

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (AGREEMENT), is made and entered into as of the date of last signature below (“Effective Date”), by and between Leon County, Florida, a charter county and a political subdivision of the State of Florida (the “County”) and the Housing Finance Authority of Leon County, a local government body, corporate and politic (the “HFA”). The County and HFA may be referenced herein individually as (“Party”) or collectively as (“the Parties”).

WHEREAS, the County is dedicated to promoting, maintaining, and providing safe, sanitary, and affordable homes for low to moderate-income citizens of Leon County; and

WHEREAS, on June 10, 1980 the Leon County Board of County Commissioners (the “Board”) adopted Ordinance No. 80-39, creating the HFA pursuant to Chapter 159, Part IV, Florida Statutes (the Florida Housing Finance Authority Law) and as most recently amended by Ordinance No. 2017-02 adopted on February 7, 2017; and

WHEREAS, the HFA functions to alleviate a shortage of affordable housing and investment capital for residents in Tallahassee-Leon County; and

WHEREAS, the HFA encourages investments by private enterprises, stimulates construction and rehabilitation of housing through the use of public financing and provides low-cost loans to make housing purchase affordable; and

WHEREAS, the Parties have expressed a mutual commitment to the coordination and collaboration of affordable housing efforts in the community; and

WHEREAS, the Parties seek to collaborate on the investment of any funds recaptured from the Down Payment Assistance Loans that were funded by the County during the period of October 1, 1998 through September 30, 2008 through the State Housing Initiative Partnership (SHIP) funds, in accordance with the guidelines of SHIP.

NOW THEREFORE, the Parties agree to the following:

1. Purpose and Objective

- a. The purpose of this Agreement is for the coordination and collaboration of affordable housing efforts between the Parties.

2. Definitions

- a. Down Payment Assistance Loans: Loans prepared and recorded in the name of the HFA that were funded by the County through the State Housing Initiative Partnership funds or from other sources.

- b. HFA-Accepted Parcels: County-owned parcels that have been deemed suitable for affordable housing in accordance with the County's Real Estate Policy and presented to and accepted by the HFA for cooperation in the sale or lease.
- c. Housing Programs: County-adopted or HFA-adopted programs that provide financial support to low-income residents for affordable housing.

3. Housing Programs

The Parties responsibilities for the coordination and collaboration of Housing Programs will be as follows:

a. County-adopted Programs

- i. Upon the HFA's approval of this Agreement, the HFA, in mutual agreement with the County, will become a strategic and financial partner of programs and projects adopted by the County that seek to address the affordable housing needs of residents in Leon County.
- ii. HFA funds approved by the HFA will, supplement funding from other sources for projects that meet the criteria of County-adopted housing programs. Other sources include, but are not limited to, the SHIP, Community Development Block Grant, and County General Revenue funds. The HFA authorizes the County to use designated HFA funds to support the SHIP program and/or projects in accordance with the Leon County State Housing Initiative Partnership-Local Housing Assistance Plan ("SHIP-LHAP") dated February 13, 2018, as amended.
- iii. HFA will determine the level of its funding and the limits to its funding of County-adopted housing programs on an annual basis no later than June 15 prior to the start of each fiscal year.
- iv. The County will ensure that all recipients of funds meet all eligibility requirements to receive funding under the State Housing Initiatives Partnership program as authorized pursuant to Chapter 420, Part VII, Florida Statutes.
- v. In the event an award is made through a County-adopted program funded with HFA funds that is not in compliance with the County SHIP-LHAP, the County agrees to fund, from other sources, an amount corresponding to the award to be used for the County-adopted program.
- vi. The County will provide the HFA with a monthly report on HFA funds used for projects in the form attached hereto as Exhibit A.

b. HFA-adopted Programs

- i. The County, in mutual agreement with the HFA, will administer programs adopted by the HFA that seek to address the affordable housing needs of residents in Leon County at no administrative cost to the HFA in

accordance with the HFA Local Housing Assistance Plan dated July 8, 2014 (“HFA LHAP”), as amended.

- ii. The HFA will provide the appropriate level of funding needed for any HFA-adopted program that will be administered by the County.
- iii. The HFA, in mutual agreement with the County, will determine annually the HFA programs to be administered by the County no later than June 15 prior to the start of each fiscal year.
- iv. Programs will be administered by accomplishing the following:
 - 1. Determine client eligibility;
 - 2. Assess home rehabilitation needs;
 - 3. Solicit bids for housing rehabilitation services;
 - 4. Complete any required agreements with clients or contractors;
 - 5. Monitor the work of contractors; and
 - 6. Process invoices.
- v. In the event an award is made through an HFA-adopted program that is not in compliance with the HFA Local Housing Assistance Plan, the County agrees to fund, from other sources, an amount corresponding to the award to be used for the HFA-adopted program.
- vi. The HFA will continue to evaluate multi-family housing projects for potential investments through the issuance of bonds and other financial resources in order to increase the inventory of affordable housing in Leon County.

