CITY OF NORTH MIAMI
COMMUNITY DEVELOPMENT BLOCK GRANT
REHABILITATION LOAN AGREEMENT

THIS AGREEMENT is entered into this 3 day of, **May 2016,** by and between the following parties: **MARIA SEQUEIRA** (Owner) of the subject property; the **CITY OF NORTH MIAMI** (City), a Florida municipal corporation, having its principal office at 776 N.E. 125th Street, North Miami, Florida 33161; and **QUALITY PLUS CONSTRUCTION, INC.**,(Contractor) having its principal business address at 1531 NW 168 Terrace, Miami Gardens, Florida 33169 (Parties), regarding the rehabilitation of real property legally described as:

Lot 1, Block 5 **NICHOLS HEIGHTS**, according to the Plat thereof, as recorded in Plat Book 46, at Page 93 of the Public Records of Miami-Dade County, Florida a/k/a 595 NW 137 Street, North Miami, Florida 33168 (subject property)

WITNESSETH:

WHEREAS, the Federal Department of Housing and Urban Development (HUD) has provided Community Development Block Grants (CDBG) to local governments designed to address housing, economic development and infrastructure needs of the community that primarily benefit low and moderate income persons; and

WHEREAS, the City has determined through its Consolidated Plan for CDBG funds (Program), adopted by the Mayor and City Council in July, 2015, to provide assistance to eligible homeowners within the City for the purpose of rehabilitating their properties (Project), in accordance with CDBG criteria specifically described in Title I of the Housing and Community Development Act of 1974; 24 CFR Part 570; 42 U.S.C. 5301 et seq.; and

WHEREAS, the Owner has agreed to the Project in accordance with Program specifications; and

WHEREAS, this Agreement is entered into after compliance by the parties with all applicable provisions of federal, state, and local laws, statutes, rules and regulations.

NOW, THEREFORE, in consideration of the mutual promises and the grant money in the amount of **Twenty Three Thousand Five Hundred Dollars ($23,500.00)**, which is acknowledged, the Parties agree as follows:

1. CDBG funds in the amount of **Twenty Three Thousand Five Hundred Dollars ($23,500.00)** are being utilized for the purpose of rehabilitating the subject property.

2. The Specifications & Proposal (Contract Documents) related to the Project, attached as Composite Exhibit "A", (as amended from time to time), represent the scope of services and responsibilities of the Parties under the Program.

3. The City has the sole responsibility and obligation of interpreting the intent and purpose of the Program and Contract Documents.

4. The Project shall be performed in accordance with all applicable codes, ordinances and statutes of the City, Miami-Dade County and the State of Florida.

5. The Owner agrees to maintain the property in good condition after the Project is completed. If the property is located in a Federal Emergency Management Act 100-year flood plain zone, the Owner must have an active flood insurance policy.

6. The Parties acknowledge and agree that funds provided derive from CDBG Program funds appropriated to the City by HUD for the uses and purposes referred to in this Agreement.

7. The Owner acknowledges that the property is a residence, and agrees to continually occupy the property as a primary residence for at least a seven (7) year period commencing at the execution of this Agreement. If the Owner fails to continually occupy this residence for a seven (7) year period, the funds provided shall be immediately reimbursed on a pro-rata basis for the time period remaining on this seven (7) year period. The funds provided by the City derive form the **CDBG** Program and that the funds shall be secured by a non- interest bearing Note and a Purchase Money Mortgage, which shall have priority over all other encumbrances, except a Purchase Money First Mortgage. The Parties agree that the indebtedness shall be partially forgiven in the amount of **Three Thousand Three Hundred Fifty Seven Dollars and 10/100 ($3,357.10)** each year over a **seven (7) year term**, until fully forgiven.

8. If any interest in the property is sold, conveyed or transferred, or the Note and Mortgage created by this Agreement is subordinated, whether voluntarily or involuntarily, including bankruptcy or foreclosure, within seven (7) years of this Agreement's execution, such an event shall be considered a default. The indebtedness shall become payable at a rate of four percent (4%) simple interest per year on the unpaid principal amount. Any person or entity, who, subsequent to the execution of this Agreement, purchases or receives any interest in the subject property, shall be bound by the terms and conditions of this Agreement and shall execute any and all documents required by the City.

