

1     **CONTRACT BETWEEN THE CITY OF MYRTLE BEACH AND HABITAT FOR HUMANITY OF**  
 2     **HORRY COUNTY FOR MANAGEMENT OF THE CITY'S WORKFORCE HOUSING PROGRAM**

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 5     This Agreement is entered into this 10<sup>st</sup> day of November, 2020, by and between the City of Myrtle Beach,  
 6     South Carolina (the "City"), a body politic, and the Habitat for Humanity of Horry County (the "Grantee").  
 7     In consideration of the Grantee's promise to deliver or perform the services identified in Section 1 of this  
 8     Agreement and the City's promise to disburse the funds identified in Sec. 2 below. The Grantee hereby  
 9     expressly agrees to the terms and conditions outlined in this Agreement.

- 10     **1. SCOPE OF SERVICES.** The Grantee agrees to provide management and oversight services related  
 11     to the City's Workforce Housing Program as outlined in City resolution R2020-XX, and as further  
 12     enumerated in Attachment 1, "Scope of Services".  
 13  
 14     **2. FUNDING.** In compensation for the services listed in Section 1 of this agreement, the City agrees  
 15     to pay the sum of \$246,000 for the period January 1, 2021 through June 30, 2022. Such funds shall  
 16     be used for such valid public purposes under South Carolina law as are expressly identified in  
 17     Section 2 of this Agreement "Sources and Uses of Funds", the approved FY 21-22 Budget, and any  
 18     subsequent amendments thereto, and shall be disbursed on a quarterly basis beginning January  
 19     1, 2021 in the following amounts:  
 20         • January 1, 2021 - \$36,000.  
 21         • April 1, 2021 - \$36,000.  
 22         • July 1, 2021 - \$43,500.  
 23         • October 1, 2021 - \$43,500.  
 24         • January 1, 2022 - \$43,500.  
 25         • April 1, 2021 - \$43,500.

26  
 27     Funds not expended for the purposes enumerated under Section 1 above, and the approved FY21-  
 28     22 Budget, shall be retained by the Grantee until the end of the Term of this Agreement, and then  
 29     used to fund a subsequent agreement, or returned to the City at the City's sole discretion.  
 30     Continuation of this Agreement after the end of the Term is anticipated by the Parties, but is  
 31     contingent on annual appropriation by the City Council, and approval by the Grantee's Board of  
 32     Directors.

- 33  
 34     **3. WORKPLAN AND BUDGET FOR WORKFORCE HOUSING PROGRAM for FY 2021-22.** Before the  
 35     distribution of funds in fiscal year 2021-22, the Grantee shall submit for approval by the City  
 36     Council a detailed plan ("the "Plan") and budget (the "Budget") for The Workforce Housing  
 37     Program for fiscal year 2021-22. The Plan shall specifically indicate the goals of the program, and  
 38     the strategies proposed to achieve those goals. The Budget shall describe the uses and amounts  
 39     of the funds anticipated to be received for this purpose during the City's FY 2020-21 ("the Fiscal  
 40     Year"). Both the Plan and the Budget shall be the product of cooperative meetings between the Parties  
 41     to establish what shall be the effective use of said funds.  
 42  
 43     **4. TERM AND TERMINATION.** Unless otherwise provided herein, the term of this Agreement shall  
 44     commence as of January 1, 2021 and shall be reviewed on a quarterly basis. The City may  
 45     terminate this Agreement upon thirty (30) days written notice. If it is later determined that the  
 46     funds disbursed hereunder were not spent in compliance with Section 2 above, then the Grantee

1 shall, upon the City's demand, repay all or such portion of the funds hereunder as the City may  
 2 reasonably determine not to have been spent in such a manner.  
 3

- 4 **5. ACCOUNTING, REPORTING AND TRANSPARENCY REQUIREMENTS.** The funds allocated pursuant to  
 5 this agreement shall be accounted for in a separate fund according to Generally Accepted Accounting  
 6 Principles for governmental and non-profit reporting entities. They may not be commingled with any  
 7 other funds of the Grantee except for any other grants, donations, gifts, etc., used exclusively for the  
 8 Workforce Housing Program. The Budget shall be a public document available from the City and the  
 9 Grantee, and shall be available on the media platforms of both Parties.  
 10

11 Records with respect to this fund are to be maintained in such a manner that the names of payees and the  
 12 purpose of each payment are readily available to and can be easily discerned by the public. To that end,  
 13 the Grantee shall provide the following reports to the City and the reports shall be made available on the  
 14 media platforms of both Parties:

