be performed and supply or cause to be supplied all services, work, materials, equipment and supplies, necessary or desirable for the engineering, design, construction, testing, and leasing of the units in the Development upon the terms, covenants and conditions contained herein and in any of the Development Documents. To the greatest extent possible, local contractors, sub-contractors and employees will be hired for the Development Services. The Authority will assist in advertising and marketing for a local pool of contractors and laborers, including Section 3 contractors and laborers, and the Authority will assist with job fairs and other activities as may be requested by the Development Partner in order to assist with Section 3 compliance. The Development Partner shall provide reports to the Authority, as requested, describing activities and in a format to be provided by the Authority.

**4.3.3 Provide Adequate Staff.** The Development Partner shall staff the Development with the Project Manager. The Development Partner shall assign such additional staff as may be reasonably required to fulfill its obligations under this Agreement. Said staff shall have the requisite skill, expertise, experience and authority to be able to represent the Development Partner in a decision making capacity and coordinate the Completion of the Development with the Authority. During construction of any Development, the Development Partner shall maintain, at the Development Partner’s sole expense, a local office, which office shall be staffed by a full-time local construction coordinator. Notwithstanding anything herein to the contrary, the Authority shall not have the right to hire, fire, or assign any of the Development Partner’s employees, consultants, agents, professionals or other servicers.

**4.3.4 Time of Performance.** The Development Partner shall diligently proceed to Completion of the Development and shall use commercially reasonable efforts to adhere to the Development Schedule. The Development Partner shall submit updates to the Development Schedule as changes become necessary.

**4.3.5 Quality of Work Under This Agreement.** All the activities performed under this Agreement shall be provided in accordance with (a) generally accepted standards for comparable rental developments in the Authority’s area of operation; (b) standards, criteria, and other requirements imposed by the Authority's funding agreements with HUD; (c) standards, criteria and other requirements imposed by

applicable statutes, regulations, ordinances, and orders of all governmental authorities having jurisdiction over the Development; and (d) standards requested by the Authority and those included in the Plans and Specifications approved by the Authority. The Development Partner shall furnish the skill and judgment necessary to perform the required services in compliance with the Development Schedule, the Development Budget, the Authority-approved Plans and Specifications, and in an expeditious and economical manner consistent with the interests of the Authority (and HUD, if applicable).

#### **4.3.6 Selection.**

- A. General. Unless otherwise provided herein, for all contracts and subcontracts needed to carry out this Agreement, the Development Partner shall comply with the selection policy and procedures set forth in Exhibit B attached hereto and incorporated herein by reference. The Development Partner shall provide to the Authority copies of all contracts and subcontracts involving a sum in excess of Twenty-Five Thousand Dollars (\$25,000.00) needed to carry out this Agreement promptly upon execution of such contracts and subcontracts.
  
- B. MBE/WBE/DBE and Section 3 Plans.
  - (i) The Development Partner shall comply with the applicable portions of the Authority's Section 3 and Minority and Woman Business Enterprise Policy, a copy of which is attached hereto as Exhibit E and incorporated herein by reference. The Development Partner's selection policy and procedures shall encourage participation and utilization of minority business enterprises ("MBEs") and women business enterprises ("WBEs"). MBE utilization goal of not less than twenty percent (20%) of the total contract value, and a WBE utilization goal of not less than five percent (5%) of the total contract value shall be required.
  
  - (ii) The Development Partner shall comply with Section 3 of the Housing and Urban Development Act of 1968 and the implementing regulations at 24 C.F.R. part 135 (the "Section 3 Plan"). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance shall be, to the greatest extent feasible, directed to low and very low-income persons, particularly those who receive HUD assistance for housing.

- (iii) The Development Partner shall formulate plans for MBEs and WBEs participation and Section 3 Hiring on terms approved by the Authority. The Hiring and Training Plans shall specify how affirmative action and resident hiring requirements shall be imposed, how the Authority's minority goals shall be met, and how all requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, shall be met, with respect to the Development in accordance with the Section 3 Plan and the Section 3 plans, programs, and policies of the Authority. The Hiring and Training Plans shall be applicable to services rendered by the Development Partner, any Owner Entity and their respective contractors and subcontractors. The Development Partner shall implement or cause the Owner Entities to implement the Hiring and Training Plans, as approved by the Authority.
- (iv) The Development Partner shall make affirmative outreach efforts to publicize training, employment and subcontracting opportunities. Notice shall be put in local newspapers and flyers shall be distributed as appropriate. Local unions, elected officials and training organizations shall also be notified. The Development Partner's efforts under the Section 3 Plan shall be documented monthly, and as evidenced by the execution of this Agreement, the Development Partner certifies that it is under no contractual or other impediment that would prevent compliance with 24 CFR Part 135.

C. MBE and WBE Participation. To achieve greater participation of MBEs and WBEs in contracts administered directly or indirectly by the Authority pursuant to Executive Orders 11625 and 12138, the Development Partner agrees to use its good faith commercially reasonable efforts to: (1) place qualified MBEs and WBEs and small business concerns on solicitation lists; (2) divide the Development Services into smaller tasks or quantities to permit maximum participation by MBEs and WBEs and small business concerns; (3) use the services and assistance of the U.S. Small Business Administration, the Minority Business Development Agency of the U.S. Department of Commerce, any local minority assistance organizations and various state and local government small business agencies; (4) comply with such additional requirements relating to MBEs, WBEs, and Section 3 as set forth in the hiring and training plans developed by the Owner Entity, and approved by the Authority (the "Hiring and Training Plans").



- D. MBEs/WBEs Report. Each month, the Development Partner shall, and shall cause each Subcontractor to prepare and submit to the Owner Entity the Section 3, MBEs and WBEs report in the form prescribed by the Owner Entity.
- E. Section 3. The Development Partner shall, and to the extent practicable shall require its Subcontractors to, ensure that employment opportunities shall be directed to: (1) the Authority's public housing residents at the site where the work is to be performed, then (2) the Authority's public housing residents at other sites, then (3) the Authority's Section 8 and low income residents of the Authority's area of operation in accordance with the Hiring and Training Plans.
- F. Local Selection. The Development Partner agrees to use commercially reasonable efforts, consistent with Applicable Public Housing Requirements and the selection policy and procedures set forth in Exhibit B and incorporated herein by reference, as amended from time to time in the sole discretion of the Authority, to expend not less than twenty-five percent (25%) of all expenditures for goods and services relative to the construction and operation of the Development, with vendors and companies located in the Authority's area of operation (which area may be extended to the County if the goal is not first achievable in the Authority's Area of Operation). All documentation to support this commitment and, determination that the commitment has been met, shall be subject to the reasonable approval of the Authority.

**4.4 Limitations and Restrictions.** Notwithstanding anything in this Agreement to the contrary, the Development Partner shall not take any action, expend any sum, make any decision, give any consent, approval or authorization, or incur any obligation with respect to any of the following matters unless and until the same has been approved in writing by the Authority or the applicable Owner Entity, as appropriate:

- A. Approval of all construction and architectural contracts and all architectural plans, specifications and drawings prior to the construction and/or alteration of the Development contemplated thereby, except for such matters as may be expressly delegated in writing to the Development Partner;
- B. Any proposed material change in the work of the construction of the Development, or in the Plans and Specifications, or in the cost thereof, or any other change which would affect the design, cost, value or quality of the Development, except for such matters as may expressly be delegated in writing to the Development Partner;
- C. Making any expenditure or incurring any obligation by or on behalf of any Owner Entity (where Development Partner would

claim reimbursement of such sum from the Authority) or the Authority, as applicable, or the Development, involving a sum in excess of Twenty-Five Thousand Dollars (\$25,000.00) or involving a sum of less than Ten Thousand Dollars (\$10,000.00) where the same relates to a component part of any work, the combined cost of which exceeds Twenty-Five Thousand and No/100 Dollars (\$25,000.00), except for authorized expenditures made and obligations incurred pursuant to and specifically set forth in contracts approved by the Authority, line items within an applicable Development Budget, or for such matters as may be otherwise expressly delegated in writing to the Development Partner;

- D. Making any expenditures or incurring any obligation which, when added to any other expenditure, exceeds the applicable Development Budget except for such matters as may be otherwise expressly delegated in writing to the Development Partner; or
- E. Expending more than what the Development Partner in good faith believes to be the fair market value at the time and place of contracting for any goods purchased or leased or services engaged on behalf of the Authority or any Owner Entity, as applicable, or otherwise in connection with the Development.

This list is not intended, nor shall it be construed to limit, the approvals required pursuant to this Agreement. Notwithstanding this list, the Development Partner must adhere to all Applicable Public Housing Requirements.

**4.5 Accounting.** The Development Partner shall complete day-to-day accounting activities for the Development through development, construction and management in accordance with generally accepted accounting principles and applied on the accrual basis of accounting, and the Development Partner shall submit such accounting to the Authority on a regular basis as agreed to by the parties and upon request by the Authority. The Development Partner shall make commercially reasonable efforts to endeavor that the computerized maintenance management system and the information system maintained for such purposes are compatible with the Authority's computerized maintenance management systems and information systems. The Development Partner shall develop and submit to the Authority proposed detailed accounting procedures and invoice forms for the calculation, billing and evidentiary support of the Development Fee and other payments to be made to the Development Partner hereunder pursuant to the requirements set forth in this Agreement. The Authority may provide comments on the proposed accounting procedures and invoice forms. The Development Partner shall review and discuss in good faith with the Authority any aspect of the proposed accounting procedures and invoice forms, as desired by the Authority. The proposed accounting procedures and invoice forms shall be subject to the Authority's review and approval for consistency with this Agreement.

## ARTICLE V. RESPONSIBILITIES OF THE AUTHORITY

**5.1 Review and Response.** Except as maybe otherwise provided herein, the parties shall follow the following review and approval process:

- A. For all actions requiring an Authority response, the Development Partner shall submit the request for approval and supporting information with a notice that bears a bold face legend substantially as follows: **“Important - Your Response is Required in \_\_\_ Business Days.”**
- B. The Authority shall have a minimum of fifteen (15) business days to respond in writing, except for actions that require approval by the Authority Commission in which case the regular meeting cycle for the Authority Commission shall prevail. The Authority’s response must include the basis for any objection and suggested modifications to obtain approval. For some issues, this Agreement identifies the number of days that the Authority shall have to respond. For other issues, the amount of response time shall be stated in the notice, and shall be proportionate to the type and magnitude of the decision and the need to keep the Development proceeding smoothly. For example, but not in limitation, the decision time for contract change orders from the General Contractor shall be shorter than the time for review and approval of budgets.
- C. If the Development Partner does not receive a response within the specified number of days, it may send the Authority a notice of non-response which shall be delivered to the Executive Director in accordance with the formal notice provisions hereof and which shall bear the bold-faced legend, **“Important: Notice of Non-response”**. Such notice of non-response may also include how, in the absence of a response, the Development Partner proposes to resolve the issue on which it had sought the Authority’s response. Following the giving of this notice, the Authority shall have an additional five (5) days in which to respond.
- D. If the Authority does not respond within that period, the Authority shall be in default of this Agreement and the additional notice and cure period set forth in Section 8.2 of this Agreement shall not be applicable; provided, however, that at its election, Development Partner may continue its performance in the absence of a response and shall, if it has not previously done so, advise the Authority in writing how it proposes to resolve the issue on which it had sought the Authority’s response. Should the Authority later notify Development Partner of its disapproval of such resolution, the Authority shall be liable for any additional costs incurred by the Development Partner as a result of the Authority’s delay in



disapproval and Force Majeure shall apply to any delay created by the Authority's non-response.

**5.2 Access to Site.** Prior to transferring title to any portions of the Development, the Authority shall provide the Development Partner, the General Contractor, and/or construction manager full and complete access to any property comprising the Development, including buildings and improvements thereon, rights of way and easements for access thereto, needed to accomplish the Development.

**5.3 Relocation Activities.** The Authority shall seek HUD approval of its demolition activities as required by HUD, which demolition application shall contain the proposed plan for relocation of tenants and for providing replacement housing. The Authority has complied, and shall continue to comply, with all Federal, state and local requirements governing the relocation of residents and the provision of replacement housing under this Section including the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended by the "Uniform Relocation Act Amendment," and any and all other Federal or state laws, rules or regulations. The Authority shall indemnify and hold the Development Partner harmless from any liability arising pursuant to the foregoing laws and contractual obligations. All relocation expenses shall be borne as a project cost.

**5.4 Plans and HUD Approvals.** The Authority shall review such demolition and disposition plans, environmental abatement plans, elderly designation plans and other plans required by HUD and prepared by the Development Partner, and the Authority shall submit to HUD such plans prepared by the Development Partner and approved by the Authority in accordance with this Agreement.

**5.5 Mixed-Finance Proposals.** The Authority shall review, comment on and approve any Proposal and other related documents required by HUD prepared by the Development Partner. The Authority shall submit the Proposals and other related documents required by HUD to HUD, as required by 24 CFR Sec. 941.610 and other applicable regulations.

**5.6 Lend and/or Grant Funds to the Development.** Provided the parties hereto agree in writing in advance of any transaction contemplated under this Section 5.6, any funds committed to a Development by the Authority may be treated as loans in accordance with the Development Budget for such Development, in which event the loans shall be evidenced and secured by the Authority Loan Documents.