9. The City may seek civil action and penalties including court costs, attorneys' fees and reasonable administrative expenses should Owner fail to comply with the foregoing covenants and restrictions.

10. The City may, periodically, inspect the real property for the purpose of assuring compliance with this Agreement.

11. In the event the Owner or Contractor prevent the City from inspecting the Project for purposes of assuring compliance with this Agreement or with the Contract Documents, or prevents the City from complying with HUD regulations, federal, state or local laws, the City shall be entitled to immediately terminate this Agreement, retain any remaining funds, seek reimbursement for any funds distributed for the Project or obtain other relief as permitted by the Agreement or law.

Further, action by the Owner or Contractor to prevent or deny the City's inspection of the Project will constitute a default of this Agreement, and the City shall be entitled to exercise any and all remedies at law or equity.

12. If the Owner terminates or cancels the services of the Contractor, and the Contractor is not in default of this Agreement, the Contractor shall be compensated for labor and material expenses incurred up to the date of cancellation, plus normal profit and overhead, the total sum of which shall not exceed twenty percent (20%) of the labor and materials' cost. As a condition of payment, Contractor shall submit verifiable written documentation of labor and materials expenses to the City. The Contractor shall be compensated from the funds provided to this Project. The Contractor shall not seek any relief or file any claim against the City should such termination or cancellation by Owner occur, as provided in paragraph 14, below.

13. The Owner shall not release or amend this Agreement without the prior written consent of the City.

14. The Contractor, its subcontractors, agents or employees waive any right to bring a lawsuit against the City or Owner for breach of this Agreement, and shall pursue alternative dispute resolution of all matters arising out of this Agreement.

    In conjunction with the above paragraph, the Contractor, its subcontractors, agents or employees waive all rights to file a lien against the subject property.

15. Payment to the Contractor for the Project shall be made as described in Exhibit "B". After payment is made to the Contractor by the City, the City shall be automatically discharged from any and all obligations, liabilities and commitments to Owner, Contractor or any third person or entity.

16. The City desires to enter into this Agreement only if by so doing the City can place a limit on its liability for any cause of action arising out of this Agreement, so that its liability never exceeds its monetary commitment of **Twenty Three Thousand Five Hundred Dollars ($23,500.00)**. Owner and Contractor express their willingness to enter into this Agreement with recovery from the City for any action arising out of this Agreement to be limited to the total amount of its monetary commitment of **Twenty Three Thousand Five Hundred Dollars ($23,500.00)**. Nothing contained in this paragraph or elsewhere in this Agreement is in any way intended to be a waiver of the limitation placed on the City's liability as set forth in Section 768, Florida Statutes. Additionally, the City does not waive sovereign immunity, and no claim or award against the City shall include attorney's fees, investigative costs or pre-judgment interest.

17. The Owner and Contractor shall hold harmless, indemnify and defend the City, its officers and employees from any and all obligations, liabilities, actions, claims, and causes of action, suits or demands arising from this Agreement.

18. The Owner and Contractor shall not sublease, transfer or assign any interest in this Agreement.

19. In the event of a default, the City may mail to Owner or Contractor a notice of default. If the default is not fully and satisfactorily cured in the City's sole discretion within thirty (30) days of the City's mailing notice of default, the City may cancel and terminate this Agreement without liability to any other party to this Agreement. In addition, the City shall determine the amount of compensation to be paid to the Contractor for the work completed up to the time of termination. Contractor shall be responsible for all repairs and replacement of all work to the City's satisfaction.

20. In the event of a default, the City shall additionally be entitled to bring any and all legal and/or equitable actions in Miami-Dade County, Florida, in order to enforce the City's right and remedies against the defaulting party. The City shall be entitled to recover all costs of such actions including a reasonable attorney's fee, at trial and appellate levels, to the extent allowed by law.

