

**STATE OF FLORIDA
DEPARTMENT OF ECONOMIC OPPORTUNITY**

**HOUSING REPAIR AND REPLACEMENT
GRANT AGREEMENT**

THIS GRANT AGREEMENT (the “Agreement”) is made and entered into by

Recipient Name	and	Recipient Name or N/A
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hereinafter referred to as the “Recipient(s)” as of the _____ day of _____, 20__
(the “Effective Date”).

THIS AGREEMENT IS ENTERED INTO BASED ON THE FOLLOWING REPRESENTATIONS:

WHEREAS, the Recipient(s) by signing this Agreement, agrees to the terms and conditions as stated herein.

RECIPIENT(S) INFORMATION	
Recipient Name:	Co-Recipient Name:
Damaged Property Address:	

NOW THEREFORE, in consideration of the CDBG-DR Assistance to be provided by DEO to Recipient, Recipient(s) agrees, represents and warrants as follows:

(1) **FACTS**

- a. As of October 10, 2018, Recipient(s) owned the Damaged Property, listed above, and occupied it as his or her primary residence.
- b. The Damaged Property was damaged or destroyed by Hurricane Michael.
- c. The State of Florida (the “State”) has received an allocation of Community Development Block Grant Disaster Recovery (“CDBG-DR”) funds from the United States Department of Housing and Urban Development (“HUD”) for the purpose of providing eligible Homeowners affected by Hurricane Michael with assistance necessary to repair, replace or reconstruct their property from damages directly caused by Hurricane Michael. The Florida Department of Economic Opportunity (“DEO”) is the CDBG grantee agency for the State of Florida, designated to receive funds for CDBG-DR and is authorized to distribute CDBG- DR funds and to award a portion of those funds to eligible homeowners affected by Hurricane Michael. In order to aid residents impacted by Hurricane Michael with CDBG-DR funds, DEO has established the Rebuild Florida Housing Repair and Replacement Program (the “Program”), to rehabilitate, reconstruct, or replace residences that have been destroyed or damaged by Hurricane Michael. The Recipient(s) applied to the Program for CDBG-DR assistance to rehabilitate, reconstruct, or replace the Damaged Property and, in the Program application, provided, amongst other things, applicable information about household income, tenants, ownership and occupancy of the Damaged Property and funds received for housing repair from other sources that DEO has relied upon in awarding a grant and aid to the Recipient(s).

- d. Funding for the repairs to the Damaged Property is provided pursuant to HUD's CDBG-DR Housing Repair Program that is being implemented by the DEO. Recipient(s) are not required to pay fees or provide any type of payment to any contractor(s) or other third parties in order to participate in this Program, except for any Duplication of Benefits (DOB) Gap Funding payments that the State may require as outlined below.
- e. Subject to the execution of this Grant Agreement, the terms and conditions set forth herein, the continuing availability of the CDBG-DR Program funding and all Program policies and procedure which are incorporated herein by reference, the Recipient(s) has been determined to be eligible to participate in the Program and receive CDBG-DR assistance set forth in agency's Scope of Work Estimate (SWE) and attached to the Recipient(s) Award Acknowledgment Letter, including any subsequent Change Order as determined by DEO pursuant to section (5) below.
- f. DEO has procured a pool of qualified residential contractors to provide the labor and materials necessary to repair or reconstruct the Damaged Property in accordance with current Program policy and DEO will assign a Contractor (the "Contractor") to perform the activities that the Recipient(s) has been deemed eligible to receive the recovery assistance set forth in the Award Acknowledgment Letter with the attached SWE.

(2) TERM. This Agreement, and all of its terms, conditions, representations and covenants shall be binding on the Recipient as of the Effective Date and shall remain in full force and effect until such time as the repair or reconstruction work set forth in the Statement of Work is completed as evidenced by the receipt of a final Certificate of Occupancy, unless otherwise terminated as provided in this Agreement. Notwithstanding the foregoing, the obligations contained in Sections 4, 7, 9, 14, 15, 19, 20 and 21 shall survive the expiration or termination hereof.

