

CHR Contract Matrix

Contract	Current	Proposed/Considerations
Lease Term	5-year term executed 9/5/07; expires 9/30/12	5-year term to expire 9/30/17
SECTION 3 - Payments from City to CHR		
3a - Administrative budget	FY 07-08 - payment of \$240,404 paid to CHR for admin budget with 3% escalators per year. Current FY12 payment is 262,695	Continue 3% escalators but consider the financial impact of EAR recommendations
3c - Payment timing	Payment to CHR shall be made in quarterly installments, payable within the first week of each quarter of the City's FY	Consider netting installment payments against CHR obligations in order to eliminate collection issues and resulting penalties.
3d - Admin expense reimbursement	City to reimburse CHR up to \$4,500 annually for office supplies, postage, copying, etc.	No Change
3d - Office Space	City to provide up to 780sf of office space within the Center 4 Life building - no rental subsidy available should CHR move office to another location	Based on a space needs assessment study for Center4Life and CHR, moving CHR could prove to be a possible solution. City to consider adding subsidy allowance language in the event relocation (permanent or temporary) is necessary.
SECTION 4 - Reporting		
SECTION 4 - Reporting	CHR to submit a Balance Sheet prepared in accordance to GAAP to City within 20 days of the FY Quarter End	Balance sheet shall be comparative to PY with notes accompanying account variances that exceed 10%
	CHR to submit a line item accounting, including detailed transactions in "date order" of its admin expenditures for each quarter	No Change
	CHR shall provide an audited income statement for each separate CHR development and for the BMRH program as a whole	CHR to provide comparative YTD income statement to PY and budget on a quarterly basis with notes accompanying account variances that exceed 10%.
	City manager has the right to waive the requirement for one or more of the above reports	No Change

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		CHR to provide City an annual operating budget for its upcoming fiscal year on or before September 30th of each year. Budget should be comparative to current year results (actual plus estimated through year end)
		On a quarterly basis, CHR to provide City key operating indicators, including, vacancies, waiting list, total BMRH units, other
SECTION 6 Annual Plan	CHR to provide an outline to the City within 90 days of agreement as to how BMRH goals as suggested in 2004/05 EAR will be achieved.	Same - incorporating 2012/13 EAR goals
	CHR will prepare an update of the plan (and progress towards EAR goal) for presentation to City Council during October of each year of this agreement	No Change
SECTION 7 - Preference to City employees	Within 90 days of agreement, CHR will develop a process creating increased preference to City employees by awarding additional points provided they meet income guidelines of BMRH units	CHR to provide the City a revised point system that incorporates achieving the desirable tenant mix set forth in the 2012/13 EAR.
SECTION 9 - Insurance	CHR will maintain the required property and liability insurance to replace the BMRH units at the replacement values	No Change
SECTION 11 - Compliance	CHR is responsible for maintaining BMRH units in compliance with requirements of City Development Permits and Conditional Use Approvals	No Change
	All new landscaping must be 100% native vegetation	No Change
SECTION 12 - Mandatory Evacuation	CHR will require leases to require tenants to evacuate the Island if mandatory evacuation is declared	No Change

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SECTION 13 - Hurricane Plan	CHR will provide a hurricane plan to require the evacuation of BMRH residents	CHR to provide an updated hurricane plan to City
SECTION 14 - Structures	All utility connections and building maintenance is the responsibility of CHR	No Change
SECTION 15 - Off island units	City's contribution of funds to administrative overhead and expenses may be utilized solely to support development that meets the requirements of the Sanibel Plan	No Change
SECTION 16 - Renegotiated agreement	Agreement may be renegotiated in response to unforeseen needs of the City's BMRH program	No Change
SECTION 17 - Contract Term	Agreement may be terminated at will, by either party, upon twenty-four months written notice	No Change
SECTION 18 - Audit Reporting	CHR shall provided audit report for FY ended 9/30 on or before March 1st of each year.	Audit report shall be due <u>on or before 2/1</u> of each year so the City has appropriate time to incorporate into the City CAFR
	Accompanying the audit report, CHR to provide a narrative and statistical summary of its operations and activities for that fiscal year	Include relevant economic and demographic information of tenant mix.
	CHR to provide a narrative in fulfilling its obligations under Chapter 102 of the Sanibel Code	No change
Other Considerations		City Council responsible for the appointment of CHR Board
		CHR to adhere to Sunshine law
		CHR to receive permission from City Council prior to selling any BMRH rental units
		CHR to reserve funds necessary to cover any LEO appreciation liability.*

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* CHR is required to rebuy an LEO when the owner elects to sell. The guarantee amount is limited to 25% appreciation of the purchase price to be paid over a maximum of 10 years.