**5.7 Provide Operating Subsidy.** The Authority shall, pursuant to the HUD-approved Regulatory and Operating Agreement to be entered into between the Authority and the applicable Owner Entity (as applicable), contribute operating subsidy to support all Public Housing Units in the Development. Any operating subsidy funds received by the Authority from HUD for the Project shall be contributed by the Authority to the Project, less HUD allowable per unit per month fee for asset management, information technology, and audit and up to an 8% administrative fee, which shall be retained by the Authority. Alternatively, if public housing is converted to Section 8 tenant based rental assistance in the Authority's HUD-allocated budget, regardless of whether such

conversion is undertaken voluntarily, involuntarily or pursuant to any HUD program, such as the Rental Assistance Demonstration, the Authority shall project base its tenant based rental assistance (i.e., its Housing Choice Vouchers) such that the property manager for the units is paid rental subsidy by the Authority in an amount that is not less than the amount required to pay rent for the units serving tenants who otherwise qualify for public housing minus administrative costs charged to the applicable program due to the Authority and further subject to limits imposed by federal funding and appropriation. Nothing herein shall obligate the Authority to exceed the applicable payment standards set forth in any federal appropriation under §8 of the Act.

**5.8 Execution of Documents.** The Authority shall maintain sole authority for the execution of documents required of the Authority as the grantee under applicable grant agreements with HUD or Applicable Public Housing Requirements. Whenever Applicable Public Housing Requirements or the successful implementation of this Agreement requires the Authority to take actions or execute documents to accomplish the Development, the Authority shall do so as soon as possible under the circumstances, but in no event later than fifteen (15) business days after a request from the Development Partner; provided, however, that actions that require approval by the Authority Commission shall have until after the next regularly scheduled meeting of the Authority Commission to take such actions or execute such documents.

**5.9 Construction Advisor.** The Authority, at its sole cost and expense, may procure a construction advisor to provide assistance to the Authority in connection with the Development. The direct cost of the construction advisor, if any, shall be a project cost if the cost is an allocated and eligible expense pursuant to the Internal Revenue Code, its rules, memoranda, letters and policies.

**5.10 Development Assistance.** The Authority shall provide assistance for the Development with local agencies, HUD, and lenders, as reasonably requested by the Development Partner. The Authority shall provide, to the extent appropriate, assistance requested by the Development Partner in obtaining licenses, approvals, clearances, or other cooperation from local, state, and federal agencies, the Mayor's Office, and other local governing bodies; however, the Development Partner shall have the primary responsibility for obtaining such approvals except as otherwise provided herein.

**5.11 Fund Reserves.** The Owner Entity of each Development shall fund a replacement reserve account, an operating deficit reserve account, a tax credit recapture account, an affordability or ACC reserve, an initial operating period line item, a marketing and lease up line item, and such other applicable reserves, if necessary, required for the development and operation of the Development and typically funded with sources other than public housing funds (i.e. equity) in such initial amounts and under such terms as specified in the Regulatory and Operating Agreement (the "Reserves"). The Development Partner shall assist the Authority to minimize the amount of any such Reserves, consistent with prudent budgeting.

**5.12 Time of Performance.** The Authority shall diligently perform its obligations under this Agreement and shall use best efforts to adhere to the Development Schedule, subject to events of Force Majeure and other delays not caused by the

Authority. In the event the performance of any obligation by the Authority under this Agreement is delayed and causes the Development Partner to delay in the performance of its obligations under this Agreement, the parties agree that the Development Schedule shall be revised and amended to reflect such delay.

## ARTICLE VI. GENERAL PROVISIONS AND CONDITIONS

**6.1 Agreement Term.** This Agreement shall be effective and commence upon the date of this Agreement. This Agreement shall expire on the second (2<sup>nd</sup>) anniversary of the date of this Agreement, unless an extension of said term is agreed to by the Authority and the Development Partner or unless earlier validly terminated as provided herein.

**6.2 Execution of Necessary Documents.** The Authority and the Development Partner, where and when necessary, shall execute or cause the execution of the following documents (“Development Documents”) in connection with the Development. The Development Documents shall be subject to HUD approval (if required) prior to execution, as “evidentiaries.”

- A. Organizational Documents. The Authority may form one or more Owner Entities to own, operate or manage each Development (excluding any component that the parties determine shall be owned by a third party). Each Owner Entity shall be a separate, single-purpose entity organized as a limited liability company under the laws of the State of Florida whose manager shall be the Development Partner’s member affiliate and whose non-managing member shall be the Authority’s member affiliate. The Development Partner’s affiliate’s member interest in each Owner Entity shall automatically be transferred to the Authority’s member affiliate upon the earlier of: (i) the second anniversary of Stabilization, subject to the approval of any investor member, third party lender and purchaser of housing tax credit equity for the Development; or (ii) termination for any reason or for convenience of this Agreement. The Development Partner’s member affiliate shall not have the right to demand or receive property from the Authority’s member affiliate other than cash in the amount of the Development Partner’s member affiliate’s initial contribution of \$0.05 in return for the Development Partner’s member affiliate’s transfer of its member interest to the Authority’s member affiliate. The Development Partner, by the execution hereof, hereby irrevocably constitutes and appoints the Authority as the Development Partner’s and the Development Partner’s member affiliate’s true and lawful attorney-in-fact, with full power and authority in its and the Development Partner’s member affiliate’s name, place, and stead, to execute and acknowledge under oath, swear to, and, if necessary, deliver, file, and record at the appropriate public offices such documents as may be required by law to carry out such transfers. The Development Partner’s



member affiliates shall not be responsible for any obligation of the Owner Entities, except as expressly provided herein.

- B. Ground Leases. The Authority shall enter into a long-term ground lease or ground leases with each Owner Entity pursuant to which the Owner Entity shall have the right to occupy and operate an identified portion of the Site for a term of the greater of (i) at least fifty-five (55) years (or such term as may be acceptable to the Owner Entity), subject to a Declaration of Restrictive Covenants in favor of HUD) or (ii) any greater number of years exceeding that set forth in 6.2(B)(i) up to the maximum number of years as HUD may permit not to exceed ninety nine (99) years, subject to a Declaration of Restrictive Covenants in favor of HUD). If the Authority acquires real property not subject to a Declaration of Trust, the Authority shall not record or otherwise agree to a Declaration of Trust or ACC without the Development Partner's prior written consent. The ground lease(s) shall provide for the payment at Closing from the applicable Owner Entity to the Authority of a substantial capitalized ground lease payment, to the extent financially feasible.
- C. Regulatory and Operating Agreements. The Authority and each Owner Entity owning Public Housing Units shall enter into a regulatory and operating agreement (the "Regulatory and Operating Agreement"), approved by HUD, if such approval is required. Each Regulatory and Operating Agreement shall provide that: (1) the applicable Owner Entity shall set aside, and maintain and operate, a stated minimum number of Public Housing Units, and (2) the Authority shall provide to each Owner Entity, from operating subsidies provided to the Authority by HUD or other eligible funds available to the Authority, operating subsidies sufficient to permit the Public Housing Units to operate on a break-even basis vis-à-vis attributable operating costs (exclusive of debt service).
- D. Reserves. The Authority and each Owner Entity owning Public Housing Units shall enter into joint signature accounts or escrow agreements for the Reserves funded in accordance with Section 5.11 of this Agreement, except for any initial operating period or marketing and lease up line item.
- E. Extended Low-Income Housing Agreement. Each Owner Entity owning Tax Credit Units shall execute and file an Extended Low-Income Housing Agreement or other such agreements as may be required for the purpose of undertaking an equity investment in the properties that shall be developed.
- F. Declaration of Restrictive Covenants. The Authority and each

Owner Entity owning Public Housing Units shall execute and file a Declaration of Restrictive Covenants.

- G. Management Documents. The Development Partner shall prepare all applicable management documents needed for a mixed-finance closing of each Development (the “Closing”), including, but not limited to, a management agreement, management plan, tenant selection policy, grievance procedures, and leases for Public Housing Units. Such documents shall comply with Applicable Public Housing Requirements, and shall be approved by the Development Partner, the Authority and, to the extent required, HUD. Each management agreement between an Owner Entity and a management company shall describe the management services for all multi-family housing units, including Tax Credit Units and Public Housing Units.
- H. Authority Loan Documents. Each Owner Entity of a Development shall enter into loan agreement(s), promissory note(s), mortgage(s), grant agreement(s) and other documents required by the Authority to secure its loans to such Owner Entity (the “Authority Loan Documents”), if any. Additionally, such loans and mortgages may be subordinate to other loans made by private or other public lenders with the approval of the Authority.
- I. Other Loan Documents. To secure additional financing, the applicable Owner Entity may enter into other loans made by private or other public lenders, subject to the approval of the Authority and HUD, which may be secured by mortgages and other security interests.

**6.3 Closing.** The applicable Owner Entity, the Development Partner and the Authority shall participate in the Closing of each Development pursuant to the Development Schedule, as modified from time to time, at which time, all of the Development Documents, and such other documents as may be reasonably required by the Development Partner, the Authority, HUD or other lender for the construction and eventual occupancy of the Development shall be executed.

#### **6.4 Design, Plans and Specifications.**

**6.4.1 Compliance with Laws and Permits.** The Development Partner shall design and construct, or cause the design and construction of the Development in compliance with Applicable Public Housing Requirements and all required permits. The Development Partner shall be responsible for determining that the Plans and Specifications are consistent with HUD’s design and construction requirements and that the Plans and Specifications are in compliance with 24 C.F.R. Sec. 941.203, entitled Design and Construction Standards.

**6.4.2 Construction Plans and Specifications.** The Development

Partner shall submit for review and approval by the Authority, the proposed Plans and Specifications for the construction and equipment of each Development. The Authority shall have twenty (20) business days in which to either approve or disapprove the proposed Plans and Specifications. In the event the Authority fails to approve or disapprove the proposed Plans and Specifications within the foregoing period, said proposed Plans and Specifications shall be deemed approved. The Authority shall review and approve all such submissions for consistency with the Proposal and for compliance with the requirements of this Agreement and the Development Documents. The Authority shall have the right to review all the submissions or request additional information or modifications, provided however, that the failure to disapprove a submission shall not limit the Authority's right to pursue any remedies under this Agreement or any Development Document. In the event of such disapproval, or requests for modifications or additional information, the Development Partner shall resubmit revisions to the Authority within ten (10) business days from the Development Partner's receipt of such disapproval or request, or as soon thereafter as revisions can be prepared recognizing the possible need to sequentially involve design professionals, engineers, cost estimators, etc. The Development Partner shall provide not less than three (3) complete sets of the Plans and Specifications to be initialed by the Authority and the Development Partner and to be retained by the Authority. The Development Partner shall provide the Authority with one (1) final set of Mylar-reproducible construction documents that is: (i) stamped; and (ii) contains three (3) half-scale print sets of "as built"/record drawings. The Development Partner shall also provide a CD-ROM version of the same.

**6.4.3 Drawings.** The Development Partner shall furnish the Authority three (3) reproductions of final drawings of record and data sheets; results of civil, structural and hydraulic design calculations; loading diagrams, equipment manufacturers' drawings and data, including construction data and parts lists; and final specifications. Prior to the Completion deadline, the Development Partner shall furnish the Authority three (3) reproductions of as-built drawings of the appropriate Development and other drawings as reasonably requested by the Authority. The Development Partner shall also provide a CD-ROM version of the same. Specific drawings may be requested by the Authority from the Development Partner at other intervals, including, but not limited to, final drawings of record and data sheets; civil, structural and hydraulic design calculation results; loading diagrams; equipment manufacturers' drawings and data, including construction data and parts lists; and final specifications.

**6.4.4 Delivery of Documents.** The Development Partner agrees that all drawings, tracings, specifications and other documents produced in connection with this Agreement (including, without limitation, all documents by third parties such as architects, market analysts, civil engineers, surveyors, etc.) shall be collaterally assigned and delivered to the Authority in accordance with any assignment instrument immediately upon request by the Authority. The Development Partner shall include this requirement in its third party contracts for the performance of services in connection with the Development.

**6.5 Construction of the Development.** The Development Partner shall perform all tasks and provide all equipment and materials to perform its obligations under



this Agreement and shall furnish, directly or indirectly through its Subcontractors, all professional expertise, management, labor, materials, supplies, fixtures, equipment, tools and machinery, supervision, facilities, and other services required for the performance of its obligations under this Agreement. The Development Partner shall perform the duties and undertake the responsibilities herein set forth in a competent and professional manner using good faith reasonable efforts. Further, the Development Partner shall provide for, among other things, the following services and considerations:

**6.5.1 Subcontractors.** The Subcontractors listed on Exhibit A, attached hereto and incorporated herein by reference, have been approved by the Authority. Any changes to the Authority-approved Subcontractors require selection in accordance with Exhibit B and the Authority's approval. The General Contractor shall be selected in accordance with Exhibit B and subject to the Authority's approval. Nothing herein shall obligate the Development Partner to contract with any General Contractor upon terms that are not commercially reasonable, in the Development Partner's sole and exclusive discretion. If the Development is subject to 24 C.F.R. 941 requirements, the Authority will, as a project cost, have a third party cost estimator perform an analysis of the project costs. If the result is within accepted HUD guidelines, the Development Partner shall assist the Authority in the submission of a waiver to HUD, if required, to the General Contractor to perform the construction. The Development Partner shall require that the General Contractor enter into a construction contract that contains HUD's General Conditions for Construction Contracts (form HUD-5370). The Development Partner shall also require, by contract, that all consultants, design professionals, construction professionals, and other professionals or contractors engaged to provide services or supplies for the Development (the "Subcontractors") shall not be debarred, suspended or otherwise sanctioned, and shall supply the skill, licensure, required insurance, and judgment necessary to perform the required services in compliance with the Development Schedule and the Development Budget and in accordance with all requirements of their respective contracts. The Development Partner acknowledges that, notwithstanding the Authority's approval of the Subcontractors, HUD's approval may be required with respect to contracts with any entities affiliated with Development Partner pursuant to 24 CFR Section 941.606. The Authority shall have the power to require the Development Partner to terminate any Subcontractor upon evidence of a conflict of interest causing the Authority to violate its obligations under the ACC or Applicable Public Housing Requirements (including, without limitation, state and local procurement laws and regulations, or 24 C.F.R. Part 85), or if the Subcontractor fails to meet or does not comply with the terms and conditions described herein. Each contract or subcontract shall be consistent with the rights of the Authority under the Development Documents and shall contain all provisions required by Applicable Public Housing Requirements. All contracts of the Development Partner involving a sum in excess of Twenty-Five Thousand Dollars (\$25,000.00) or, in the case of multiple contracts with the same person, an aggregate sum in excess of Twenty-Five Thousand Dollars (\$25,000.00), shall be subject to review and approval by the Authority, which approval shall not be unreasonably withheld, conditioned or delayed, for the purpose of determining compliance with this Agreement (including, without limitation, the Development Budget) and Applicable Public Housing Requirements. If such contracts are proposed with non-local contractors, the Authority reserves the right to review all bid advertisements and

bids received to assure that there is no equally qualified local contractor capable of performing the work at the same price and for the same scope of work as set forth in the proposed contract by the non-local subcontractor. If the Authority fails to approve or disapprove of any contract within ten (10) business days after the Development Partner's request for such approval, said contract shall be deemed approved. The Development Partner shall provide the Authority with a list of all proposed Subcontractors, including the address and contact information, with proposed contracts involving a sum in excess of Twenty-Five Thousand Dollars (\$25,000.00), and the Development Partner shall consult with the Authority before hiring such Subcontractors. The Authority reserves the right to deny any Subcontractor participation if it is deemed that (a) inadequate advertising and outreach was conducted to obtain local Subcontractors, or (b) that, upon background check, Subcontractor has a history of poor workmanship or performance or non-compliance with Davis-Bacon wage rates or other State or local laws. The Development Partner shall, when required, comply with the requirements of Davis-Bacon wage rates.