(3) PROGRAM ASSISTANCE AND GRANT AWARD DETERMINATION. Recipient(s) have been deemed eligible to receive CDBG-DR Assistance to pay for construction materials and services deemed necessary by the Program Project Manager(s) to make the Damaged Property habitable. Pursuant to current Program Policy and Procedure, DEO, or its designee, will select a Contractor to perform the repair or reconstruction work for which the Recipient(s) has been deemed eligible to receive. The work that will be conducted on the Damaged Property is set out in the SWE which was provided to Recipient(s) as an Exhibit to his/her/their Award Acknowledgment Letter, receipt of which is hereby acknowledged by Recipient(s). The Grant Award is subject to adjustment based on any DOB received by the Recipient(s) (as further described below), regardless of when those benefits are received. Recipient(s) must deposit all DOB Gap Funding necessary to complete the repair or reconstruction of the Damaged Property, over and above the Grant Amount, as applicable, up to the value of the Statement of Work executed between the DEO and the Contractor. This includes amounts necessary due to duplication of benefits (the "DOB Gap Funding"). These amounts, as applicable, must be provided on or before the Effective Date for placement into a bank account controlled by the DEO, or its designee ("DOB Gap Funding Account").

Recipients(s) have received and consented to the State's Grant Award and required DOB Gap Funding deposit (if any), as shown on Attachment A, Grant Amount Calculation Table, attached hereto.

Recipient(s) are advised and agree that additional information may be required by the State to determine that the Grant Award was properly calculated. Recipient(s) will provide any such documentation to the State if requested. The Recipient(s) is subject to audit and future review of documentation that substantiates information provided in the application. The audit may be performed by the State or its representatives or agents, HUD, or HUD Office of Inspector General at any point in time. If Recipient(s) are audited after the Effective Date, failure to provide information to substantiate the information provided in the application may result in the Recipient(s) being legally obligated and mandated to repay either a portion or all of the Grant Amount.

(4) **DUPLICATION OF BENEFITS.** Any funds already received by the Recipient(s) for damage to the Damaged Property as a result of Hurricane Michael from FEMA, SBA, insurance companies, nonprofits or any other source must be deducted from Recipients(s)' Grant Amount as a duplication of benefits prohibited by federal law ("Duplication of Benefits or DOB"). Recipient(s) certify that he/she has reported all Duplication of Benefits in his or her initial application and any Duplication of Benefits funds received since the initial application. If the amount deducted from the Grant Amount is less than the Duplication of Benefits actually received by the Recipient(s), the grant is subject to reduction or repayment by the Recipient(s). In the event that the Recipient(s) receive additional Duplication of Benefits after the Effective Date, Recipient(s) must notify the Program within 5 calendar days of Recipient's receipt of additional Duplication of Benefits. After receipt of notice of any Duplication of Benefits, DEO will reduce the Grant Amount by such amount as determined by DEO. If the Grant Amount has not been fully disbursed, the amount of the Duplication of Benefits must be deposited into the DOB Gap Funding Account and will be spent on the Damaged Property repair or reconstruction Statement of Work before any additional CDBG-DR Assistance is disbursed. If the CDBG- DR Assistance funds have already been fully disbursed, the Recipient(s) are required to repay the amount of the Duplication of Benefits to the State. Recipient(s) acknowledge entering a subrogation agreement, of even date herewith, allowing the State to claim any additional Duplication of Benefits up to the amount of the Grant Funding.

(5) **CHANGE ORDERS.** The Grantee is hereby notified that the Statement of Work may be modified for reasons, including but not limited to: unforeseen increases in materials or labor required to enhance the property's resistance to future wind-borne and water-borne disasters; changes in circumstances relating to unidentified damages; changes required to bring the property into compliance with Green Building Standards; or other repairs necessary to bring the home into a habitable condition. Change Orders requested by the Contractor shall be subject to the approval or denial of DEO, at its sole discretion. Grantee shall have no authority to negotiate or prohibit Change Orders with the Contractor or with DEO, however, Grantee may request a meeting with the Project Manager to seek clarification as to the scope of the Change Order. If DEO approves a Contractor's requested Change Order, it shall provide Grantee notice not later than 5 business days after the Change Order has been approved. If the requested Change Order would result in a reclassification of the project from rehabilitation to reconstruction, the Grantee shall have 5 business days from date of receiving notice of the Change Order to object to the requested Change Order. Nothing herein shall modify the Grantee's termination rights as otherwise provided for herein.