15 (a) Special Purpose Reports

- 16 i. Quarterly updates on expenditures to accomplish budgetary objectives shall be provided  
 17 to the City at City Council Meetings in the month of April, 2021 (for the quarter ending  
 18 March 31, 2021), July, 2021 (for the quarter ending June 30, 2021), October, 2021 (for  
 19 the quarter ending September 30, 2021), January, 2022 (for the quarter ending  
 20 December 31, 2021), April, 2022 (for the quarter ended March 31, 2022), and July, 2022  
 21 (for the quarter ended June 30, 2022). Upon the City's receipt, the update shall be a  
 22 public document and shall be available from the City and the Grantee on the media  
 23 platforms of both Parties. The updates shall include, at a minimum:
- 24 • A narrative report on the results of toward the goals indicated in the Work Plan.
  - 25 • A budget vs. actual report of the Grantee's expenditures showing the  
 26 budgeted expenditures by line-item along with expenditures for the period,  
 27 expenditures for the year-to-date, and variances.
  - 28 • A detailed expense ledger report showing itemized expenditures with vendor  
 29 name and check number, grouped by line-item in a format approved by the  
 30 Chief Financial Officer of the City.
  - 31 • Other metrics as may be agreed upon by the Parties based upon the  
 32 approved Plan and Budget.
- 33 ii. At the end of each Fiscal Year, the Grantee shall render an accounting of the expenditures  
 34 and progress toward the goals described in the Plan to the City in public session. The  
 35 presentation of the accounting and progress shall be a public document available from the  
 36 City and the Grantee, and shall be available on the media platforms of the Parties.  
 37

38 (b) General Purpose Reports

39 In addition to the special purpose reports described above, the Grantee shall render certain general  
 40 purpose financial reports at the end of the Fiscal Year as follows:

- 41 i. An accounting of the expenditures from the funds allocated for this purpose through  
 42 this Agreement, together with any other grants, donations, or gifts used for the  
 43 furtherance of the Workforce Housing Program (hereinafter "Workforce Housing  
 44 Funds"), and program results presented to the City in public session. Upon the City's  
 45 receipt of the report, the presentation of the accounting shall be a public document  
 46 available from the City, and the Grantee, and shall be available on the media platforms of  
 47 the Parties.
- 48 ii. An annual independent audit performed according to Generally Accepted Government

1 Auditing Standards shall be performed on the Grantee's use of the Workforce Housing  
 2 Funds, and the results shall be provided to the City and made available on the media  
 3 platforms of both Parties. The report, which shall include the auditor's opinion letter, may  
 4 be incorporated into the Grantee's Comprehensive Annual Financial Report, provided that  
 5 it presents, by fund type, a full set of financial statements for the Workforce Housing  
 6 Funds consisting of a Balance Sheet, and a Statement of Revenues, Expenditures, and  
 7 Changes in Fund Balances.  
 8 iii. In addition to the audits and financial reviews conducted by the Grantee, the City may at  
 9 any point inspect, or cause to be inspected, any or all of the records pertaining to these  
 10 funds. The Grantee shall cooperate in the inspections and any ensuing reports related to  
 11 such inspections.

12  
 13 During the term of this Agreement, the Grantee shall allow the City, or a public accountant  
 14 designated by the City, access to such financial records at the location where its records are  
 15 customarily maintained. Such access shall be granted upon the City's forty-eight (48) hour written  
 16 notice to the Grantee of its intent to review such records.  
 17

18 6. **CERTIFICATE OF INSURANCE.** The Grantee shall provide a Certificate of Insurance upon such  
 19 terms. (See Attachment 3, City of Myrtle Beach, Insurance Requirements)  
 20

21 IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their proper,  
 22 duly authorized corporate officers, all as of the day and year first above set forth.  
 23

24 **GRANTOR:**

25 CITY OF MYRTLE BEACH  
 26  
 27

28 By: \_\_\_\_\_  
 29

30 Title: City Manager  
 31  
 32

33 **GRANTEE:**

34 Habitat for Humanity of Horry County  
 35  
 36

37 By: \_\_\_\_\_  
 38  
 39

40 Title: \_\_\_\_\_  
 41  
 42  
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 44

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3 **Scope of Services to be Performed by Grantee - Workforce Housing Program**  
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6 **Task 1 – Land Acquisition & Needs Assessment** – The Parties shall conduct a thorough review of the  
7 community’s workforce housing inventory, areas of need, and opportunities for improvements.  
8