**6.5.2 Protection of Persons and Property.** The Development Partner shall take and/or cause others to take precautions for the safety of, and shall provide protection to prevent damage, injury or loss to, employees and other persons on and off-Site where construction activities are underway. The Development Partner shall take precautions for the safety and protection of the improvements, materials and equipment to be incorporated therein, whether in storage on or off-Site, under care, custody or control of the Development Partner or one of the Development Partner's contractors or Subcontractors. The Development Partner shall further take precautions to protect the property of the Authority or others, whether or not forming part of the improvements, located at a construction site or adjacent thereto in areas to which the Development Partner has access.

**6.5.3 Obtaining Permits and Other Approvals.** The Development Partner shall obtain all necessary permits, certifications, approvals, variances, licenses, easements and other governmental, quasi-governmental or administrative approvals for the design, construction and use of the Development, including, without limitation, utilities necessary for the Development, and roads, transportation, and other facilities or physical improvements contemplated by the Development Documents, by no later than the dates shown therefor on the Development Schedule, subject to events of Force Majeure. The Development Partner shall, on an ongoing and timely basis, advise the Authority as to the status of the processing of all applications necessary to obtain such approvals. The Development Partner shall advise the Authority of any hearings regarding matters described in this Section 6.5.3 with sufficient advance notice to enable the Authority to elect to attend such hearings.

**6.5.4 No Liens.** Without the prior written consent of the Authority and HUD (if required), the Development Partner shall not place a lien or other encumbrance on the Project or pledge the Project as collateral for any debts or financing. Subject to the availability of funds from the Authority and other sources committed at the applicable Closing of each Development, the Development Partner and each Owner Entity shall keep the Development and each portion thereof free of mechanics', materialmen's and other involuntary liens and encumbrances and shall forthwith take all necessary and appropriate steps to release any such liens. Subject to the Development Partner's

continuing covenant to assure that the Authority's or Owner Entity's real property, as may be applicable, be lien-free and claim free, as may be applicable, as set forth in Section 3.3, if Development is undertaken on any real property that is privately owned and subject to C. 713, Fla. Stat., the Development Partner shall provide to the Authority a (i) lien free construction completion guaranty, in the case of property not owned by the Authority, and (ii) claim free site in the case of real property owned by the Authority or the Development Partner and Authority together. The underwriting of a surety bond in the amount of 110% the amount claimed excluding attorneys' fees, costs, consequential or similar damages, liquidated damages, fines, delay charges, multipliers, interest and other charges by any lienor or claimant, as may be applicable, shall be deemed to be performance by the Development Partner with respect to Section 3.3 and this Section 6. With respect development of real that is owned by the Authority or any public body and is not subject to C. 713, Fla. Stat., the Development Partners covenants to pay or arrange for the payment of any and all claims lawfully asserted with respect to any laborers, materialmen, and other applicable claims that are asserted with respect to any Development.

**6.5.5 Monitoring Performance of Subcontractors.** The Development Partner shall monitor the performance of all persons and entities that are to provide materials, equipment or services to the Development and shall take such actions as are necessary to maintain adherence to quality standards, safety standards, production schedules, shipping dates, and job-site requirements contemplated herein. The Development Partner shall provide reports, as may be required by the Authority, detailing the number of local Subcontractors and other hires.

**6.5.6 Staffing Projections.** During the term of this Agreement, the Development Partner shall maintain adequate and proper staffing, as necessary.

- A. An annual progress report on each Development shall be prepared by the Development Partner and delivered to the Authority no later than thirty (30) days before the start of the subsequent calendar year. It shall describe the Development Partner's projected staffing needs for each Development.
- B. The Authority shall have fifteen (15) business days to review and provide comments about the proposed composition of staffing. If the Authority does not deliver a written objection to the Development Partner before the end of such fifteen (15) business day period, then the proposed composition of staffing is approved.
- C. Any written objections by the Authority shall describe in detail the bases thereof and present a substitute proposal for consideration and adoption by the Development Partner.
- D. If the Development Partner rejects the Authority's substitute proposal and, after the Parties engage in good faith negotiations for a period not to exceed seven (7) days, the Parties reach an impasse,

then resolution shall be subject to the procedures outlined in Section 10.31 of this Agreement.

**6.5.7 Monitoring Project Scheduling.** The Development Partner shall take all steps reasonably necessary to enable the Development to progress in accordance with the deadlines established in the Development Schedule, this Agreement and the Development Documents. During the course of construction, the Development Partner shall: (a) identify potential variances between the actual and contractually-mandated completion dates; (b) identify work not started or incomplete and recommend adjustments in the Development Schedule to meet contractually-mandated completion dates; (c) provide the Authority with summary reports of its coordination and monitoring activities and document all changes in the Development Schedule (generally such reports shall consist of supplying to the Authority all monthly requisition materials on industry-standard forms such as AIA G-702); and (d) take appropriate action when the requirements of any contract are not being satisfied.

**6.5.8 Monitoring Construction Budget.** During the course of construction of each Development, the Development Partner shall monitor the Development Budget. The Authority shall be notified of all change orders under the Development Documents. All change orders in excess of the greater of (i) five percent (5%) for any line item, in the aggregate, of the Development Budget or (ii) Twenty Thousand Dollars (\$20,000.00), shall be submitted to the Authority for prior written approval. The Development Partner shall revise and refine the Development Budget during the course of construction in accordance with Section 4.2.8 of this Agreement.

**6.5.9 Materials, Storage of Purchased Items, and Security.** All equipment, material, and articles furnished under this Agreement shall be in accordance with the Development Documents, unless otherwise specified herein or specifically approved by the Authority. The Development Partner shall cause all equipment, materials, and articles obtained during construction of the Development to be inspected as appropriate. The Development Partner shall monitor the delivery of, and, if necessary, arrange storage, protection and security for all materials, systems and equipment which are to be used in the construction of, or incorporated into, the various components of the Development. The Development Partner shall require each Subcontractor performing work to maintain a fence around its worksite, if necessary and appropriate, and to provide adequate security for the worksites, including, without limitation, prevention of trespassing and dumping.

**6.5.10 Inspection by the Development Partner.** The Development Partner, either itself or through the Development Partner's employees, agents, contractors, or Subcontractors, retains an inspection obligation to guard against defects and deficiencies in design and construction. The Development Partner shall order the stopping of work, or any portion thereof, and direct special inspection or testing of such work, which in the Development Partner's best judgment, may not be in accordance with the provisions of the Development Documents, whether or not such work is fabricated, installed or completed. In doing so, the Development Partner may rely upon the decisions of the Principal Architect or any other inspecting party designated by the Development Partner. The Development Partner shall cause the Principal Architect to



conduct monthly inspections of work during the duration of construction activities and shall verify, using AIA G-702 or other form approved by the Authority, that the work is being performed in accordance with the Development Documents.

**6.5.11 Construction Progress Reports.** The Development Partner shall record the progress of Development construction and submit it in the Monthly Status Report, to the Authority, the percentage of work completed, and the purpose, status, and dollar value of all proposed change orders, approved change orders, or both (generally such reports shall consist of supplying to the Authority all monthly requisition materials on industry-standard forms such as AIA G-702). In addition, the Development Partner shall consult with the Authority on a periodic basis, on a schedule to be determined jointly as circumstances may warrant to keep the Authority fully informed at all times of the status of construction. If the Development Partner becomes aware of any material fault or defect in any of the Development efforts or nonconformance with the Development Documents, then the Development Partner shall give prompt notice thereof to the Authority.

**6.5.12 Right of Entry by the Authority.** The Authority reserves for itself and its authorized agents and HUD and its authorized agents the right to enter and inspect the Site and any work in progress thereon during regular business hours, with notice to the Development Partner, for the purpose of protecting or furthering the Authority's interests under this Agreement. Entry and the conduct of such inspections shall not unreasonably interfere with the Development Partner's construction of the Development. HUD and the Authority, and their agents and representatives shall abide by all safety and security measures imposed by the Development Partner. The Authority shall have no obligation to make any such inspection. Such inspections are for the Authority's information only and the Development Partner shall not be relieved of any of its obligations, including, without limitation, Completion of the Development in accordance with this Agreement. In no event shall the Authority's inspection of the work be deemed acceptance of all or any of the work, equipment, or materials or to waive any right the Authority has under this Agreement, subsequent loan documents or insurance claims for the Development.

**6.5.13 Construction Completion Inspection.** Upon Construction Completion of each Development, the Development Partner, the Authority and/or its representative, and the Principal Architect shall inspect the work to determine and record the condition of the units (i.e., develop a "punch list"). The Development Partner shall notify the Authority of such inspection not less than five (5) days prior, and shall allow the Authority's representatives to accompany it on any such inspection. The Development Partner shall cause the replacement or correction of work that does not conform to the Development Documents.

**6.5.14 Cost Certification.** Upon Construction Completion of each Development and upon Completion of the Development, the Development Partner shall conduct an audited cost certification that complies with the standards of FHFC and HUD, if required. Separately, the Authority may retain an independent auditor paid from the Authority's funds to conduct a contract assurance audit and report on actual cost consistency with the Development Budget for that Development.

**6.5.15 Labor Standards.** If any Development includes the development of Public Housing Units that are not specifically designated units, pursuant to 24 CFR 941.610(a)(8)(vi), the Authority and the Development Partner shall ensure that labor standards applicable to the development of public housing (including, but not limited to the Davis-Bacon Act, 40 U.S.C. 276a et seq.) are met with respect to the development of all units that may, at any time, be used as the Public Housing Units.

**6.5.16 Insurance, Bonds, and Warranties Required of the General Contractor.** The Construction Contract submitted to the Authority for approval shall require the General Contractor to provide, at a minimum: (a) insurance required by this Agreement; (b) performance bonds, materials payment bonds, and labor payments bonds in an amount equal to one hundred percent (100%) of the Construction Contract sum, reasonably satisfactory to all lenders, including the Authority; (c) a warranty of good title to materials, equipment and supplies incorporated in the work; and, (d) a warranty that the work performed under the Construction Contract conforms with the Plans and Specifications and is free of any defect in equipment, material or workmanship performed by the General Contractor or any Subcontractor or supplier in any tier. The warranties shall continue for a period of not less than one year from the date of Construction Completion of the Development. All rights under the Construction Contract shall be for the benefit of the Development Partner and its successors and assigns, including the Authority, as applicable.

**6.5.17 Onsite Management.** The property manager shall be West Lake Management, LLC, an affiliate of the Authority.

**6.5.18 Environmental Conditions.**

- A. Covenant Regarding Prohibited Substances. The Development Partner shall not itself, and the Development Partner shall not permit any other person, including, but not limited to, third parties with whom the Development Partner contracts in regard to this Agreement, to bring onto the Site any (i) asbestos or asbestos-containing material or polychlorinated biphenyl material, or (ii) hazardous substances or hazardous waste as defined under any federal, state or local law, that may require remediation under applicable law (other than quantities or such substances, including gasoline, diesel fuel and the like as are customary and necessary to prosecute construction and occupancy of the improvements on the Site), or (iii) soil containing volatile organic compounds (collectively (i)-(iii) are the “Prohibited Substances”). The Development Partner shall be liable for the consequences of, and responsible for proper removal and lawful disposal, at its sole expense, of any Prohibited Substances brought onto the Site resulting from a default under this Section 6.5.18(A).
  
- B. Pre-Existing Conditions. The Development Partner has no liability for, and the Authority shall pay for the remediation of, any environmental conditions that exist on the Site, unless such

existing environmental condition(s) would not have required remediation if not for the negligence or actions of the Development Partner, its agents, employees or Subcontractors. However, the Development Partner shall advise the Authority and cooperate in good faith and coordinate the remediation work pursuant to Section 6.5.18(C) of this Agreement.