(6) **DOB GAP FUNDING AND DISBURSEMENT OF FUNDS.**

(a) **Grant Funding.** The Grant Funding shall only be used for project activities in the approved Statement of Work. Any Grant Funding expended for completion of the Statement of Work shall be payable directly to the Contractor in accordance with the terms and conditions agreed upon between Contractor and DEO. Recipient(s) will not directly receive any disbursement of the Grant Funding. DEO has the right to issue payment to the Contractor where a third-party inspector has determined that work has been completed in accordance with the Statement of Work, regardless of any assertion by Recipient(s) that the work has not been completed. Recipient(s) acknowledge that no Grant Funding will be disbursed until such time as all DOB Gap Funding, if applicable, has been fully expended first.

(b) **DOB Gap Funding.** DEO shall not be required to make any payment of any Grant Funding for any portion of the Grant Award until the full amount of the DOB Gap Funding, if any, is paid to the Contractor for completion of any portion of the Statement of Work. DEO at all times may (i) retain undisbursed Grant Funding sufficient to complete the repairs or reconstruction to the Damaged Property; and (ii) determine how much, if any, of the Grant Funding it will disburse to complete the repairs to, or reconstruction of, the Damaged Property. To that end:

- (i) If, after all DOB Gap Funding has been disbursed, DEO at any time reasonably determines that the remaining amount of undisbursed Grant Funding is insufficient, or will be insufficient, to complete fully, and to pay for, the entire Statement of Work, then within a period of time identified by DEO, at DEO's sole discretion, after receipt of a written request from DEO, Recipient(s) shall deposit into the DOB Gap Funding Account an amount of DOB Gap Funding equal to the deficiency ("Shortfall Amount") as determined by DEO. (a) If the Shortfall Amount is due to a Duplication of Benefits, the Recipient shall be responsible for depositing an amount into the DOB Gap Funding Account equal to the Shortfall Amount. (b) If the Shortfall Amount is a result of modifications to the Statement of Work necessary to bring the Damaged Property into a habitable condition, the Department may, at its sole discretion, reconsider and revise the Recipient's Grant Award to include the additional work. If the Recipient fails to deposit the Shortfall Amount by the date identified by the DEO and the DEO does not reconsider and revise the Grant Award, the Recipient shall be in breach as set forth in Paragraph (9).
- (ii) All sums deposited into the DOB Gap Funding Account (a) shall be under DEO's exclusive control, (b) may not be withdrawn by Recipient(s), and (c) shall be managed and disbursed by DEO. However, DEO may, at its option, disburse funds from the DOB Gap Funding Account (even to the extent of exhausting the DOB Gap Funding in that account) to pay costs related to completing the Statement of Work before disbursing CDBG-DR Assistance or in conjunction with the disbursement of CDBG-DR Assistance.
- (iii) DEO shall have the exclusive right, in its sole and absolute discretion, to request, approve, accept, determine, decide, reserve rights, or make any judgment on any matter with regard to Contractor regardless of any dispute by Recipient(s) concerning the Contractor's entitlement to payment for any portion of the Statement of Work. DEO shall have this right and discretion with respect to the disbursement of any DOB Gap Funding or CDBG-DR Assistance. Recipient(s) hereby waive, discharge and release DEO, its agents or designees, from any liability or claims whatsoever arising out of or related to, the disbursement of any CDBG-DR Assistance or DOB Gap Funding.

(7) MISREPRESENTATIONS AND NONCOMPLIANCE

The Recipient(s) hereby asserts, certifies, and reaffirms under the penalty of perjury that all representations and other information contained in the Recipient's CDBG-DR application, certifications and any other document provided by the Recipient(s) to DEO or its agents in connection with the CDBG-DR Grant remain true, correct and complete, to the best of the Recipient's knowledge, as of the Effective Date. The Recipient(s) affirmatively asserts they have provided no false or misleading statements to DEO or its agents in connection with the CDBG-DR Assistance. The Recipient(s) acknowledges that all such representation and information have been relied upon by DEO to provide the CDBG-DR Assistance.