9 **Task 2 - Identifying Team Partners**

- 10 • When income level and need falls outside Habitat for Humanity of Horry County’s mission  
11 mandate, Habitat for Humanity shall:  
12 • Identify potential partners and create partnerships to:  
13 ○ Assist and/or perform functions to aid in the acquisition, transfer, and development of  
14 Workforce Housing properties;  
15 ○ Assist in establishing ownership (to include mortgage facilitation) in developed properties  
16 allocated for Workforce Housing.  
17 ○ Assist in establishing rental management (to include voucher facilitation) of developed  
18 Workforce Housing properties allocated for rental activity.  
19

20 **Task 3 - Land Acquisition**

- 21 • Establish a process commensurate with federal, state, and local laws in order to acquire and  
22 transfer land for development and/or resale purposes.  
23 • Where applicable, establish a process in which to form and manage an entity or group of entities  
24 to hold land for the benefit of the community (e.g. community land trust).  
25 • Where applicable, establish a strategy to obtain properties and/or work with land owners for the  
26 purposes of acquiring land for future workforce housing (e.g. land bank)  
27

28 **Task 4 - Workforce Housing Funding and Development**

- 29 • **Task 4A – New Residential Workforce Housing Development** - In conjunction with identified  
30 partners, Grantee will seek federal, state, local funding, and/or private investment/donations to:  
31 ○ Develop properties into new single family and/or multi-family affordable ownership units.  
32 ○ Develop properties into new single family and/or multi-family affordable rental units.  
33 • **Task 4B - Residential Workforce Housing (Rehabilitation of Existing Housing Stock)** - In  
34 conjunction with identified partners, Grantee will seek federal, state, local funding, and/or private  
35 investment/donations to:  
36 ○ Redevelop existing properties into rehabilitated single family and/or multi-family  
37 affordable homeownership opportunities.  
38 ○ Redevelop existing properties into rehabilitated single family and/or multi-family  
39 affordable rental opportunities.  
40

41 **Task 5 - Operations**

- 42 • Coordinate homeownership and rental activities relating to the City Workforce Housing program.  
43 • Maintain a permanent seat on the City Workforce Housing Committee.  
44

45 **Task 6 - Maintenance & Repair** - Work with the City of Myrtle Beach to determine funding sources and  
46 qualified contractors for maintenance and repair projects.  
47

**Sources and Uses of Funds - Workforce Housing Program**

**Sources of Funds Made Available to the Grantee:** The source of funds shall be allocations from the City's Workforce Housing Fund, as appropriated and made available by the Myrtle Beach City Council, plus any grants, gifts, donations, or appropriations made available for Workforce Housing purposes by other governmental agencies or non-profit organizations.

**Uses of Funds by the Grantee:**

- From December 1, 2020 through June 30, 2021: 1 FTE (Workforce Housing Director), \$72,000:
  - Salary & Benefits (retirement match, health, dental, vision, FICA) – \$61,086.
  - Overhead (phone, mileage, uniforms, business cards, workers comp) - \$6,548.
  - Facility (office space, utilities) – \$4,366.
- From July 1, 2021 through June 30, 2022: 1 FTE (Workforce Housing Director), 1/3 FTE (Fund Development Director), 1/3 FTE (Accounting), \$174,000:
  - Salary & Benefits (retirement match, health, dental, vision, FICA) – \$153,853.
  - Overhead (phone, mileage, uniforms, business cards, workers comp) - \$10,088.
  - Facility (office space, utilities, downtown office space – \$10,059.
- Total during term of initial contract - \$246,000.
  
- Anticipated annually beyond the initial term of the agreement: 1 FTE (Workforce Housing Director), 1/3 FTE (Fund Development Director), 1/3 FTE (Accounting), 1/3 FTE (Project Management Support), \$200,000 (estimated).
  - Salary & Benefits (retirement match, health, dental, vision, FICA).
  - Overhead (phone, mileage, uniforms, business cards, workers comp).
  - Facility (office space, utilities, downtown office space.

**CITY OF MYRTLE BEACH INSURANCE REQUIREMENTS**

**GENERAL LIABILITY AND PROPERTY DAMAGE**

The "Grantee" shall purchase and thereafter maintain for the term of this agreement, and any subsequent extensions hereto, general liability insurance to protect "Grantee" from claims for bodily injury and/or property damage which may result from Grantee's performance of this agreement. The policy shall provide a combined single limit of liability of \$1,000,000 per occurrence for bodily injury and property damage with an aggregated limit of not less than \$1,000,000.