21. A default shall include but not be limited to the following acts or events of an Owner, Contractor, or their agents, servants, employees or subcontractors:

    a. Failure by the Contractor to (i) commence work within thirty (30) days from the date of this Agreement, or (ii) diligently pursue construction and timely complete the project by securing a Final Certificate of Completion within two (2) months from the date of this Agreement, or (iii) provide the documentation required to make the final payment within thirty (30) days from the date when a Final Certificate of Completion is issued. Work shall be considered to have commenced and be in active progress when, in the opinion of the City a full complement of workmen and equipment are present at the site to diligently incorporate materials and equipment in accordance with the Project throughout the day on each full working day, weather permitting.

    b. Failure by the Contractor to comply with any applicable building, fire, life safety, housing or zoning law, rule, regulation or code.

    c. Insolvency or bankruptcy by the Owner or by the Contractor.

    d. Failure by the Contractor to maintain the insurance required by the City.

    e. Failure by the Contractor to correct defects within a reasonable time as decided in the City's sole discretion.

    f. The breach of any term or condition of this Agreement.

22. If the Owner defaults this Agreement by insolvency or bankruptcy, the following shall apply:

    a. Should this Agreement be entered into and fully executed by the Parties, funds released and the Debtor files for bankruptcy, the following shall occur:

1. In the event the Owners file a voluntary petition under 11 U.S.C. 301 or 302, or an order for relief is entered under 11 U.S.C. 303, the Owner or Contractor shall acknowledge the extent, validity, and priority of the lien recorded in favor of the City. The Owner further agrees that in the event of this default, the City shall, at its option, be entitled to seek relief from the automatic stay provisions in effect pursuant to 11 U.S.C. 362. The City shall be entitled to relief from the automatic stay pursuant to 11 U.S.C. 362(d)(1) or (d)(2), and the Owner agrees to waive the notice provisions in effect pursuant to 11 U.S.C. 362 and any applicable Local Rules of the United States Bankruptcy Court. The Owner acknowledges that such waiver is done knowingly and voluntarily.

2. Alternatively, in the event the City does not seek stay relief, or if stay relief is denied, the City shall be entitled to monthly adequate protection payments within the meaning of 11 U.S.C. 361. The monthly adequate protection payments shall each be in an amount determined in accordance with the Note and Mortgage executed by the Owner in favor of the City.

3. In the event the Owner files for bankruptcy under Chapter 13 of Title 11, United States Code, in addition to the foregoing provisions, the Owner agrees to cure any amounts in arrears over a period not to exceed twenty-four (24) months from the date of the confirmation order, and such payments shall be made in addition to the regular monthly payments required by the Note and Mortgage, if applicable. Additionally, the Owner shall agree that the City is over secured and, therefore, entitled to interest and attorney's fees pursuant to 11 U.S.C. 506(b). Such fees shall be allowed and payable as an administrative expense. Further, in the event the Owner has less than five (5) years of payments remaining on the Note, the Owner agrees that the treatment afforded to the claim of the City under any confirmed plan of reorganization shall provide that the remaining payments shall be satisfied in accordance with the Note, and that the remaining payments or claim shall not be extended or amortized over a longer period than the time remaining under the Note.

b. Should this Agreement be entered into and fully executed by the parties, and the funds have not been forwarded to Owner or Contractor, the following shall occur:

In the event the Owner files a voluntary petition pursuant to 11 U.S.C. 301 or 302, or an order for relief is entered under 11 U.S.C. 303, the Owner acknowledges that the commencement of a bankruptcy proceeding constitutes an event of default under the terms of this Agreement. Further, the Owner acknowledges that this Agreement constitutes an executory contract within the meaning of 11 U.S.C. 365. The Owner acknowledges that the Agreement is not

capable of being assumed pursuant to 11 U.S.C. 365(c)(2), unless the City expressly consents in writing to the assumption. In the event the City consents to the assumption, the Owner agrees to file a motion to assume the Agreement within ten (10) days after their receipt of written consent from the City, regardless of whether the bankruptcy proceeding is pending under Chapter 7, 11, or 13 of Title 11 of the United States Code. The Owner further acknowledges that this Agreement is not capable of being assigned pursuant to 11 U.S.C. 365(b)(1).

c. Should the Parties wish to execute the Agreement after the Owner has filed for bankruptcy, the following shall occur:

1. The Owner agrees that in the event they are current Debtors in bankruptcy, at the request of the City, the Owner shall file a motion for authorization to obtain post-petition financing pursuant to 11 U.S.C. 364(d)(1). The Owner further agrees that any funds loaned by the City shall be secured by a lien on the real property first in priority and ahead of any other existing lien(s), unless otherwise agreed to in writing by the City.