The Recipient(s) shall promptly notify DEO, in writing, of the occurrence of any event or any material change in circumstances which would make any Recipient(s) representation or information untrue or incorrect or otherwise impair the Recipient's ability to fulfill the obligations under this Agreement.

The Recipient(s) hereby certify that all of the damages to the Damaged Property that are included in the Scope of Work Estimate were directly caused by Hurricane Michael. The Recipient(s) further certifies that the Recipient(s) has disclosed to DEO all insurance, FEMA, SBA, and other proceeds and funds received from governmental or private sources as compensation or assistance, or as grants to repair damages to his/her Damaged Property as a result of Hurricane Michael.

The Recipient(s) acknowledges that in the event that the Recipient(s) makes or files any false, misleading, or fraudulent statement and/or omits or fails to disclose any material fact in connection with the CDBG-DR Grant, the Recipient(s) may be subject to applicable civil and/or criminal prosecution by federal or State

authorities.

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

(8) AUTHORITY. The Recipient(s) affirms they have full power, authority, and legal right to execute this Grant Agreement.

(9) OBLIGATION TO MAINTAIN FLOOD INSURANCE. The Recipient(s) acknowledges that DEO is awarding the Grant Amount subject to the following requirements:

The Recipient(s) shall maintain flood insurance on the Damaged Property in perpetuity if the Damaged Property is located within a 100-year floodplain as designated by the Federal Emergency Management Agency (“FEMA”), commencing within the earlier of the Effective Date or, if flood insurance is not available on said date, flood insurance shall be maintained as soon as such coverage is available for purchase. “In perpetuity” as used herein means forever and the flood insurance cannot lapse at any time in the future. **Pursuant to section 311 of the Stafford Act, 42 U.S.C. 5154, the Recipient’s failure to maintain such insurance will result in the Recipient(s) being barred from future federal disaster recovery assistance and that the property will not be able to be repaired with future federal disaster recovery assistance, even if transferred to another individual.**

a. If the Damaged Property, reconstructed home or replacement home is located within a 100-year floodplain as designated by FEMA, any insurable structure on any part of the property shall, at all times, be insured under a policy of flood insurance in the amount of the lesser of: (i) the full insurable value of the structure as determined by the applicable property insurer, or (ii) the maximum amount available for the structure under the National Flood Insurance Program, or a successor program, whichever is greatest. The minimum insurable value of the structure shall be based upon the Program’s cost for completion of the Statement of Work.

b. Upon the sale or transfer of the property, Recipient(s) will, on or before the date of such transfer, and as part of the documents evidencing such transfer, notify all transferees in writing of the continuing obligation to maintain flood insurance on the property. In the event that the Recipient(s) fails to provide such notice, Recipient(s) may be liable to the United States for future disaster assistance related to the property.

c. Evidence that the Damaged Property is covered by any required flood insurance must be provided on or before the Effective Date and again before the final disbursement of CDBG-DR Assistance. In the event the Damaged Property is being reconstructed, evidence must only be provided prior to final payment of CDBG-DR Assistance. A declaration sheet, Association for Cooperative Operations Research and Development (ACORD) form, describing the coverage from the Recipient(s) insurance company, or flood insurance application along with paid receipt will be sufficient evidence to satisfy this requirement. If flood insurance coverage is required, but not available due to the disrepair of the Damaged Property, Recipient(s) may submit a declination letter from the insurer on or before the Effective Date.

(10) DEFAULT. If the Recipient(s) are in breach of any terms of this Grant Agreement, including but not limited to making a false certification in Paragraph 6, above, DEO may provide Recipient with written notice of breach stating the reasons for breach. If Recipient(s) fail to cure any such breach within five (5) calendar days of receipt of the written notice of breach, or within an alternate period of time, not less than 5 calendar days, if the DEO sets forth such an alternate period of time to cure in its notice of breach, DEO may declare Recipient in default. Upon default by Recipient(s), at its discretion, DEO may take any or all of the following actions:

- (a) stop work on the Damaged Property or direct the Contractor to stop work on the Property, either temporarily or permanently;
- (b) demand reimbursement for all or a portion of the Grant Amount that was paid and/or is due to the Contractor for work completed;