**AUTOMOBILE LIABILITY**

The Grantee shall purchase and thereafter maintain for the term of this agreement and any subsequent extensions hereto, comprehensive automobile liability insurance to protect the Grantee from claims for bodily injury and property damage which may arise from Grantee's use of motor vehicles in the performance of this agreement. The policy shall provide for a combined single limit of \$1,000,000 per occurrence for bodily injury and property damage.

**WORKERS' COMPENSATION INSURANCE**

Prior to beginning the work, the Grantee shall take out full compensation insurance for all persons which may be employed directly or indirectly in the performance of this agreement, coverage is to apply to all employees for statutory limits in compliance with the applicable state and federal laws. The policy must provide Employers Liability coverage in the amount of \$500,000 each accident; \$500,000 bodily injury by disease each employee and \$500,000 bodily injury by disease policy limit and shall be maintained in full force and effect during the term and any subsequent extensions hereto.

**EXCESS LIABILITY POLICY**

At the option of the Grantee, the limits of the primary general liability, automobile liability and employer's liability policies may be less than stipulated herein, with an excess policy providing the additional limits needed. This form of coverage must be approved by the City and will only be acceptable when both the primary and excess policies include the coverage and endorsements required herein.

**POLICY ENDORSEMENTS**

The following requirements shall apply to the policy(s) indicated below:

**A. General Liability and Automobile Liability**

It is understood and agreed that the City of Myrtle Beach, its officials, agents and employees are recognized as additionally named insureds under the policy and, as such, will be provided thirty (30) days written notice by registered mail of non-renewal, exhaustion of aggregate limit, modification of coverage

1 or cancellation for any reason, and the company hereby agrees to provide such notice. Failure of the  
2 company to provide the required notice shall cause the coverage to continue in force for the benefit of  
3 the City, its officials, agents and employees until proper notification, as required herein, is provided, the  
4 provisions of the policy or any Certificate of Insurance to the contrary notwithstanding.

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6 B. Workers' Compensation

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8 The cancellation provision is hereby amended to provide that the City of Myrtle Beach will be provided  
9 thirty (30) days written notice via certified mail, return receipt required, in the event of coverage  
10 cancellation.

11  
12 NOTIFICATION OF INSURANCE COMPANIES

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14 It is the responsibility of the Grantee to notify all insurance companies to familiarize themselves with all  
15 the terms and conditions of this agreement. The insurance companies shall waive their right of  
16 notification by the City of any change or modification of this contract, or of decreased or increased work,  
17 or of the cancellation of this agreement or of any other acts by the City or its authorized employees or  
18 agents under the terms of this agreement. The waiver by the insurance companies shall in no way relieve  
19 them of their obligations under this agreement.

20  
21 CERTIFICATES OF INSURANCE

22  
23 Grantee shall file with the City a Certificate of Insurance which shall be approved by the City prior to the  
24 inception of any work. Renewal certificates shall be sent to the City thirty (30) days prior to any expiration  
25 date.

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27  
28 INSURER LICENSING AND RATING

29  
30 All insurance companies providing coverage to the City, shall be licensed to do business in the State and  
31 have an A.M. Best rating of "A-" or better.

32  
33  
34 INSURANCE COVERAGE ADJUSTMENTS

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36 In response to changing circumstance of loss exposures, the City reserves the right to modify the insurance  
37 coverage, limits of liability, policy endorsements and policy terms required in this contract. The City will  
38 provide written notice to the Grantee, which outlines such changes and allow Grantee a reasonable period  
39 of time in which to comply with the new requirements. However, in no event shall Grantee compliance  
40 period be longer than thirty (30) days.

41  
42 COVERAGE CANCELLATION OR UNSATISFACTORY COVERAGE

43  
44 If at any time any of the foregoing policies shall be or become unsatisfactory to the City, as to form or  
45 substance, or if a company issuing any such policy shall be or become unsatisfactory to the City, the  
46 Grantee shall, upon notice to that effect from the City, promptly obtain a new policy and submit the same  
47 for approval to the City. Upon failure of the Grantee to furnish, deliver and maintain the insurance  
48 coverage's required herein, this agreement, at the sole discretion of the City, may be forthwith declared

1 suspended, discontinued or terminated. Failure of the Grantee to take out and/or maintain any required  
2 insurance shall not relieve the Grantee from any liability under this agreement, nor shall the insurance  
3 requirements be construed to conflict with or otherwise limit the obligations of the Grantee concerning  
4 indemnification.