2. In the event of default, the City shall be entitled to pursue any and all available legal and equitable remedies, including, but not limited to, those remedies provided herein.

23. If Contractor defaults under this Agreement, by way of insolvency or bankruptcy, the following shall apply:

Should this Agreement be entered into and fully executed by the Parties, funds released and the Contractor files for bankruptcy, the following shall occur:

a. In the event the Contractor files a voluntary petition pursuant to 11 U.S.C. § 301, or an order for relief is entered under 11 U.S.C. § 303, the Contractor acknowledges that the commencement of a bankruptcy proceeding constitutes an event of default under the terms of this Agreement. Further, the Contractor acknowledges that this Agreement constitutes an executory contract within the meaning of 11 U.S.C. § 365. The Contractor agrees to file a motion to assume the Agreement within fifteen (15) days after a voluntary petition is filed pursuant to 11 U.S.C. § 301, or within five (5) days following the entry of an order for relief under 11 U.S.C. § 303. The City expressly reserves the right to oppose any motion to assume the Agreement filed by the Contractor under the provisions of this subparagraph. In the event the Contractor does not voluntarily assume the Agreement, or, in the event the United States Bankruptcy Court does not authorize the Contractor's assumption of this Agreement, the Contractor acknowledges and agrees that the City may assert a valid claim of recoupment, thereby being entitled to recoup any damages suffered as a result of the Contractor's breach of this Agreement either by failing to voluntarily assume the Agreement, or, as a result of the entry of an order by the United States

Bankruptcy Court prohibiting such assignment, against any monies which may be owed by the City to Contractor under the terms of the Agreement.

b. In the event the Contractor is authorized to assume this Agreement, the Contractor acknowledges and agrees that it shall be obligated to cure any and all existing defaults upon the entry of an order by the United States Bankruptcy Court authorizing its assumption of this Agreement. Furthermore, the Contractor shall be obligated to provide adequate assurance of future performance including, but not limited to, adequate assurances that the Contractor shall complete the project contemplated by the Agreement within the time frame provided and agreed upon by the Parties under the terms and conditions of this Agreement.

c. In the event that the Owner defaults under this Agreement by insolvency or bankruptcy, either by filing a voluntary petition under 11 U.S.C. §§ 301 or 302, or an order for relief is entered under 11 U.S.C. § 303, Contractor fully understands, acknowledges and agrees to be fully bound by the provisions contained in Paragraph 22 (a)(1), (a)(2), (a)(3), (b) and/or (c), in the event Contractor files a voluntary petition under 11 U.S.C. § 301, or an order for relief is entered under 11 U.S.C. § 303. The Contractor further acknowledges and agrees that, in the event the City is not obligated to perform under the terms and conditions of this Agreement, as a result of the Owner defaulting under this Agreement by insolvency or bankruptcy, by filing a voluntary petition under 11 U.S.C. § 301 or 302, or an order for relief is entered under 11 U.S.C. § 303, the City shall be entitled to assert any defenses to which it may avail itself against the Owner, against the Contractor including, but limited to, any claim or right of recoupment.

24. This Agreement shall be governed by the laws of Florida, and venue shall be in Miami-Dade County, Florida.

25. The Owner and Contractor shall comply with all applicable requirements as described in Title I of the Housing and Community Development Act of 1974 (42 USC 5301 et seq.)