4. Records Maintenance

- a. The County will maintain the records of the County-adopted programs funded by the HFA and separately maintain the records of HFA-adopted programs that it administers on behalf of the HFA. The records will include:
 - 1. The number of applicants seeking funding,
 - 2. The name of clients served,
 - 3. Name of all vendors utilized for each project,
 - 4. The total amount of funds utilized for each project including HFA and funds from other sources,
 - 5. The types of housing projects,
 - 6. The date each project started and the date the project was completed, and
 - 7. The types of services requested.
- b. The HFA will maintain the records of bonds issued by the HFA for each multifamily housing development. The records will include:
 - 1. The name of the multifamily housing development,
 - 2. The address of the multifamily housing development,

3. The total number of units in the multifamily housing development,
4. The number of units categorized by the number of bedrooms,
5. The income level breakdown for the units,
6. The overall occupancy rate of the multifamily housing development; the market-unit occupancy rate; the tax-credit occupancy rate; and the public housing-unit rate when applicable, and
7. The amount of funds that have been leveraged.

5. Budget

- a. Budget adoption. The HFA will adopt an estimated budget for both County-adopted and HFA-adopted programs administered by the County by June 15 prior to the start of each fiscal year.
- b. Advancement of funds. The HFA will, based on its adopted budget and upon specific designation by the HFA for a given program, advance funds to the County semi-annually for HFA programs administered by the County and/ or County-adopted programs funded by the HFA. The County will retain unencumbered funds at the end of a fiscal year; however, the unencumbered amount will be subtracted from the semi-annual funding for the subsequent fiscal year. For fiscal year 2018, the HFA has specifically designated as of the Effective Date of this Agreement, a total amount of \$13,648.57, including the \$2,250 already committed by the County, for the Emergency Housing Repair Program.
- c. Previously Administered Programs. If the HFA decides not to have the County administer any previously administered programs, any funds previously paid by the HFA to the County, but not spent for their designated purpose, will be returned to the HFA.

6. Investment of Previous Down Payment Assistance Loans

- a. Coordination on the Investment of DPA Loans. The Parties agree to coordinate and collaborate on the investment of any funds that may be recaptured from the Down Payment Assistance Loans issued during the period of October 1, 1998 through September 30, 2008 attached as in Exhibit B (the "Exhibit B DPA Loans") for housing rehabilitation and other strategies provided in the County's SHIP-LHAP and in accordance with SHIP criteria. The County will provide the HFA, at minimum, quarterly updates regarding funds recaptured from Exhibit B DPA Loans and will submit a plan for expenditure for the same to the HFA, which expenditure will be subject to concurrence by the HFA.
- b. Deposit of Exhibit B DPA Loans Recaptured Funds. The Parties agree that the HFA will transfer any funds recaptured after the date hereof from the Exhibit B DPA Loans into the County's Local Housing Trust Fund. The HFA agrees to execute such documents as necessary to grant the County the authority to release,

satisfy or take such other actions as the County shall deem necessary with respect to the Exhibit B DPA Loans, and for the County to directly receive funds recaptured from the Exhibit B DPA Loans.

- c. Exhibit C DPA Loans. The Parties agree that any funds recaptured from the Down Payment Assistance Loans set forth in Exhibit C attached hereto (the "Exhibit C DPA Loans") shall be the property of the HFA, and the County agrees (i) to transfer any such funds to the HFA, and (ii) not to release or otherwise enter into any agreement regarding an Exhibit C DPA Loan without the HFA's approval.

7. Changes in Responsibilities

- a. Changes in the responsibilities of either Party will be mutually agreed upon by the Parties and will be incorporated by written amendments to this Agreement.

8. Affordable Housing Parcels

- a. In accordance with County Real Estate Policy, No. 16-5 (Real Estate Policy), as amended, the HFA and the County will cooperate in the sale or lease of any HFA-Accepted Parcels by jointly advertising and contributing to the maintenance of the parcels. All activity and action for the disposition of affordable housing parcels will be in accordance with Article 11 of the Real Estate Policy and include the following:
 - i. The payment, if any, and the use of funds requested from the HFA.
 - ii. The process and timeline for selling the property.
 - iii. Any conditions regarding the sale, including the nature of subsequent use and ownership.