- (c) require reimbursement for the cost of additional aid;
- (d) require reimbursement for reasonable attorney's fees and/or collection costs;
- (e) sue Recipient(s) for damages or injunctive or equitable relief.
- (f) terminate the Grant Agreement and rescind the awarded Grant Amount

(11) **RESTRICTION ON SALE.** During the Term, the Recipient(s) shall not sell or otherwise transfer any ownership interest in the Damaged Property without the prior written consent of DEO. This restriction will not apply to:

- (a) a transfer between owners, in which the transferee agrees to be bound by this Grant Agreement;
- (b) a transfer from a Recipient and a member of the same Recipient's family, in which the transferee agrees to be bound by this Grant Agreement;
- (c) the transfer by devise, testate or intestate, or operation of law upon the death of the Recipient(s);
or
- (d) a court-ordered transfer.

If the Recipient(s) violates the restriction in Paragraph 8, the Recipient(s) shall pay to DEO an amount equal to 100 (one hundred) percent of the disbursed Grant Amount.

(12) **TERMINATION BY THE RECIPIENT.** If Recipient(s) provide a written notice of termination after DEO issues to the Contractor the notice to proceed, the Recipient(s) shall reimburse DEO for the portion of the Grant Amount that was paid and/or is due to the Contractor for work completed through the date when termination is effective. No further CDBG-DR Assistance will be provided to the Recipient(s). Any such written notice of termination shall not be effective unless signed by all Recipients in the event there is more than one Recipient.

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

(14) **CHOICE OF LAW AND VENUE.** Determinations of DEO shall be subject to the Program's complaint and appeal process, which shall be exhausted prior to any circuit court proceeding. This Grant Agreement shall be governed by and construed in accordance with the laws of the State of Florida and the laws of the United States, where applicable. The Recipient(s) agrees that any and all claims asserted by or against DEO, its agents, and/or the Contractor arising under or relating to this Grant Agreement shall be solely heard and determined in the courts of Leon County, Florida.

(15) **WAIVER.** DEO's failure to act with respect to breach by any Recipient(s) does not waive DEO's right to act with respect to subsequent or similar breaches by and Recipient(s). The failure of DEO to exercise or enforce any right or provision shall not constitute a waiver of such right or protection.

(16) **RECEIPT OF PROGRAM DOCUMENTATION.** By execution of this Agreement, Recipient(s) acknowledge receipt of the following Program Documentation which is incorporated herein by reference and confirm that the information provided and the representations, warranties, consents and agreements contained in the following documentation are true and correct as of the Effective Date:

- Application and all attachments and exhibits.
- Form 4506T - Request for Transcript of Tax Return (if applicable).
- Fraud Acknowledgement.
- Consent and Release of Personal Information.

- Applicant Certifications and Obligations.

(17) INCORPORATION OF LAWS, RULES, REGULATIONS, AND POLICIES. Recipient(s) agree to abide by the Applicant Responsibilities and Applicant Responsibilities during Construction as defined in Program guidelines (<http://www.floridajobs.org/docs/default-source/communicationsfiles/rebuild-florida-document/rebuild-florida-hrrp-guidelines-updated-82019/hrrp-single-family-guidelines---version-2-final.pdf?sfvrsn=4>), in addition to all applicable State and Federal laws, rules, and regulations defined in Program guidelines, (including but not necessarily limited to, the Federal laws and regulations set forth at Subpart K of 24 C.F.R (except that the Recipient(s) does not assume DEO's responsibilities described at 570.604 and the Recipient(s) does not assume DEO's responsibility for initiating the review process under the provisions of 24 CFR part 52).

(18) RIGHT OF ENTRY. Upon a determination by the DEO, or its designee(s), that the Scope of Work Estimate requires that the Damaged Property be vacant prior to work initiation, Recipient(s) agree to vacate and provide access to the Damaged Property no more than thirty (30) days from the date the DEO provides notice to the Recipient. During such 30-day period, Recipient(s) will be responsible for vacating the Damaged Property and removing all personal property and furniture from the Damaged Property at his and/or her own expense. The State and its contractors and subcontractors will not be liable for any damaged or missing property that Recipient(s) fail to remove or secure. Recipient(s) agree to fully cooperate with all State contractors and subcontractors, including the Contractor, throughout the rehabilitation or reconstruction of the Damaged Property. The right of access and cooperation granted in this section shall be irrevocable from Effective Date until the final inspection certifying that all construction activities have been completed and the entire Grant Amount has been disbursed.