26. All notices, demands, correspondence and communications between the Parties shall be deemed sufficient if dispatched by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

If to the City:	City of North Miami 776 N.E. 125th Street North Miami, Florida 33161 Attn: Director, Community Planning & Development
With a copy to:	City of North Miami 776 N.E. 125th Street North Miami, Florida 33161 Attn: City Attorney
If to Contractor:	Quality Plus Construction, Inc. Paul Scott (Registered Agent) 1531 NW 168 Terrace Miami Gardens, Florida 33169
If to Owner:	Maria Sequeira 595 NW 137 Street North Miami, FL 33168

or to such address and to the attention of such other person as the Parties may from time to time designate by written notice to the others.

27. It is understood and agreed that all parties, personal representatives, executors, successors and assigns are bound by the terms, conditions and covenants of this Agreement.

28. Any amendments, alterations or modifications to this Agreement will be valid only when they have been reduced to writing and signed by the Parties.

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

30. Should any provision, paragraphs, sentences, words or phrases contained in the Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Florida, such provisions, paragraphs, sentences, words or phrases shall be deemed modified to the extent necessary in order to conform with such laws; or, if not modifiable to conform with such laws, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the date on which the last of the Parties initials or signs.

Witness

Maria Sequeiras, Owner

Witness

CONTRACTOR:

By:

Date: 5/3/16

APPROVED:

Director
Community Planning & Development Department

5/25/16
Date

ATTEST:

Michael Etienne, Esq. City Clerk

Date

CITY OF NORTH MIAMI

By:
Larry M. Spring, City Manager

6-1-16
Date

APPROVED AS TO FORM:

Jeff P.H. Cazeau, Esq. City Attorney

5/31/2016
Date

Exhibit A

SCOPE OF SERVICES

OWNER and CONTRACTOR agree to undertake the following repairs:

EXTERIOR

GENERAL ROOF SPECIFICATIONS

Sheathing end joints shall be made over rafters. All supporting verge rafters shall extend back into the roof at least four feet. All sagging portions of the roof shall be braced with minimum 2"x4" lumber from roof rafters to nearest bearing wall. Purlins shall be used when necessary. The first two hundred feet (200') of unforeseen rotten or damaged sheathing replacement will be included in the contract price. Replacement of any additional sheathing requires the Housing Inspector's verification and authorization prior to replacement. An Engineer Certification is required for repair/replacement of roof framing components of structural concern. The roofing contractor must comply with any gas vents requirements per Building and Zoning. **A copy of the warranty must be submitted to the Homeowner and the Community Planning & Development Housing Division office upon completion of the roof. NOTE: All damaged sheathing, rafters, fascia and soffits replacement shall be included in the contract price.**

- Additional sheathing to be replaced at $ 6.00 per square foot, or $ 6.00 per linear foot
- Additional rafters to be replaced at $3.00 per linear foot
- Additional fascia to be replaced at $ 4.00 per linear foot
- Additional soffit to be replaced at $ 6.00 per square foot

01) FLAT ROOF MODIFIED BITUMEN **$ 14,800.00**

- **Remove and replace all rotting wood decking, beams and rafters under Carport area**
- **Remove all rotting wood columns and replace with appropriate bracing (if necessary)**

Remove all existing roofing covering, underlayment, and flashings to bare sheathing. Remove all protruding nails or staples. Sweep sheathing clean of all foreign materials and haul away all roofing debris from property at once. Replace all rotten, damaged, and missing sheathing and rafters as per Roof-General Specifications and paint to match existing. Furnish and install new underlayment mechanically fastened to the deck, two layers of fiberglass ply sheet, solid mopped with hot asphalt and one layer of Modified Bitumen solid mopped with hot asphalt. Where required, install new 3 inches (minimum) galvanized steel drip edge, galvanized steel valley, return/wall flashing, lead stacks on all plumbing projections, pitch pan at electrical service mast, and new roof jacks. Upon completion of work, Contractor will provide Homeowner with manufacturer's warranty and Contractor's five-year warranty against leaks.

- **Contractor shall warrant work for five years from completion date (final permit approval) of all work required under this contract.**

- **NOTE: OVER THE LIVING AREA, 1" ISOCYANURATE INSULATION BOARD IS REQUIRED AT FLAT PORTION OF ROOF (MECHANICALLY FASTEN). INSTALL AN INSULATION STOP ON THE ROOF PERIMETER. INSPECTION DOCUMENTATION REQUIRED.**
- There can be no pooling water. Use tapered insulation and/or build up low areas, if required, to prevent any pooling water.