C. Remediation of Prohibited Substances.

- (i) Notice. In the event that the Development Partner or any Subcontractor encounters any Prohibited Substances on the Site, the Development Partner shall immediately notify the Authority in writing and comply with all laws, ordinances, regulations and orders of all governmental, regulatory and other public and quasi-public agencies, authorities and entities having jurisdiction over the same with respect thereto.
- (ii) Determining Responsibility. If any Prohibited Substance is discovered on the Site, then the Authority and the Development Partner may negotiate mutually acceptable additional terms, conditions and fees for the Development Partner to remediate the Prohibited Substance, except that the Development Partner shall retain sole responsibility, including for all associated costs, to remediate any Prohibited Substance discovered thereon that results from the actions or inactions of the Development Partner, its employees, agents, or Subcontractors as described in this Section 6.5.18. The Authority shall provide an appropriate extension for affected Development deadlines if any remediation is required.

**6.6 Submissions by the Development Partner.** The Development Partner shall furnish to the Authority the following:

- A. By the tenth (10<sup>th</sup>) day of each month during which this Agreement is in effect, the Development Partner shall provide the Authority with written progress reports of the previous month (“Monthly Status Report”) on the status of all Master Development Activities and Development Activities, including work performed by the Development Partner’s Subcontractors. The Authority shall have thirty (30) days following its receipt from the Development Partner of a Monthly Report to review it and provide comments to the Development Partner. If the Authority makes no written objections to any updates, modifications or amendments (collectively

“Development Partner Updates”) to the Development Schedule and the Development Budget before the end of such thirty (30) day period, then the Development Schedule and the Development Budget as updated to include the Development Partner Updates shall be deemed approved by the Authority. Any objections by the Authority to the Development Partner Updates shall describe in detail the basis for the objection and an alternative proposal for consideration by the Development Partner. Such reports shall be prepared according to the format illustrated in Exhibit D attached hereto and incorporated herein by reference, and include, without limitation:

- (i) A brief executive summary highlighting all material budget, schedule, financing, compliance, approval, marketing, Owner Entity or other Development management issues;
- (ii) Documentation of compliance with applicable employment and contracting requirements;
- (iii) An update of the Development Schedule;
- (iv) Monthly expenditures against the Development Budget on a line-by-line basis;
- (v) An update of the Development Budget that explains any changes from the prior month. In addition, upon request by the Authority, the Development Partner shall furnish the Authority with copies of any work product prepared by the Development Partner or its Subcontractors at the Authority’s expense (not including the Development Partner’s attorneys’ work product that is or would be privileged in a dispute between the Authority and the Development Partner) in connection with Master Development Activities and Development Activities pursuant to this Agreement;
- (vi) MBE/WBE activities;
- (vii) Documentation of compliance with Section 3;
- (viii) Documentation of compliance with certified payroll reporting requirements as required in this Agreement;
- (ix) Subcontractor performance and expenditure toward local area requirement;



- (x) Development progress; and
  - (xi) Any other reporting required by this Agreement.
- B. Within ten (10) days after receipt, copies of all plans, drawings, reports and manuals prepared or obtained by the Development Partner or its agents and Subcontractors at the Authority's expense in connection with the planning, design, construction, and operation of the Development;
  - C. Within ten (10) days after receipt, copies of any material correspondence, notices or orders of any government agency concerning the Development;
  - D. Within ten (10) days after receipt, copies of any complaints, or any actions or arbitration or investigatory proceedings to which the Development Partner is a party or which may affect the Development or the performance by any party under the Development Documents;
  - E. With respect to any Development that has closed, within one hundred twenty (120) days after the close of each fiscal year, audited or reviewed financial statements of such immediately preceding fiscal year for the Owner Entity prepared in accordance with generally accepted accounting principles consistently applied; provided that the time period hereunder shall be extended if the audit is delayed due to the auditor's failure to receive information from a third party such that the audit cannot be issued without qualification; and
  - F. Within ten (10) days, or on the occurrence of the event, notice of any default or of any circumstance which with the giving of notice or passage of time would constitute a default under any loan agreement or other contract associated with the Development to which the Development Partner is a party.

**6.7 Submissions by the Authority.** During the term of this Agreement, the Authority shall furnish to the Development Partner promptly after receipt, but in no event more than fifteen (15) business days after receipt, copies of any material correspondence, notices or orders of any government agency, or any complaints, or any actions or arbitration or investigatory proceedings to which the Authority is a party or which may affect the Development. In addition, contemporaneously with submission to HUD, the Authority shall provide the Development Partner with a copy of any report submitted to HUD for the Development.

**6.8 Nondiscrimination.** The Development Partner shall fully comply with all applicable laws and regulations with respect to workers' compensation, social security, unemployment insurance, hours of labor, wages, working conditions, licensing and other

employer-employee related matters, including, without limitation, all laws, rules and regulations with respect to non-discrimination based on race, sex or otherwise. Without limiting the generality of the foregoing, the Development Partner shall not discriminate against, or segregate, a person or group of persons on account of race, color, creed, sex, sexual orientation, marital status, familial status, national origin, ancestry, or disability in carrying out its duties and obligations pursuant to this Agreement, nor shall the Development Partner or any person claiming under or through the Development Partner establish or permit any such practice or practices of discrimination or segregation.

**6.9 Cooperation.** The Development Partner and the Authority shall cooperate with one another in good faith to successfully consummate the Development. Such cooperation shall include responding to one another as expeditiously as possible with regard to requests for information or approvals required hereby. With regard to materials or documents requiring the approval of one or more parties, if such materials or documents are not approved as initially submitted, then the parties shall engage in such communication as is necessary under the circumstances to resolve the issues resulting in such disapproval. The details of the Development described in this Agreement, however, are subject to further refinement and may be changed by agreement of the parties and amendment of the Development Plan, with HUD approval, if required. A spirit of good faith and a mutual desire to complete the Development successfully shall govern the parties' relationship under this Agreement including, for instance, when unforeseen events, changes in law, regulation, policy, procedure, general market conditions not controlled by the parties, and other facts or conditions discovered after the execution of this Agreement require the parties to modify the Agreement

**6.10 Approval by HUD.** The parties acknowledge that performance of this Agreement by the Authority, and the transactions contemplated hereby, are contingent upon the review and approval by HUD. The Development Partner and the Authority agree to cooperate in order to obtain HUD's written approval of this Agreement. Any submission to HUD of any Development Documents in draft or final form shall first be approved by both the Authority and the Development Partner, and shall be submitted by the Authority. The parties acknowledge that the Authority has no control over HUD, and notwithstanding anything in this Agreement to the contrary, the Authority shall in no way be responsible for, or guarantee, HUD's actions or inactions.

**6.11 Suspension of Work.** The Authority may order the Development Partner in writing to suspend, delay, or interrupt work to be performed under this Agreement for the period of time that the Authority determines appropriate for the convenience of the Authority or HUD. If the performance of all or any part of the work to be performed under this Agreement is suspended, delayed, or interrupted (a) by order of the Authority, or (b) an act of the Authority in the administration of this Agreement, (c) by the Authority's failure to act within the time specified in this Agreement, or (d) by an act or failure to act of HUD, the State of Florida, the Local Government, or any of their agencies, departments or political subdivisions, including, without limitation, the FHFC or the County's local housing finance agency, an adjustment shall be made to the Development Schedule and for any increase in the cost of performance of this Agreement (excluding any profit lost during such suspension, delay or interruption) necessarily caused by such unreasonable suspension, delay, or interruption and this Agreement

modified in writing accordingly. However, no adjustment shall be made under this Section 6.11 for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by the fault or negligence of the Development Partner or for which any equitable adjustment is provided for or excluded under any other provision of this Agreement. A claim under this Section 6.11 (i.e., if Development Partner makes a claim that costs were increased because of the suspension) shall not be allowed if (a) the Development Partner delays notification in writing to the Authority for more than ten (10) business days after written inquiry from the Authority that the suspension is resulting in increased costs; or if (b) the claim, in an amount stated, is made later than the date of final payment under this Agreement.

## **ARTICLE VII. RESIDENT PARTICIPATION**

The Development Partner shall reasonably cooperate with the Authority to involve residents and resident organizations in the planning and development process for the Development, consistent with Development Partner's and Authority's obligation to comply with the Schedules. If requested by the Authority, the Development Partner shall provide quarterly updates on the development process and shall conduct meetings on the design process, giving careful consideration to tenants' suggestions. The Development Partner shall facilitate meaningful resident participation in the completed Development, including, if requested by the Authority, coordination with any resident skills development program conducted by the property manager.

## **ARTICLE VIII. DEFAULT & REMEDIES**

**8.1 Development Partner Defaults.** The Development Partner shall, at the option of the Authority, be deemed to be in default of this Agreement if and only if the Authority provides the Development Partner with notice of said default pursuant to Section 8.2 of this Agreement and if the Development Partner fails to cure said default within the specified cure periods, if any, set forth in Section 8.2 of this Agreement (upon such failure, an "Event of Default"):

- A. The Development Partner fails to perform the services herein diligently and to complete any material activity or milestone in compliance with the Development Schedule, except for any delay caused by an event of Force Majeure and any unforeseeable delay caused by the action of HUD, FHFC, the City, the County, or the Authority; or
- B. The Development Partner fails to observe and/or perform any material term, provision, condition, covenant, agreement or obligation under this Agreement; or
- C. Upon any action or omission by the Development Partner or any of the Subcontractors that causes or otherwise results in the ceasing of funding by any third-party funding source (that is not promptly replaced by the Development Partner, subject to HUD approval); provided, however, that in the case of an action or omission of a

Subcontractor the foregoing shall constitute an Event of Default only if the Development Partner fails to enforce any material terms, provisions, conditions, covenants or agreements in the Subcontractor's contract; or

- D. The Development Partner or a member holding the majority of membership units of the Development Partner becomes insolvent, is adjudged a bankrupt, makes a general assignment for the benefit of its creditors, becomes a subject of any voluntary proceeding commenced under any statute or law for the relief of debtors, or becomes a subject of any involuntary proceeding commenced under any statute or law for the relief of debtors which is not dismissed within sixty (60) days of commencement except no default shall be deemed to have occurred if the Development Partner or the member holding a majority of the membership units and subject to any involuntary proceeding above owns less than a 50.1% interest in the entity subject to the involuntary proceeding; or
- E. The appointment of a receiver, trustee or liquidator of any of the property or income owned directly by the Development Partner or member holding the majority of membership units of the Development Partner provided that the Development Partner or the member holding a majority interest in the Development Partner (1) own greater than fifty percent (50%) of the ownership of such property or income and (2) such an appointment constitutes a material default under any guaranty provided hereunder; or
- D. The Development Partner has timely received the applicable payment from the Authority and fails to timely make payment when due to Subcontractors or for materials or labor to be supplied or performed under this Agreement; or
- E. The Development Partner or any other person required hereunder fails to obtain and maintain the insurance coverages required herein; or
- F. The Development Partner has defaulted under any material term of a Development Document or any other agreement between the Authority and the Development Partner after expiration of any cure period provided therein; or
- G. If any material representation of the Development Partner under this Agreement or any Development Document is or becomes untrue or inaccurate in any material adverse respect; or
- H. The Development Partner fails to enforce any material terms,



provisions, conditions, covenants or agreements in this Agreement or any Development Document to be observed, performed, or both on the part of the Development Partner, its General Contractor or its Subcontractors, which negatively impacts the Authority or the Development; or

- I. Failure of the Development Partner to comply with Section 4.3.6 of this Agreement.

**8.2 Notice and Opportunity to Cure.** It shall not be deemed an Event of Default if, within thirty (30) days after the date of written notice of said default to the Development Partner, the Development Partner has submitted materials to the Authority, which are reasonably satisfactory to the Authority, that it has cured such default; provided, however, that if the default is not susceptible of being cured within said thirty (30) day period, the Development Partner shall, promptly following receipt of the notice of default, commence and diligently and continuously prosecute a curing of such default and shall nevertheless in any event demonstrate to the Authority's sole satisfaction that it has cured the default within sixty (60) days from the notice of default, or such longer time as may be required to obtain the approval of HUD or any third party whose approval is required. Notwithstanding anything in this Agreement to the contrary, in the event of a default under Sections 8.1(D) or 8.1(E) of this Agreement or resulting from criminal activity, fraud or other egregious acts and resulting in the need for emergency action, as reasonably determined by the Authority, the Development Partner shall, at the option of the Authority, be deemed to be in default of this Agreement upon the Authority providing the Development Partner with notice of said default pursuant to this Section 8.2, and the Development Partner shall have no right to cure such default. Notwithstanding anything in this Agreement to the contrary, once the Authority issues a written notice of default to the Development Partner hereunder, the Authority shall not be required to pay the Development Partner any sum due hereunder which has a reasonable connection to the default which is the subject of the notice until such default is timely cured in accordance with this Agreement.

**8.3 Remedies Upon Event of Default by Development Partner.** In the event of any Event of Default by the Development Partner under this Agreement, the Authority shall have the right to:

- A. Terminate this Agreement or the Development Partner's right to proceed with the work in accordance with this Agreement, and/or
- B. Exercise any and all other remedies at law or in equity or under this Agreement that the Authority may now or hereafter have.

Additionally, upon an Event of Default by the Development Partner hereunder, past all applicable notice and cure periods, the Authority shall have the right to (a) take such measures as it deems necessary to correct the default at the Development Partner's sole cost and expense and to deduct such costs as the Authority may incur from amounts otherwise owing to the Development Partner hereunder, including, but not limited to, any Development Partner's Development Fee, and (b) impose at the Development Partner's

sole, non-reimbursable expense, special conditions or restrictions upon the Development Partner, with which the Development Partner shall comply as a condition of continuing under this Agreement, including, but not limited to, the following types of special conditions or restrictions, each of which HUD is entitled to impose upon the Authority under this Agreement:

- A. Withholding authority to proceed to the next Development, if any, until receipt of evidence of acceptable performance within a given funding period;
- B. Requiring additional, more detailed financial reports;
- C. Requiring additional monitoring;
- D. Establishing additional prior approvals;
- E. Recapturing amounts determined by the Authority to have been improperly expended by the Development Partner, or otherwise improperly paid to the Development Partner;
- F. Requiring the Development Partner to obtain, at the Development Partner's expense, additional technical or management assistance in substitution for any technical or management services failure that formed the basis of the default;
- G. Requiring the Development Partner, within a period established by the Authority, to prepare a revised plan for implementation; and
- H. Requiring the Development Partner to terminate defaulting contractors and Subcontractors.