9. Promotion of Affordable Housing Efforts

- a. Upon the HFA's approval of this Agreement, the HFA will serve as a strategic planning and financial partner in the promotion of County and HFA Housing Programs and Services mutually agreed upon by the Parties. Annual Programs will be determined in advance by both Parties no later than June 15 prior to the start of the fiscal year. Annual funding, if any, will be determined in advance by the HFA no later than June 15 prior to the start of the fiscal year.
- b. The HFA may serve as a strategic planning and financing partner on County events that seek to promote affordable housing efforts to include, but not be limited to, the Leon County Annual Home Expo and the Leon County 9/11 Day of Service. Annual funding for promotional efforts will be determined in advance by the HFA no later than June 15 prior to the start of the fiscal year. HFA funding will be provided as a reimbursement for the aforementioned events.

10. HFA Correspondence

- a. The address listed for the County's Housing Services Division will serve as the physical address for the HFA. Any correspondence addressed to the HFA and received by the County's Housing Services Division will be forwarded to the HFA in a timely manner.

11. Employee Designation

- a. All employees of the County involved in carrying out the obligations of the County under this Agreement remain employees of the County and are subject to the County's personnel rules and regulations therein.

12. Required Information

- a. Each Party agrees to provide the other Party with any and all information necessary to meet their respective obligations as identified herein.

13. County Staff

- a. The use of County staff and other resources, will only be authorized for projects that are directly associated with the responsibilities of the County and HFA-adopted programs mutually agreed to be administered by the County.

14. Term

- a. The term of this Agreement (the "Term") will commence on the Effective Date, and will be for a term of three (3) years. This Agreement may be renewed for additional three year terms upon mutual agreement by the Parties of the satisfaction of performance of both Parties, unless the Agreement is terminated earlier pursuant to the terms of this Agreement.

15. Termination

- a. Either the HFA or the County may terminate this Agreement without cause by giving at least thirty (30) calendar days written notice to the other party.

16. Audits, Records and Records Retention

- a. The HFA agrees to establish and maintain books, records, and documents (including electronic storage media) in accordance with generally accepted accounting procedures and practices which sufficiently and properly reflect all revenues and expenditures of funds. The HFA further agrees to retain all financial records, supporting documents, statistical records, and any other documents (including electronic storage media) pertinent to this Agreement for a

period of five (5) years after termination, or if an audit has been initiated and audit findings have not been resolved at the end of five (5) years, the records will be retained until resolution of the audit findings or any litigation which may be based on the terms of this Agreement. The County or any of its duly authorized representatives will have access to and the right to examine, audit, excerpt and transcribe any directly pertinent books, documents, papers and records of the HFA, involving transactions relating to this Agreement. Upon completion or termination of this Agreement, and at the request of the County, the HFA will cooperate with the County to facilitate the duplication and transfer of any said records or documents during the required retention period as specified in paragraph b above.

17. Choice of Law, Venue, and Severability

- a. This Agreement shall be construed and interpreted in accordance with Florida law. Venue for any actions brought in relation to this Agreement shall be placed in a court of competent jurisdiction in Leon County, Florida. If any provision of this Agreement is subsequently held invalid, the remaining provisions shall continue in effect.

18. Several Liability

- a. Liability of the Parties will be several and not joint, and in no event will a party have any liability with respect to the acts or omissions of any other party to this Agreement.

19. Amendment

- a. This Agreement may be amended in writing from time to time by mutual consent of the Parties. All amendments to this Agreement will be in writing and fully executed by the Parties.

20. Notice

- a. If written notice is required in this Agreement, such notice shall be given by hand-delivery, recognized overnight delivery service, or by first class mail, registered and return receipt requested as follows:

To the County as follows:

To the HFA as follows:

THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

IN WITNESS WHEREOF, the Parties hereto, through their duly authorized representative, have executed this Agreement as of the date last written below.

Leon County, Florida

**Housing Finance Authority of Leon
County**

Vincent S. Long, County Administrator

Tom Lewis, Chairman

ATTESTED BY:

Gwendolyn Marshall, Clerk of Court &
Comptroller, Leon County, Florida

Jeffrey Sharkey, Secretary
Housing Finance Authority of Leon County

AS APPROVED TO FORM:

Herbert W.A. Thiele, County Attorney

Mark T. Mustian, Attorney
Housing Finance Authority of Leon County

EXHIBIT B

EXHIBIT C