02) REPLACE ALL FASCIA $ 1,400.00

- **Remove and replace all existing fascia**

Remove all damaged or deteriorated fascia. Haul away all debris from the property at once. Furnish and install new 1"x2" pressure treated furring as required by FBC. Fascia replacement shall be with matching size and material. Outside corner shall be mitered and all fascias shall be secured with non-corrosive nails. Minimum length of any fascia segment shall be 5 feet. Remove all attachments to the fascia, as required, and reattached, after the fascia replacement. Remove and replace the required roofing system, i.e., shingles, roofing membrane and metal drip edge: match existing. Discuss with the Homeowner, prior to removal any variation.

- Paint new fascia to match existing. Apply one coat of LOW VOC primer/sealer and two coats of 100% LOW VOC exterior paint. Material allowance for paint must be mid-grade or better.

03) REPLACE ALL SOFFIT AND VENTS $ 1,400.00

- **Remove and replace all soffits and soffit screens**
- **Remove and reinstall light fixture at north side of house to facilitate installation of new soffits**

Remove all damaged, deteriorated soffit; including replacing all soffit vents. Haul away all debris from the property at once. Soffit and vents replacement shall be with matching size and material. Secure all soffit with non-corrosive nails. Minimum length of any soffit segment shall be 5 feet. Remove all attachments to soffit, as required, and reattached after soffit replacement.

Paint new soffit to match existing. Apply one coat of LOW VOC primer/sealer and two coats of 100% LOW VOC exterior paint. Material allowance for paint must be mid-grade or better.

04) INSTALL NEW GUTTER & DOWNSPOUT $ 1,800.00

Install new 6" seamless metal gutter and downspout system (on the perimeter house). The Homeowner will select color from standard stock colors. Install new 24" concrete splash blocks at downspouts, discharging the water away from any foundation.

05) INSTALL EXTERIOR DOOR- COMPLETE $ 2,100.00

NUMBER OF DOOR OPENINGS: ALL

Remove existing doors, jamb, casing, threshold, and haul these materials/debris away. Modify opening to accept standard size door as needed. Replace wood buck, if deteriorated or necessary, set buck in premium silicone sealant. Countersink all fasteners into frame; fill with wood putty and sand smooth. Repair all damaged and adjacent surfaces inside and out, caused by door removal and modifications, restoring to original condition. The door and its components shall be installed in strict compliance with the Florida Building Code product approval (or Miami/Dade NOA).

- Furnish and install new out-swing impact resistant six panels steel exterior door complete with jamb, casing, brick molding. Doors must be 1-3/4 inch solid core door.
- Install panoramic peephole, aluminum weather-stripping saddle, weather-stripping and spring/chain stop or doorstop. Install tamper proof hinges.
- The doorknob should be an entry-type, which can be locked by turn button inside or a key outside. Deadbolt will have turn piece inside and keyed to knob outside. The doorknob and deadbolt shall be keyed alike. Install the same doorknob and deadbolt as outlined in the product approval.
- Paint the new exterior door, by applying one coat of LOW or ZERO VOC primer/sealer and two coats of 100% LOW or ZERO VOC on the exterior paint and one coat of ZERO VOC primer/sealer and two coats of 100% ZERO VOC on the interior paint. Material allowance for paint must be mid grade or better of the City approved brands, i.e., Benjamin Moore (Aura or EcoSpec), Sherwin Williams (Harmony), Glidden/ICI (Life master) PPG (Pure Performance), Olympic (Valspar). Housing Inspector shall verify brand and VOC level.

06) INSTALL HURRICANCE IMPACT PATIO GLASS DOORS **$ 2,000.00**

NUMBER OF DOOR OPENING: All

Remove existing patio glass doors and frames. Install new patio sliding glass doors and frames with screen door panels within the same opening. Both panels are to be operable with factory tinted glass. Homeowner shall select and confirm in writing the design, color of frames and degree of tinted glass from the standard stock. Install new hardware on doors. Stucco, drywall, paint, caulk, and/or tile the adjacent surfaces around door opening to match existing. The new patio doors with it components shall be installed in strict compliance with the Florida Building Code product approval (or Miami/Dade NOA).