**8.4 Remedies Available Upon Authority Default.** In the event of any default by the Authority under this Agreement, the Development Partner shall have the right to:

- A. Terminate this Agreement; and
- B. Exercise any and all other remedies at law or in equity that the Development Partner may now or hereafter have.

Notwithstanding anything in this Agreement to the contrary, the Authority shall not be deemed to be in default hereunder if within thirty (30) business days after the date of written notice the Authority has submitted satisfactory materials to the Development Partner that it has cured or is not in such default. If the default is not susceptible of being cured within said thirty (30) day period the Authority shall demonstrate to the Development Partner's satisfaction that it has taken actions necessary to cure the default and the default is curable within sixty (60) business days from the notice of default, or such longer time as may be required to obtain the approval of HUD or any third party

whose approval is required. The Authority shall prosecute such cure diligently and complete such cure within a sixty (60) business day period.

**8.5 Force Majeure.** If the Development Partner or the Authority is delayed in performing any covenant hereunder due to causes beyond the control and without intentional misconduct or negligence of such party (“Force Majeure”), then the time for performing the applicable covenant shall be extended for a period of time corresponding to the period of delay (plus any time needed because of the periodic nature of events such as application or filing dates or Authority Commission hearings). Examples of such causes include, without limitation, and if without intentional misconduct or negligence of the Development Partner: acts of God, public enemy, war, fires, floods, epidemics, quarantine restrictions, strikes or labor disputes, materials shortages, freight embargoes, unusually severe weather, and unreasonable delay in government action (not caused by the Development Partner’s failure to timely seek and obtain such action).

## **8.6 Termination for Convenience**

**8.6.1 Convenience.** The Authority may terminate this Agreement for convenience, either in whole or in part. Any such termination shall be effected by delivery to the Development Partner of a written notice of termination, specifying the extent to which the performance of the work under the Agreement is terminated, and the date upon which such termination becomes effective.

**8.6.2 Procedure for Termination for Convenience.** If the performance of the work is terminated for convenience, either in whole or in part, the Authority shall be liable to the Development Partner for reasonable and proper costs resulting from such termination. The Authority shall settle on the Development Partner’s claim within sixty (60) days (or such longer time as may be required to obtain the approval of HUD or any third party whose approval is required) of receipt by the Authority of a properly presented claim from the Development Partner setting out in detail: (1) the total cost of all Third-Party Costs incurred to date of termination, and the total cost incurred to date of termination by the Development Partner in accordance with third party contracts approved in writing by the Authority which do not constitute Third Party Costs; (2) the reasonable cost of settling and paying claims under contracts, subcontracts and material orders for work performed and materials and supplies delivered to the Site; (3) the reasonable cost of preserving and protecting the work already performed until the Authority or assignee takes possession thereof or assumes responsibility therefore; and (4) fair compensation to the Development Partner for all work performed by the Development Partner to the date of termination determined by an objective assessment of the value of such work performed. Such costs provided for in this Section 8.6.2 shall all be net of amounts previously paid or reimbursed by the Authority to the Development Partner under this Agreement, or on the Development Partner’s behalf, with respect to these tasks. Together with such claim, the Development Partner shall furnish the Authority with true and correct legible copies or originals of its books, records and third-party contracts relating to such claim in order for the Authority to conduct an audit and settle the claim.

## **8.7 Disposition of Documents and Other Tangible Items Upon**

**Termination.** If this Agreement is terminated for any reason or for convenience, the parties agree that the Plans and Specifications shall inure to the benefit of, and Development Partner's rights in the Plans and Specifications shall be assigned to, the Authority upon full reimbursement to the Development Partner of the expenses actually incurred in creating or obtaining such items and all other amounts due and owing the Development Partner hereunder. All other plans, specifications and documents which have not been previously approved by the Authority shall inure to the Authority's benefit and the Development Partner's rights in such other plans, specifications and documents shall be assigned to the Authority if the Authority, in its sole option, chooses to reimburse the Development Partner for the actual costs incurred by the Development Partner and, if applicable, for creating and obtaining such unapproved documents. Prior to the Authority's reimbursement to the Development Partner, such expenses must be evidenced by appropriate invoices or other documentation approved by the Authority.

**8.8 Assignment of Work Product Following Termination for Default or Convenience of the Authority.** Upon termination of this Agreement for any reason or for convenience, all plans, studies, reports, drawings, permits, approvals, and other work product produced or obtained by the Development Partner in connection with the Development and all of Development Partners interests in agreements relating to such work product shall be properly assigned to the Authority without further compensation due the Development Partner so long as such items have been paid for by the Authority.

**8.9 Discontinue Services Upon Termination.** Upon the effective date of any termination of this Agreement for any reason or convenience, the Development Partner shall immediately proceed with the performance of the following duties regardless of delay in determining or adjusting amounts due hereunder:

- A. Cease operation at the Development as specified in the notice;
- B. Place no further orders and enter into no further contracts for materials, labor or services, or facilities except as necessary to complete portions of the Agreement which have not been terminated; and
- C. Terminate or assign all contracts relating to the terminated portion of the Agreement in accordance with the Authority's or Owner Entity's instructions, as applicable.

**8.10 Certificate and Release.** Prior to final payment under this Agreement or prior settlement upon termination of this Agreement, and as a condition precedent thereto, the Development Partner and Authority shall execute and deliver to each other a certificate and release in a mutually acceptable form, containing a release of all claims against the Authority by the Development Partner and vice-versa under and by virtue of this Agreement.

**8.11 Survival.** The liability of any party for a breach of this Agreement under this Article VIII shall survive the termination of this Agreement.



## ARTICLE IX. REPRESENTATIONS AND WARRANTIES

**9.1 Representations, Covenants and Warranties of the Development Partner.** The Development Partner hereby represents, warrants and certifies that as of the date of this Agreement:

- A. The Development Partner is a limited liability company organized, validly existing and in good standing under the laws of the State of Florida. The Development Partner has the power and authority to own its assets and properties, to carry on its activities as now conducted by it, to execute, deliver and perform its obligations under this Agreement.
- B. The execution, delivery and performance of this Agreement have been duly authorized by the signatories so authorized and this Agreement constitutes the legal, valid and binding obligation of the Development Partner;
- C. To the best of its knowledge and without further inquiry, the execution, delivery and performance of this Agreement by the Development Partner shall not result in a breach or violation of, nor constitute a default under any contract to which it is a party;
- D. Other than the actions set forth on Schedule 9.1(D), to the best of its knowledge, the Development Partner represents and warrants that there is no action, suit or proceeding pending or threatened before any court or government or administrative body or agency which may reasonably be expected to (i) result in a material adverse change in the activities, operations, assets or properties or in the condition, financial or otherwise, of the Development Partner or Owner Entities, or (ii) impair the ability of the partners of the Development Partner, and Owner Entities, to perform their obligations under this Agreement. The partners of the Development Partner, and Owner Entities are not in default with respect to any judgment, writ, injunction, decree, rule or regulation of any court or any governmental or administrative body or agency. The partners of the Development Partner are not the subject of a limited denial of participation or debarment by HUD or any similar prohibition on conducting business with public agencies in the State of Florida or other jurisdictions.
- E. Before execution of this Agreement, the Authority shall have reviewed, and accepted as sufficient, comprehensive financial information submitted by the Development Partner. The Development Partner hereby warrants that there has subsequently been no material adverse change to the financial condition or financial assets of the Development Partner. During the life of this Agreement, the Authority retains the continuous right to

reasonably review the financial condition of the Development Partner. To the best of its knowledge, the Development Partner has not received any notice nor is there pending or threatened any notice, of any violation of any applicable laws, ordinances, regulations or decrees that would materially and adversely affect its ability to perform hereunder.

- F. The Development Partner shall promptly notify the Authority if it engages in the development of any other affordable housing project in the State of Florida which anticipates utilizing low income housing tax credits or other state or local assistance. The Development Partner shall not take any action that would be disadvantageous to the Development in order to provide advantage to such other project. The Development Partner shall not participate or assist in any appeal of an award of assistance to the Development, or take any other action intended to disadvantage the Development. Except as specified in the preceding sentence, nothing in this paragraph is intended to restrain the Development Partner from zealously planning and implementing any other project including obtaining state and local assistance for it.

**9.2 Representations, Covenants, and Warranties of the Authority.** The Authority hereby represents and warrants, as of the date of this Agreement, and subject to the approvals as may be required in this Agreement as follows:

- A. The Authority is validly existing under the laws of the State of Florida as a public housing authority, and has all requisite power and authority, corporate or otherwise, to execute and deliver this Agreement and perform their obligations under this Agreement;
- B. The execution, delivery and performance of this Agreement have been duly authorized by the signatories so authorized and this Agreement constitutes the legal, valid and binding obligation of the Authority;
- C. To the best of its knowledge, the execution, delivery and performance of this Agreement by the Authority shall not result in a breach or violation of, nor constitute a default under any contract or judicial decree to which it is a party or subject or by which its properties may be bound or affected; and
- D. To the best of its knowledge, the Authority has not received any notice nor is there pending or threatened any notice, of any violation of any applicable laws, ordinances, regulations or decrees that would materially and adversely affect its ability to perform hereunder.
- E. The Authority shall promptly notify the Development Partner if it

engages in the development of any other affordable housing project which anticipates utilizing low income housing tax credits or other state or local assistance. The Authority shall not take any action that would be disadvantageous to the Development in order to provide advantage to such other project. The Authority shall not participate or assist in any appeal of an award of assistance to the Development, or take any other action intended to disadvantage the Development. Except as specified in the preceding sentence, nothing in this paragraph is intended to restrain the Authority from zealously planning and implementing any other project including obtaining state and local assistance for it.

#### **ARTICLE X. MISCELLANEOUS**

**10.1 Independent Contractor.** The Development Partner is an independent contractor and not an agent of the Authority; therefore, except as expressly set forth herein, the Development Partner shall have no authority to bind the Authority.

**10.2 Notices.** All notices, demands, requests or other communications or documents to be provided under this Agreement shall be in writing and shall be deemed to have been given if served personally, by nationally recognized overnight delivery service (such as Fed Ex), sent by United States Registered or Certified Mail, return receipt requested, or by facsimile machine (and only upon telephonic confirmation by the delivering party of receipt by the recipient party, with an additional copy sent by one of the foregoing methods) addressed to the addresses set forth below or such other addresses as either party may designate by notice to the other:

If to the Authority:

Housing Authority of the City of Lakeland, Florida  
430 Hartsell Avenue  
Lakeland, Florida 33815  
Telephone: (863) 687-2911  
Facsimile: (863) 413-2976  
Attention: Benjamin Stevenson, Executive Director

With a Copy To:

Bernice S. Saxon, Esq.  
Saxon Gilmore & Carraway, P.A.  
201 East Kennedy Blvd., Suite 600  
Tampa, Florida 33602  
Telephone: (813) 314-4500  
Facsimile: (813) 314-4555

If to the Development Partner:

Housing Trust Group, LLC  
3225 Aviation Avenue, Suite 602  
Miami, Florida 33133  
Attention: Matthew Rieger, Esq., President and Chief Executive Officer  
Telephone: (305) 818-8188  
Facsimile: (305) 860-1856

**10.3 Further Assurances.** Each party shall execute such other and further documents as may be reasonably necessary or proper for the consummation of the transaction contemplated by this Agreement as mutually agreed by the parties hereto and completion of the various tasks and duties as provided herein.

**10.4 Survival.** The occurrence of a Closing with respect to any Development shall be deemed in full satisfaction of the party's obligations, representations and warranties under this Agreement with respect to such Development, except for such obligations and warranties as expressly survive by the terms of this Agreement or by the terms of any Development Document or any other document executed in connection with such Closing. Once a Closing has occurred with respect to any Development, the Development Documents applicable to such Development and any other documents executed in connection with such Closing shall govern the parties' obligations as to matters set forth in them. No termination of this Agreement, in and of itself, shall release the other party from the obligations it has undertaken in Development Documents and any other documents executed in connection with any such Closing nor increase the rights and remedies it may have under such documentation

**10.5 Amendments.** As of the date of this Agreement, this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof. The parties acknowledge that on or prior to a Closing of the transactions contemplated herein, the parties shall enter into such further documents that may be necessary or required to evidence and reflect the transactions. Neither this Agreement, nor any provision hereof may be changed, waived, discharged, modified or terminated orally, but only by an instrument in writing signed by the party against whom enforcement is sought.

**10.6 Non-Assignment; Binding Effect.** The rights and responsibilities of the parties to this Agreement may not be assigned without the prior written consent of the non-assigning party. Any assignment in violation of this Section 10.6 shall be null and void and shall constitute a material breach hereof. The parties acknowledge that the proposed transfer of development and/or operating assistance (as applicable) to the Owner Entities shall not be deemed to be an assignment of development and/or operating assistance and that, accordingly, the Owner Entities shall not succeed to any rights or benefits of the Authority under the ACC, the HOPE VI or Choice Neighborhoods Initiative grant agreement (as applicable), nor shall they attain any privileges, authorities, interests, or rights in or under the ACC, the HOPE VI or Choice Neighborhoods Initiative grant agreements (as applicable). All of the terms and conditions of this Agreement shall



be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors, transferees and permitted assigns.

