

1. REQUESTED MOTION

ACTION REQUESTED: Waive a compliance requirement of contract C-2016 between Lee County and DIAD.

WHY ACTION IS NECESSARY: DIAD violated a provision of this contract when it inadvertently installed a moderate-income household instead of a low-income household in a home partially constructed with SHIP funding.

WHAT ACTION ACCOMPLISHES: Relieves DIAD of the requirement to cure the contract violation.

2. DEPARTMENTAL CATEGORY: 04
COMMISSION DISTRICT #: CW

A4A

3. MEETING DATE:

11-16-2004

4. AGENDA:

5. REQUIREMENT/PURPOSE:
(Specify

6. REQUESTOR OF INFORMATION:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- WALK ON
- TIME REQUIRED:

- STATUTE
- ORDINANCE
- ADMIN. CODE
- OTHER

- A. COMMISSIONER N/A
- B. DEPARTMENT Community Development
- C. DIVISION Planning
- BY: Paul O'Connor, AICP, Planning Director
POC 11/02/04

7. BACKGROUND:

On January 23, 2002 Lee County and DIAD entered into contract C-2016 in which \$55,000 in SHIP funds were awarded for the construction of two houses: one for a very-low and the other for low-income household. The project deadline was December 31, 2002. At DIAD's request this contract was amended twice: once to extend the project deadline to May 30, 2003 and a second time to change the project scope to serving two low-income households.

Ultimately, due to mistakes in qualifying its client's income, DIAD placed a moderate (rather than a low-income) household in one of the two houses. County staff requested that the Florida Housing Coalition Inc., (which provides technical assistance to SHIP programs across the state) review this violation. The Coalition found that DIAD had violated no state rules governing SHIP funds. DIAD had, however, violated provisions of its contract with the County.

DIAD fulfilled most of the county contract requirements by building two houses and placing a low-income household in one of those houses. However, DIAD violated its contract when it placed a moderate-income household in the second house. DIAD could cure this mistake by building a new house for a low-income household. However, the financial burden of requiring DIAD to building a third house could jeopardize their operations.

In response to this oversight, staff arranged for Florida Housing Coalition staff to provide DIAD with technical assistance to improve their procedures. This is the only instance of a violation of a SHIP contract with any affordable housing provider. Staff, therefore, recommends that the county waive the compliance requirement for the production of two houses for low-income households and allow occupation of one of the houses by a moderate-income household.

8. MANAGEMENT RECOMMENDATIONS:

9. RECOMMENDED APPROVAL:

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services				G County Manager
					Capan 11/4/04				
					OA	OM	Risk	GC	
<i>Man Gibbs</i>	<i>Cindy Stogard by C. O'Rio 11/2/04</i>	N/A	N/A	<i>[Signature]</i> 11/2/04	<i>[Signature]</i> 11/3/04	<i>[Signature]</i> 11/4/04	<i>[Signature]</i> 11/04/04	<i>[Signature]</i> 11/9/04	<i>[Signature]</i>

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by CoAtty
Date: 11/2/04
Time: 3:04
Forwarded To:
[Signature]

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COUNTY ADMIN: *[Signature]*
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COUNTY ADMIN
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