- All exposed anchoring screws shall be the same color as the frame.
- Remove the manufacturers' stickers and any residue on the glass after all final inspections.
- If the garage does not have ventilation per code, provide a garage door with a 120 square inches screened vent between the garage floor level and no higher than 7" above the garage floor level. Vents provide within an approved garage door as per the manufacturer and the Florida Building Code product approval (or Miami/Dade NOA).

07) LEAD BASE PAINT INSPECTION **$0.00**

Inspection conducted by Associated Consulting Professionals, February 27, 2016. Cost is not considered in this agreement, however will apply to CDBG mortgage and Note recorded with Miami-Dade County Clerk of Courts.

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Exhibit B

Program Regulations

All work shall be performed in accordance with applicable federal regulations, including, but not limited to Davis-Bacon Act, Contract Work Hours and Safety Standards Act and Copeland Act (Anti-Kickback Act).

All work shall be performed in accordance with the terms and conditions stipulated in the Agreement and all applicable plans and specifications. Change Orders to increase or decrease the dollar amount or which alter or deviate from the approved scope of work must be approved in writing by the City of North Miami prior to work being performed or Change Orders being undertaken/implemented. Any change in the scope of work which increases the costs of the contract is the Owner's responsibility.

Upon execution of this agreement, the property owner agrees and understands that a sign will be posted in the front of the property for the entire duration of this agreement. All projects will be subject to before and after photos and may be included in various local, state and federal reports, which are public records.

Commencing Work

The Project shall begin only after a contract has been executed, a permit pulled, proof that a Notice to Commence has been filed, and submission of a Contractor's Certification, County-required affidavits, proof of required insurances and an up-to-date contractor's license and occupational license.

Method of Payment

Program funds shall be disbursed to the Contractor as follows:

a. All applications for payment must be accompanied by certified statements (i.e., releases of liens and affidavits from the general contractor, all sub-contractors and suppliers) showing that the property is free and clear of mechanics, materialmen's or any other type of liens or obligations relating to the construction of the project. Also, a copy of both sides of the permit and inspection record card must accompany each payment request. All funding entities must authorize payments.

b. Program funds shall be paid upon compliance by the contractor with the following:

   1. Environmental Review
      - The National Environmental Policy Act (42 U.S.C. 4321, et seq.);
      - The Council on Environmental Quality Regulations (40 CFR Parts 1500 – 1508);
      - Environmental Review Procedures (24 CFR Part 58);
      - National Historic Preservation Act of 1966 (16 U.S.C. 470 et seq.);
      - National Flood Insurance Act of 1968 as amended by the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001 et seq.)

2. Lead Based Paint
   - Lead Based Paint Poisoning Prevention Act (42 U.S.C. 4801, et seq.);
   - HUD Lead Based Paint Regulations (24 CFR Part 35).

3. Asbestos
   - Asbestos Regulations (40 CFR 61, Subpart M);
   - U.S. Department of Labor Occupational Health and Safety (OSHA) Asbestos Regulations (29 CFR 1910.1001).

4. Labor Standards
   - The Davis-Bacon Act (40 U.S.C. 276a) as amended;
   - The Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333);
   - Federal Labor Standards Provisions (29 CFR Part 5.5).

Additionally, all parties agreed to comply with all existing federal, state and local laws and ordinances hereto applicable, as amended.

When requesting a payment, **ALL** of the following documents must be submitted at the same time. If there are any documents missing, the payment request package will **NOT** be accepted.

- Contractor's Invoice
- Release of Liens (Painters, General Contractor & Subcontractors)
- Contractor's Payment Request
- Homeowner's Payment Authorization
- Subcontractor's List
- Contractor's Payment Request Worksheet
- Certificate of Completion **(submit only with final payment)**

Final payment shall be due and payable within **forty (45) calendar days** following completion of all terms of this contract and final inspection and acceptance of same by the Homeowner and the City of North Miami.