**10.7 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of Florida except to the extent the adjudication claim is preempted by federal law. In the event of litigation, the parties agree that venue for the prosecution of any state court proceedings shall be the County, and any federal court proceeding shall be the Middle District of Florida.

**10.8 Disclaimer of Relationships.**

- A. Nothing contained in the ACC, the HOPE VI grant agreement (as applicable), the Choice Neighborhoods Initiative grant agreement, if applicable or this Agreement, nor any act of HUD or the Authority, shall be deemed or construed to create any relationship of third party beneficiary, principal and agent, limited or general partnership, joint venture, or any association or relationship involving HUD, except between HUD and the Authority as provided under the terms of the ACC or HOPE VI grant agreement (as applicable).
- B. The Development Partner acknowledges that any transfer of HOPE VI funds (if applicable), the Choice Neighborhoods Initiative grant agreement, if applicable or other public housing development funds by the Authority to the Development Partner shall not be deemed an assignment of such funds. The Development Partner will not succeed to any rights or benefits of the Authority under the ACC or HOPE VI grant agreement (as applicable), or attain any privileges, authorities, interests, or rights in or under the ACC, HOPE VI grant agreement (as applicable) or the Choice Neighborhoods Initiative grant agreement, if applicable.
- C. The Development Partner agrees to ensure that paragraphs (A) and (B) of this Section 10.8 are inserted into any contract or subcontract involving the use of HUD funds in connection with the Project.

**10.9 Severability.** In case any one or more of the provisions contained in this Agreement should be invalid, illegal or unenforceable in any respect, no party hereto shall be required to comply with such provision for so long as such provision is held to be invalid, illegal or unenforceable and the validity, legality and enforceability of the remaining provisions contained herein shall not in any way be affected or impaired. The parties shall endeavor in good faith to negotiate to replace the invalid, illegal and unenforceable provisions with valid provisions, the effect of which shall come as close as possible to that of the invalid, illegal or unenforceable revisions.

**10.10 Assigned Representatives.** To facilitate communication, the parties to this Agreement shall designate a representative (“Assigned Representative”) with

responsibility for the routine administration of each party's obligations under this Agreement. The parties initially appoint the following as representatives: Benjamin Stevenson for the Authority and Matthew Rieger for the Development Partner. Any change of Assigned Representative shall be by written notice. Any representative shall be qualified and empowered to perform the responsibilities of the office and any change by Development Partner shall be consistent with Section 4.3.3 of this Agreement.

**10.11 Waiver.** No failure on the part of any party to exercise, and no delay in exercising, any right, and no failure on the part of any party to insist upon strict performance of any term or provision hereof shall operate as a waiver of any of such parties' rights hereunder, nor shall any single or partial exercise by any party of any right preclude any other or future exercise thereof or the exercise of any other right. No waiver by any party of any condition or default shall constitute a waiver of any subsequent condition or default.

**10.12 Consent.** The consent by one party to any act by another party shall not be deemed to imply consent, or waiver of the necessity of obtaining such consent, for the same or any similar acts in the future. No waiver or consent shall be implied from silence or from any failure of a party to act, except as otherwise specified in this Agreement.

**10.13 References to the Development Partner and the Authority.** Any references to the Development Partner and the Authority shall mean the Development Partner and the Authority and/or their respective affiliates as appropriate and as the context may require hereunder.

**10.14 Information.** The Authority and the Development Partner shall keep each other informed of all material events, information and communications related to the Master Development Activities and Development Activities to be performed under this Agreement. In addition, the Authority shall coordinate closely with the Development Partner all relevant communications with HUD, forward to the Development Partner all relevant correspondence, directives, and other written material either to or from HUD with respect to the Master Development Activities and Development Activities to be performed under this Agreement.

**10.15 Execution of Documents.** The Authority shall maintain sole authority for the execution of documents required of the Authority as grantee under applicable grant requirements with HUD or Applicable Public Housing Requirements. In addition, the Authority shall be responsible for managing relations with HUD. Whenever a statute or regulation or the successful implementation of the Agreement requires the Authority to take actions or execute documents to accomplish the Development, the Authority shall do so promptly, so as not to impede the orderly progress of work.

**10.16 Selection of Professionals, Consultants and Contractors.**

- A. The Development Partner and the Authority acknowledge that 24 CFR Part 85, which applies to the Authority does not apply to the Development Partner. The Development Partner and the Authority further acknowledge that 24 CFR 941.606 and certain state statutes

apply to both parties engaged in a mixed-finance transaction. Therefore, in light of the public investment in the Development, all selection transactions carried out by the Development Partner shall be conducted in a manner to provide, to the maximum extent practical, maximum benefit to the Development considering the qualifications of the professionals, consultants and contractors, cost and other relevant factors.

- B. In no event shall the Development Partner contract with any party which has been debarred or suspended by HUD under 24 CFR part 24. All contracts entered into by the Development Partner with third parties shall contain all standard provisions required by HUD and shall otherwise be consistent with the requirements of this Agreement.
- C. The Authority and the Development Partner hereby represent and warrant that if there is an identity of interest between the Development Partner and the General Contractor, (i) the Authority has demonstrated to HUD's satisfaction that the price of the General Contractor was competitive; or (ii) HUD has provided a written waiver of the certification requirement of 24 CFR § 941.606(n)(1)(ii)(B).

**10.17 Compliance with Regulations and Laws.** To the extent applicable, the Development Partner and the Authority shall comply with all Applicable Public Housing Requirements. The Development Partner shall comply with the HUD General Terms and Conditions (Non-Construction) to the extent applicable to the activities contemplated by this Agreement, a copy of which is attached hereto as Exhibit C and incorporated herein by reference. To the extent that certain subjects are addressed both by the HUD General Terms and Conditions and by this Agreement, the HUD General Terms and Conditions shall be considered inapplicable and the terms of this Agreement shall control.

**10.18 Indemnification.**

- A. The Development Partner shall indemnify, defend and hold harmless the Authority and its affiliated entities, commissioners, officers, agents, representatives, employees or subcontractors, from any loss, cost, damage, claim, demand, suit, liability, judgment and expense (including reasonable attorneys' fees and other reasonable costs of litigation) arising out of or relating to any injury, disease, or death of persons or damage to or loss of property resulting from or in connection with any material breach of any provision of this Agreement by the Development Partner or its affiliated entities, partners, officers, agents, employees, or the negligence of the Development Partner or its affiliated entities, partners, officers, agents, employees arising or occurring after the date of this Agreement. The obligations, indemnities and liabilities of the Development Partner under this Section 10.18 shall not extend to

any liability caused by the negligence of HUD, the Authority, or their respective agents, representatives, employees or subcontractors (other than the Development Partner) arising or occurring after the date of this Agreement or the breach by any of the foregoing under any Development Document. The Development Partner's liability shall not be limited by any provisions or limits of insurance set forth in this Agreement. The Development Partner's obligations under this Section 10.18 shall survive termination of this Agreement.

- B. The Authority shall indemnify, defend and hold harmless the Development Partner and its affiliated entities, directors, members, officers, agents, representatives, employees or subcontractors, from any loss, cost, damage, claim, demand, suit, liability, judgment and expense (including reasonable attorneys' fees and other reasonable costs of litigation) arising out of or relating to any injury, disease, or death of persons or damage to or loss of property resulting from or in connection with any material breach of any provision of this Agreement by the Authority or its affiliated entities, partners, officers, directors, agents, employees, or the negligence of the Authority or its affiliated entities, partners, commissioners, directors, officers, agents, employees arising or occurring after the date of this Agreement. The Authority's liability shall not be limited by any provisions or limits of insurance set forth in this Agreement. The Authority's obligations under this Section 10.18 shall survive termination of this Agreement. Nothing in this Agreement shall be deemed or construed as a waiver of any privilege, immunity or other protection which may be available to the Authority under the doctrine of sovereign immunity or the limitations of liability contained in Section 768.28, Florida Statutes. Likewise, to the extent applicable, any claim for indemnity brought under this Agreement shall comply with the procedural requirements and pre-suit conditions contained in Section 768.28, Florida Statutes.

## **10.19 Insurance.**

**10.19.1 Insurance Coverage.** The Development Partner shall, during the term of this Agreement, carry and pay for or cause its General Contractor's or General Contractor's Subcontractors to carry and pay for, as may be applicable, the coverage set out below. Except for flood insurance underwritten through the National Flood Program or such other successor program provided by the federal government for the purpose of insuring flood risk, the insurance companies providing the coverage set out below must be written by companies with a minimum A.M. Best rating of (A-) with a financial category of VI. Further, the insurance companies must be licensed to do business in the state of Florida.

- A. Worker's Compensation and Occupational Disease Insurance.



Workers Compensation and Occupational Disease Insurance in accordance with the laws of the State of Florida, and with a minimum Employers Liability limits per the Florida statutory limit.

- B. General Liability Insurance. General Liability Insurance with a combined limit of not less than One Million Dollars (\$1,000,000.00) for injury to or death of any one person, for injury to or death of any number of persons in one occurrence, and for damage to property, insuring against any and all liability of the Authority and the Development Partner including, without limitation, coverage for contractual liability and broad form property damage and Two Million Dollars (\$2,000,000 in the aggregate). The Authority, the Authority's member affiliate, the Authority's co-developer affiliate, and the Owner Entity are to be named as additional insureds on a primary non-contributory basis for any liability arising directly or indirectly for the services contemplated by this Agreement.
- C. Comprehensive Automobile Liability Insurance (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with the work to be performed, the Development Partner, Development Partner's General Contractor or General Contractor's subcontractors, as may be applicable, shall provide Comprehensive Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence combined single limit, for bodily injury and property damage. The Authority, the Authority's member affiliate, the Authority's co-developer affiliate, and the Owner Entity are to be named as additional insureds on a primary non-contributory basis.
- D. Fiduciary Bond. A fiduciary bond covering financial losses caused by any act of fraud of any nature, fraud in the inducement, forgery, embezzlement, theft, conversion, or other criminal act of any employee or member of the Development Partners', including, without limitation, and other related criminal acts. The fiduciary bond shall be in the maximum amount not less than One Million and no/100 Dollars (\$1,000,000).The policy limit shall cover losses for the maximum funds collected, received and on promises, or all at any given time. The Owner Entity is to be named as an additional insured on a primary non-contributory basis. The Development Partner shall obtain the fiduciary bond within thirty (30) days prior to the date that the Owner Entity's transfer of funds to the Development Partner or in the custody of the Development Partner.
- E. Professional Liability Insurance. Professional Liability Insurance in the amount of \$1,000,000.00 per occurrence for any professionals used by the Development Partner or the General

Contractor who are lawfully required to be licensed pursuant to the laws of the State of Florida, with respect to negligent acts, errors or omissions in connection with professional services to be provided in connection with the Development. The Authority, the Authority's member affiliate, the Authority's co-developer affiliate, and the Owner Entity are to be named as additional insureds on a primary non-contributory basis.

- F. Property Insurance. If the Development Partner maintains an office on the Authority's property, the Development Partner shall purchase and maintain insurance for the Development Partner's property utilized at the work site to full insurable value thereof. Insurance shall include all risk insurance for physical loss or damage including without duplication, theft, vandalism, and malicious mischief. Insurance shall include coverage of owned and rented equipment and temporary facilities. If insurance is written with stipulated amounts deductible under the terms of the policy, the Development Partner shall be responsible for covering the cost of all deductibles.
- G. Builder's Risk During Construction and Property Insurance for Replacement Cost Upon Completion. At any time before the Development Partner or Owner Entity has issued a Notice of Commencement under any construction contract related to any portion of the Development or the Site and through the date that the coverage for the applicable improvement is transferred from the Builders Risk policy to the Owner Entity's general property insurance, the Development Partner shall provide Broad Form Builder's Risk insurance shall cover the structures to be constructed pursuant to such contract as well as the associated materials, supplies, machinery and equipment that belong to or shall be a part of such structure. The Builders Risk policy shall be the standard Broad Form Builder's Risk Policy that is ordinary and customary in a commercial setting in the State of Florida and shall cover all risks related to work in place and all materials used for such work, and payable on a completed value basis regardless of whether partial payment has been made by the Authority. The Authority (or its designee) shall be named as Loss Payee. Insurance funds paid shall be deposited in an escrow account and all repairs shall be paid out from that account. Such insurance shall insure the interests of Subcontractors, the Development Partner, the Owner Entity, the Authority, the Authority's member affiliate, and the Authority's co-developer affiliate as their interests may appear.
- H. All Risk. "All Risk" insurance against loss or damage by fire, flood and such other risks and matters, including without limitation, business interruption, rental loss, public liability, and

boiler damage and liability except that the Development Partner shall not be required to obtain or purchase “all risk” insurance if (i) construction is undertaken on real property that is in an area identified by the Federal Emergency Management Agency as an area subject flooding and, as such, uninsurable under the National Flood Program. Except with respect to flood insurance, if such insurance can be obtained in the market place in the ordinary course upon commercially reasonable terms and conditions, the amount of such insurance will not be less than 100% of the full replacement value of the Development, including the cost of debris removal, without deduction for depreciation. The Authority, the Authority’s member affiliate, the Authority’s co-developer affiliate, and the Owner Entity are to be named as additional insureds on a primary non-contributory basis.

- I. ACC Requirements. The insurance coverages set forth in Part B, Attachment VII of the ACC, as applicable, and if the Authority determines that exposure exists. All such insurance shall provide that the Authority be given thirty (30) days’ prior written notice of any renewal, termination, cancellation, or other change to such policies.