(19) CONSENT TO ELECTRONIC TRANSACTION. Recipient(s) acknowledge that electronic records are being collected, maintained, stored and utilized for the Program and that automated agents have been used to determine identification and eligibility for the Program. Recipient(s) consent to the use of electronic records in accordance with the State's security policy and procedure for such records. In order to verify the Recipient(s)' identity and eligibility for the Program, the State requires that certain personal information be provided to the State. By accepting the Grant Amount, Recipient(s) authorize the State to store and use the information provided by Recipient(s), including information from third party reports, for such purposes.

(20) LIABILITY/APPEALS. Recipient(s) acknowledge that the Contractor designated by the Program under this Agreement will provide a limited warranty for all work performed on the Damaged Property. Recipient(s) agree that his and/or her only rights in connection with the repair or reconstruction are under the limited warranty provided by the Contractor. Recipient(s) agree not to hold the State of Florida, United States or any other branch or agency of the state or federal government, or any of their contractors or subcontractors liable for any act or failure to act relating to this Grant.

If Recipient(s) attempt to take legal action arising from the grant or the work performed on the Damaged Property against the State of Florida, United States or any other branch or agency of the state or federal government, or any of their contractors or subcontractors (except the Contractor under the limited warranty), such entity will have the right to recover from Recipient(s) the attorneys' fees and other expenses incurred in connection with such action. Recipient(s) further agree to indemnify and hold harmless the State of Florida, United States or any other branch or agency of the state or federal government from all losses, claims, damages, liabilities, and costs whatsoever (including all costs, expenses and reasonable counsel fees incurred in investigating and defending such losses and claims), brought by any person or entity, and caused by, related to, arising or purportedly arising out of, or from the Damaged Property.

Recipient(s) acknowledge and agree that they have had the opportunity to review and appeal the Grant Amount

and all other appealable decisions related to their application, and at the time Recipient(s) execute this Grant Agreement, he and/or she waive any future right to appeal the determinations of eligibility, award amount, results of all inspections, and funding requirements (including Duplication of Benefits calculation and any DOB Gap Funding requirement). From and after the effective date of this Grant Agreement, all decisions by DEO or its designee are final non-appealable determinations of benefits under the Program except as may be set forth in the Program's complaint and appeals process.

(21) UPGRADES/OUTSIDE CONTRACTS/WARRANTY. Recipient(s) acknowledge that they shall make no agreements outside this Agreement regarding the repair or replacement of the Damaged Property, nor shall they solicit any upgrades from the DEO Contractor. Recipient(s) also acknowledge that program warranty only covers activities within the approved Statement of Work and will be voided by subsequent work or alteration to any system, component, material or installation by the Recipient(s), his representatives or caused to be performed by any person or entity.

IN WITNESS WHEREOF, and in consideration of the mutual covenants set forth above and, in all Attachments, and Exhibits hereto, the undersigned Recipient(s), sign this Agreement and represent and warrant that they have read and understand the Agreement and Attachments and Exhibits' terms and conditions on the day, month, and year set forth below.

By: _____ By: _____

(Authorized Signature)

(Authorized Signature)

Date: _____ Date: _____

Name: _____ Name: _____

Recipient Mailing Address (if different from the Physical Address):	Co-Recipient Mailing Address (if different from the Physical Address):

Reviewed and approved by the State of Florida, Department of Economic Opportunity, by countersignature below.

By: _____

Date: _____

Name: _____

Title: _____

**ATTACHMENT “A”
Grant Award and DOB Calculation Table**

Program Information	
Household Income	
Household Members	
AMI Percentage	
Damaged Structure Type	
% Damage	
Benefit	
Other Assistance Received	
FEMA IA	
SBA	
Homeowners Insurance	
Flood Insurance	
ICC	
Non-profit/Other	
Total Disaster Recovery Assistance	
Allowable Eligible Activities	
DOB Gap Funding Required at Closing	