**10.19.2 Insurance Policy Requirements.** With respect to policies described in this Section 10.19.2:

- A. The insurance specified in Sections 10.19.1(A) – (C) of this Agreement must be in place no later than thirty (30) days after the execution of this Agreement and in-force insurance is a condition precedent to all contracts executed pursuant to this Agreement;
- B. The Development Partner shall provide the Authority with certificates of insurance and, upon request, copies of all insurance policies, if available, as evidence of the limits and coverages described above, which shall be acknowledged and accepted by the Authority by issuing a notice of acceptance;
- C. In the event that the Development Partner’s insurance is scheduled to expire during the execution of this Agreement, the Development Partner shall provide the Authority with copies of renewal certificates thirty (30) days prior to the expiration date of the expiring coverage;
- D. The insurance contracts shall require the insurance company to provide the Authority with thirty (30) days prior written notice of a substantial change, cancellation or non-renewal in coverage during the policy term; and

- E. The Development Partner shall require all Subcontractors to carry the insurance required herein, or the Development Partner or the General Contractor may provide the coverage for any or all Subcontractors, and if so, the Development Partner or the General Contractor insurance should so stipulate.

**10.20 Claims.** The Development Partner shall notify the Authority of any occurrence giving rise to a claim under any required insurance coverage within twenty (20) business days following discovery of the claim by the Development Partner. In addition, the Development Partner shall investigate and furnish the Authority with reports of all accidents, claims and known potential claims for damage or injury and shall cooperate with its insurers and those of the Authority.

**10.21 Authority Insurance.** The Development Partner understands and agrees that any insurance or self-insurance program maintained by the Authority shall not contribute with insurance provided by the Development Partner and its Subcontractors under this Agreement.

**10.22 Owner Entities' Insurance.** The Development Partner shall require each Owner Entity to acquire insurance as provided in Section 10.19 of this Agreement, as appropriate, plus all-risk and other insurance coverages at Construction Completion of the applicable Development consistent with the Regulatory and Operating Agreement and the Development Documents.

**10.23 Counterparts and Facsimile Signatures.** This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The delivery by facsimile or electronic mail of an executed copy of this Agreement shall be deemed valid as if an original signature was delivered.

**10.24 Conflict of Interest.**

- A. The parties acknowledge and agree that this Agreement does not violate the conflict of interest provisions set forth in 24 CFR Part 85, 24 CFR Part 941 and the ACC, and the parties hereto agree to comply with such provisions. Each of the parties agrees to include in all contracts with any party involving the use of public housing funds, a conflict of interest provision consistent with 24 CFR Part 85, 24 CFR Part 941 and the ACC.
- B. The Development Partner agrees to execute a certification regarding lobbying and all other certifications required to be executed in connection with receipt of the public housing funds.

**10.25 HUD Approval of Amendments.** This Agreement shall not be amended in any material respect, after approval and acceptance by HUD, without the prior written approval of HUD (if required).

**10.26 Participation.** Each party has participated fully in the negotiation and



preparation of this Agreement with full benefit of counsel. Accordingly, this Agreement shall not be more strictly construed against any of the parties, and shall be interpreted as if the parties hereto jointly prepared it.

**10.27 Remedies.** Except as may be expressly provided herein to the contrary, all rights, remedies, undertakings, obligations, options, covenants, conditions and agreements contained in this Agreement or provided by law or in equity shall be cumulative, and not one of them shall be exclusive of any other. A party may pursue any one or more of its rights options or remedies hereunder, seek damages or specific performance in the event of another party's default hereunder, or may pursue any other remedy at law or in equity whether or not stated in this Agreement.

**10.28 Assignment of Other Warranties.** The Development Partner hereby assigns to the Authority all warranties made or given to the Development Partner with respect to any work performed in connection with the Development by the Development Partner or any architect, engineer, contractor or Subcontractor, or any material or equipment used in connection with the Development.

#### **10.29 Books and Records.**

**10.29.1 Recordkeeping; Access.** The Development Partner's books and records pertaining to its performance under this Agreement shall be kept in accordance with generally accepted accounting principles and as required by the Applicable Public Housing Requirements, and shall be retained for at least three (3) years after the Authority makes final payment to Development Partner under this Agreement and all other pending matters are closed. The Development Partner agrees to grant a right of access to the Authority, HUD, any agency providing funds to the Authority, the Comptroller General of the United States, and any of their authorized representatives, with respect to any books, documents, papers, or other records pertinent to this Agreement in order to make audits, examinations, excerpts, and transcripts. The Development Partner shall cause the Subcontractors to keep their books and records pertaining to their performance under this Agreement in accordance with generally accepted accounting principles and as required by the Applicable Public Housing Requirements, and such books and records shall be retained for at least three (3) years after the Authority makes final payment to Development Partner under this Agreement and all other pending matters are closed. Such books and records shall include, without limitation, (i) records of direct personnel and other expenses pertaining to their work under this Agreement; (ii) a record of the Development Documents for all components of the Development; and (iii) all construction records, including all plans, contracts, shop drawings, samples, purchase orders, applicable handbooks, technical standards and specifications and manuals related to the Development. The Development Partner shall keep, and cause all Subcontractors to keep, such books and records organized and separated by each Development and not commingled with other projects of the Development Partner or the Subcontractors.

#### **10.29.2 Intentionally Omitted.**

**10.29.3 Audit.** The Authority, HUD, any agency providing funds to the

Authority, the Comptroller General of the United States, or any of their duly authorized representatives, shall have the right to perform any audit of the Development Partner's finances and records related to its performance under this Agreement, including without limitation, the financial arrangement with anyone the Development Partner may delegate to discharge any part of its obligations under this Agreement. The Development Partner agrees, and shall cause all Subcontractors to agree, to make such books and records and other books, records documents, papers, and electronic files pertinent to this Agreement available to the Authority, HUD, any agency providing funds to the Authority, the Comptroller General of the United States, and any of their authorized representatives, for inspection and copying upon reasonable notice during business hours, at no charge except for reasonable copying costs. The Authority shall have the right to perform any audit of such books and records and other books, records, documents, papers, and electronic files pertinent to this Agreement at its sole cost and expense, subject to possible reimbursement as provided in this Section 10.29.3. If an inspection or audit reveals that the amount of the payments made to the Development Partner under Section 3.2 of this Agreement has been overstated due to information provided by the Development Partner in any relevant underlying report to the Authority, then the Development Partner shall, at the election of the Authority, either reimburse to the Authority or offset against future payments, the overstated amount, in addition to interest from the time such amount was initially overpaid until reimbursed or credited to the Authority, at the lesser of: (i) the maximum rate of interest permitted by the laws of the State of Florida; or (ii) the prime rate reported in the "Money Rates" section of the Florida Edition of *The Wall Street Journal*, plus three percent (3%). If an inspection or audit contemplated by this Section 10.29.3 discloses an overpayment to the Development Partner of more than Five Thousand Dollars (\$5,000.00), then the Development Partner shall also reimburse to the Authority any and all reasonable costs incurred in connection with the inspection or audit, including, without limitation, reasonable accounting and attorneys' fees. The foregoing remedies shall be in addition to any other remedies the Authority may have, including, without limitation, any remedies for a default by the Development Partner under this Agreement.

#### **10.29.4 Cooperation and Reasonableness.**

- A. The Development Partner agrees, and shall cause all Subcontractors to agree, to cooperate in good faith with the Authority, HUD, any agency providing funds to the Authority, the Comptroller General of the United States, and any of their authorized representatives, with respect to any inspection or audit hereunder. Such cooperation shall include, without limitation, reasonable efforts to respond to the Authority, HUD, any agency providing funds to the Authority, the Comptroller General of the United States, and any of their authorized representatives, as expeditiously as possible with regard to any requests for such books and records and other books, records documents, papers, and electronic files pertinent to this Agreement.
- B. Unless a higher standard is set forth herein, the parties are expected to, and shall, act reasonably hereunder. Any approval by a party

hereunder shall not be unreasonably withheld, conditioned or delayed.

**10.29.5 Subcontractors.** The Development Partner agrees to include requirements in its subcontracts that the recordkeeping, inspection, audit and adjustment requirements set forth in this Section 10.29 are also made legally binding upon any Subcontractor, and the Development Partner agrees to use reasonable efforts to enforce such requirements.

**10.29.6 Survival Clause.** The provisions of this Section 10.29 shall survive the termination of this Agreement; provided, however, after termination, the Development Partner and any Subcontractor providing information shall be reimbursed only for reasonable copying and delivery costs.

**10.30 Attorneys' Fees.** In the event either party hereto institutes legal action to enforce the provisions of this Agreement, the prevailing party therein shall be entitled to seek an award by the court for reasonable attorneys' fees, costs and expenses incurred in such action.

**10.31 Resolution of Disputes.** If a party hereto has a dispute arising out of or relating to this Agreement, then such party shall notify the other party in writing of such dispute (the "Dispute Notice"). The Dispute Notice shall provide details of the dispute, and shall be sent within a reasonable time after the dispute in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such dispute in question would be barred by the applicable statute of limitations. The parties shall attempt to settle the dispute set forth in the Dispute Notice first through good-faith negotiation, and if such dispute still remains, then the parties agree that such dispute shall be submitted to mediation in the County, unless the parties mutually agree otherwise. This Agreement to mediate shall be specifically enforceable under the prevailing mediation law with respect to any demand for mediation filed prior to institution of other proceedings. Upon mediation of a dispute pursuant to this Section 10.31, the parties shall not be required to mediate such dispute again.

- A. The party initiating the mediation (the "Initiating Party") shall file notice of the demand for mediation ("Mediation Notice") in writing with the other party to this Agreement (the "Non-Initiating Party"). The Mediation Notice shall be sent within a reasonable time after the dispute in question has arisen, and in no event shall it be made after the date when institution of legal or equitable proceedings based on such dispute in question would be barred by the applicable statute of limitations.
- B. The Mediation Notice shall name a mediator. If the Non-Initiating Party notifies the Initiating Party in writing that it objects to the selected mediator within fifteen (15) days of the Non-Initiating Party's receipt of the Mediation Notice, then the parties shall mutually agree on a mediator within fifteen (15) days of the Initiating Party's receipt of such notice of objection to the selected

mediator and, if the parties fail to timely select a mediator, then the Initiating Party shall have the option to file suit to determine the mediator. If the Non-Initiating Party fails to timely object to the selected mediator, the mediator selected by the Initiating Party shall hear and determine the matter. The mediator shall have at least five (5) years' experience with and knowledge of public housing and mixed-finance real estate development. The mediator shall be independent of the parties and no mediator shall be an Owner Entity, officer, director, employee, staff member or board member of any party or their affiliates or blood relative or spouse of any of the same. The mediation shall be terminated by (i) the execution of a settlement agreement by the parties, (ii) a written declaration of the mediator to the effect that further efforts at mediation are no longer worthwhile, or (iii) a written declaration of a party or parties to the effect that the mediation proceedings are terminated after a good-faith effort to mediate the dispute(s) at issue.

- C. The same mediator shall mediate all disputes that are related to or dependent on each other.
- D. Unless otherwise agreed in writing, filing of Mediation Notice shall suspend the obligation of the parties to perform their respective obligations hereunder that are the subject matter of the Mediation Notice, provided however, that both parties shall continue to carry out their other obligations under this Agreement and with respect to any Development after the Development Partner has achieved a Closing for that Development.
- E. Each party shall bear its own costs, if any, in any mediation pursuant to this Section 10.31; each party shall bear fifty percent (50%) of the costs of the mediator.

Section 10.31 shall (i) not apply to any equitable action by any party, (ii) be interpreted as requiring either party to conclude mediation prior to commencing any legal action in any manner, (iii) provide any party other than the Authority and the Development Partner any rights whatsoever as third party beneficiaries unless the Authority and the Development Partner agree in writing, and (iv) apply to legal actions if such mediation would cause the statute of limitations, laches or other such bar to legal action because of the requirement for pre-litigation mediation.

**10.32 Trademark and Trade Name.** This Agreement does not give either party any ownership rights or any other right or interest in the other party's trade name or trademarks. Moreover, neither party shall have any right to use any trade names or trademarks of the other party in any promotional, sales, marketing or other materials.



**10.33 Benefit of Agreement.** The obligations and undertakings of the Development Partner set forth in this Agreement are made for the benefit of the Authority or any applicable Owner Entity and shall not inure to the benefit of any creditor of any Owner Entity, notwithstanding any pledge or assignment by an Owner Entity of this Agreement or any rights hereunder.

**10.34 Terminology.** All personal pronouns used in this Agreement, whether used in the masculine/ feminine or neuter gender, shall include all other genders, the singular shall include the plural, and vice versa as the context may require.

**10.35 Conflict.** The parties acknowledge and agree that, in the event of a conflict or inconsistency between the Applicable Public Housing Requirements and any requirement set forth in this Agreement, the Applicable Public Housing Requirements shall in all instances be controlling.

**10.36 Florida Public Records.** Pursuant to Section 119.0701, Florida Statutes, the Development Partner agrees to: (i) keep and maintain public records that ordinarily and necessarily would be required by the Authority in order to perform the services required by this Agreement; (ii) provide the public with access to public records on the same terms and conditions that the Authority would provide the records and at a cost that does not exceed the cost provided by Chapter 119, Florida Statutes, or as otherwise provided by law; (iii) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law; and (iv) meet all requirements for retaining public records and transfer, at no cost, to the Authority all public records in the Development Partner's possession upon termination of this Agreement and destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the Authority in a format that is compatible with the Authority's information technology systems. For purposes of this Section, "public records" is defined broadly to mean all documents, papers, letters, maps, books, tapes, photographs, films, sound recordings, data processing software or other material, regardless of the physical form, characteristics or means of transmission made or received in connection with this Agreement or in connection with any funds provided by the Authority pursuant to this Agreement. In the event that the Development Partner fails to comply with the provisions of this Section, and the Authority is required to enforce the provisions of this Section, or the Authority suffers a third party award of attorneys' fees and/or damages for violating the provisions of Chapter 119, Florida Statutes, due to the Development Partner's failure to comply with the provisions of this Section, the Authority shall be entitled to collect from the Development Partner prevailing party attorneys' fees and costs, and any damages incurred by the Authority, for enforcing this Section against the Development Partner. Also, if applicable, the Authority shall be entitled to reimbursement of any and all attorneys' fees and damages which the Authority is required to pay to a third party because of the Development Partner's failure to comply with the provisions of this Section. This Section shall survive the termination of this Agreement.

**[SIGNATURE PAGE FOLLOWS]**

**IN WITNESS WHEREOF**, the parties by and through their duly authorized representatives, have executed this Agreement to be effective as of the date first set forth above.

**HOUSING AUTHORITY OF THE CITY OF LAKELAND, FLORIDA**, a public body corporate and politic organized and existing under the laws of the State of Florida

By: \_\_\_\_\_  
Benjamin Stevenson, Executive Director

**HOUSING TRUST GROUP, LLC**, a Florida limited liability company

By: \_\_\_\_\_  
Matthew Rieger, President

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**The Housing Authority of the City of Lakeland  
Request for Board Action**

**1. Describe Board Action Requested and why it is necessary:**

**Re: Resolution # 15-1412**

The Board of Commissioners is requested to approve the above-referenced resolution to authorize its Executive Director to increase the total dollar value of the task order contract with *Innovative Financial Housing Solutions, Inc.* (IFH Solutions) up to \$310,000.

**2. Who is making request:**

- A. Entity: The Housing Authority of the City of Lakeland
- B. Project: Task Order #'s 5 and 6—Finance related support and assistance in the preparation of the Financial Component of the Development Proposal for the *Micro-Cottage Community on Williamstown Boulevard* project.
- C. Originator: Valerie Brown

**3. Cost Estimate:**

Task Order #'s 5 and 6 will not exceed \$80,000.

**Narrative:**

As authorized by Board Resolution #13-1372, the Executive Director issued Task Order #1 with *IFH Solutions* to, among other duties: review the then existing Strategic and Financing Plans and to make recommendations for revisions and updates; provide financial analysis on Housing Authority business activities and make recommendations to the Executive Director and his staff; and assist staff in reviewing various transaction documents. Task Order #1 had a not-to-exceed value of \$97,000.

Due to the longer than anticipated time required to employ a Finance Manager, the Board approved Resolution #14-1389—Task Order #2 with a not-to-exceed value of \$40,000—for *IFH Solutions* to assist the newly hired Finance Manager transition into his role as well as to provide other Finance-related support. Regrettably, that Finance Manager did not remain employed by the Housing Authority. In order to keep the Finance-related functions of the Housing Authority viable until remedies such as placing a fee accounting firm under contract occurred, the Board approved Resolution #14-1395 and Resolution #14-1404 which authorized the Executive Director to issue Task Order #3 and Task Order #4. The value of each task order was not-to-exceed a value of \$50,000 and \$43,000 respectively.

The Housing Authority has not yet been successful in filling the Finance Manager position. Subsequently, the Housing Authority continues to require financial advisory services for completion of its 2014 Audited Financial Statements. In addition to this need, IFH Solutions expertise is needed for the transition from Yardi software to Emphasys software as well as for other Finance-related support. Authorization for the Executive Director to issue Task Order #5 for these services for a not-to-exceed amount of \$50,000 is being requested as part of this resolution.

Approval of this resolution, Resolution #15-1412, will also authorize the Executive Director to issue Task Order #6 for assistance in the preparation of the Financial Component of the Development Proposal for the *Micro-Cottage Community on Williamstown Boulevard* project. This assistance will include, but not be limited to, development of: a pro forma, calculation of the project expense level, and creation of a draw schedule. Work associated with preparation of the Development Proposal for Williamstown must be addressed via a separate task order because these costs will be eligible for reimbursement from either the HOPE VI or Replacement Housing Factor grants. Accordingly, it is critical that all cost associated with the Williamstown project be segregated from other financial advisory services that are being provided by *IFH Solutions*.

If Resolution #15-1412 is approved by the Board, a balance of \$190,000 will remain in the Financial Advisor services pool approved by the Board via Resolution #13-1372.



## RESOLUTION NO. 15-1412

### APPROVING THE INCREASE IN THE VALUE OF A CONTRACT WITH INNOVATIVE FINANCIAL HOUSING SOLUTIONS, INC.

**WHEREAS**, the Board of Commissioners of the Housing Authority of the City of Lakeland approved Resolution #13-1372 which authorized its Executive Director to issue a task order to *Innovative Financial Housing Solutions, Inc.* for various financial services for a not-to-exceed amount of \$97,000; and

**WHEREAS**, the Board of Commissioners of the Housing Authority of the City of Lakeland approved Resolution #14-1389 which authorized its Executive Director to issue Task Order #2 in the amount of \$40,000 to *Innovative Financial Housing Solutions, Inc.* to assist the newly hired Finance Manager transition into his role as well as to provide other Finance-related support; and

**WHEREAS**, the Finance Manager did not remain employed by the Housing Authority, yet the day-to-day financial activities of the Housing Authority had to continue, the Board of Commissioners of the Housing Authority of the City of Lakeland approved Resolution #14-1395 which authorized its Executive Director to issue Task Order #3 to *Innovative Financial Housing Solutions, Inc.* in the amount of \$50,000 to continue to assist the Housing Authority by providing Finance-related support; and

**WHEREAS**, the Board of Commissioners of the Housing Authority of the City of Lakeland also approved Resolution #14-1404 authorizing its Executive Director to issue Task Order #4 to *Innovative Financial Housing Solutions, Inc.* in the amount of \$43,000 to keep the Finance-related functions of the Housing Authority viable until remedies such as placing a fee accounting firm under contract or hiring a Finance Manager occurred; and

**WHEREAS**, Housing Authority staff is requesting that the Board of Commissioners authorize its Executive Director—via Resolution #15-1412—to issue Task Order #5 for financial advisory services that are still needed for: the completion of its 2014 Audited Financial Statements, the transition from Yardi software to Emphasys software, as well as continued Finance-related support; and

**WHEREAS**, the Housing Authority staff is also requesting that the Board of Commissioners authorize its Executive Director to issue Task Order #6 to fund assistance in the preparation of the Financial Component of the Development Proposal for the *Micro-Cottage Community on Williamstown Boulevard* project;

**NOW THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the City of Lakeland hereby approves authorizing its Executive Director to issue Task Order #6 to *Innovative Financial Housing Solutions, Inc.* for continued finance related support and assistance in the preparation of the Financial Component of the Development Proposal for the *Micro-Cottage Community on Williamstown Boulevard* project--for a not-to-exceed amount of \$50,000 and \$30,000 respectively.

### CERTIFICATE OF COMPLIANCE

This is to certify that the Board of Commissioners of the Housing Authority of the City of Lakeland has approved and adopted this Resolution No. 15-1412 dated August 17, 2015.

Attested by:

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Benjamin Stevenson, Secretary

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Michael A. Pimentel, Chair

## The Housing Authority of the City of Lakeland Request for Board Action

### 1. Describe Board Action Requested and why it is necessary:

**re: Resolution #15-1413**

The Board of Commissioners is requested to approve the above-referenced resolution to authorize its Executive Director to increase the total dollar value of the task order contracts with Wallis Murphey Boyington Architects, Inc. to a not-to-exceed value of \$264,379.

### 2. Who is making request:

- A. Entity: The Housing Authority of the City of Lakeland
- B. Project: Professional services required: to obtain control (cost) estimates, for reimbursable fees, and for other contingencies for the *Micro-Cottages at Williamstown* and *Renaissance at Washington Park* projects
- C. Originator: Valerie Brown

### 3. Cost Estimate:

Funding for these task order--not exceed \$29,550

### Narrative:

As authorized by Board Resolution #13-1343, the Housing Authority entered in indefinite delivery, indefinite quantity services agreement--LHA-01-13-C003--with Wallis Murphey Boyington Architects, Inc. (WMB). The first encumbrance under this agreement was Purchase Order #10477 in the amount of \$550 for professional services provided in connection with the *WestLake Apartment* community. This purchase order replaced the cancelled Task Order #1.

Task Order #2 with a not-to-exceed amount of \$8,800 was issued for the design and the provision of *Conceptual Drawings for the Williamstown Project*.

The funding for Task Order #3, \$94,079—for professional services up to and including the provision of bidding documents for the development of a *Micro-Cottage Community on Williamstown Boulevard*--was approved by Board Resolution #15-1405 on March 23, 2015.

Due to the anticipation that the US Department of Housing and Urban Development (HUD) will approve the proposed build-out of the remaining, fifteen, vacant lots in the *Renaissance at Washington Park* community, the Executive Director issued Task Order #4 for professional services for the anticipated Renaissance project up to \$51,571; which was the remaining balance of funds as authorized by Resolution #15-1405.

Task Order #5--for funding the remaining design and professional services for the build-out of the *Renaissance at Washington Park*--was approved by Resolution #15-1410 for not-to-exceed amount of \$79,829.

Staff is requesting Board approval of Resolution #15-1413 to authorize funding for professional services for the *Micro-Cottage Community on Williamstown Boulevard* for a not-to-exceed amount of \$17,225. The funding will be used to obtain the required control (cost) estimate report (approximately \$9,000); reimbursable professional fees (approximately \$6,653); and for contingencies (approximately \$1,572). Board approval of Resolution #15-1413 also includes an additional \$12,325 for the *Renaissance at Washington Park* project comprised of a control (cost) estimate report (approximately \$7,200); reimbursable professional fees (approximately \$4,000); and contingencies (approximately \$1,125).

## RESOLUTION NO. 15-1413

### APPROVING THE INCREASE IN THE VALUE OF A TASK ORDER CONTRACT WITH WALLIS MURPHEY BOYINGTON ARCHITECTS, INC.

**WHEREAS**, the Board of Commissioners of the Housing Authority of the City of Lakeland approved Resolution #13-1343 which authorized its Executive Director to enter into indefinite delivery, indefinite quantity agreements for Architectural Services; and

**WHEREAS**, the Housing Authority staff issued Purchase Order #10477—in lieu of the cancelled Task Order #1—in the amount of \$550 against the agreement with *Wallis Murphey Boyington Architects, Inc.* for professional services; and

**WHEREAS**, the Executive Director issued Task Order #2 to *Wallis Murphey Boyington Architects, Inc.* for the design and provision of *Conceptual Drawings for the Williamstown Project* for a not-to-exceed amount of \$8,800; and

**WHEREAS**, the funding for Task Order #3—for professional services up to and including the provision of bidding documents for the development of a *Micro-Cottage Community on Williamstown Boulevard*—was approved by Board Resolution #15-1405 on March 23, 2015 in the amount of \$94,079; and

**WHEREAS**, due to the brief “window of opportunity” to encumber the available funds, anticipating that the US Department of Housing and Urban Development will approve the build-out of the remaining, fifteen, vacant lots in the *Renaissance at Washington Park* community, the Executive Director issued Task Order #4 for \$51,571, the remaining balance of funds authorized by Resolution #15-1405; and

**WHEREAS**, the funding for Task Order #5 for the remaining professional services required to develop the fifteen vacant lots at the *Renaissance at Washington Park* community was approved by Board Resolution #15-1410 in the amount of \$79,829; and;

**WHEREAS**, the Housing Authority staff is requesting that the Board authorize its Executive Director—via Resolution #15-1413—to issue the appropriate task orders to fund the required professional services for the *Micro-Cottages at Williamstown* project for a not-to-exceed amount of \$17,225; and

**WHEREAS**, by this Resolution #15-1413, Housing Authority staff is also requesting that the Board authorize its Executive Director to issue the appropriate task orders to fund the required professional services for the *Renaissance at Washington Park* project for a not-to-exceed amount of \$12,325;

**NOW THEREFORE, BE IT RESOLVED** that the Board of Commissioners of the Housing Authority of the City of Lakeland hereby approves authorizing its Executive Director to issue the appropriate task orders to ***Wallis Murphey Boyington Architects, Inc.*** for the required control (cost) estimate report, reimbursable professional fees, and contingencies for the *Micro-cottages at Williamstown* and *Renaissance at Washington Park* communities for a not-to-exceed amount of \$29,550.

### CERTIFICATE OF COMPLIANCE

This is to certify that the Board of Commissioners of the Housing Authority of the City of Lakeland has approved and adopted this Resolution No. 15-1413 dated August 17, 2015.

Attested by:

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Benjamin Stevenson, Secretary

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Michael A. Pimentel, Chair

# **OTHER BUSINESS**






## MEMORANDUM

August 03, 2015

TO: Benjamin Stevenson  
Executive Director

c: Valerie Brown  
Vice-president of Administration  
Carlos Piazrro  
Vice-president of Operations

FROM: Tom Hornack   
Facilities Manager

re: Excess Vehicle Disposition

As you are aware, LHA's Property Disposition policy states that the "*disposition of any item with an estimated fair market value greater than \$2,000 shall only be initiated after authorization by the Board.*" The policy also provides guidance on the competitive bidding process to make the sale available to the general public.

Staff recommends that the Board authorize the staff to request bids on the following vehicles:

VEHICLE	VIN	MILEAGE
1997 Chevy 1500 Pickup	1GCEC14M2VZ221666	104,611
1998 Chevy Box Step Van	1GBHP32ROW3315534	63,542
2004 Ford Crown Victoria	2FAFP74W04X184270	100,400
2005 Mercury Montego	1MEFM40105G610279	63,252

After the bids for the above vehicles are tabulated, the award(s), if any, as per the LHA's Property Disposition policy is "*subject to prior approval of the Board*" and "*shall be made to the highest bidder as to the price.*"

Thank you.