



**REINSTATEMENT AND SECOND AMENDMENT TO AGREEMENT BETWEEN
BROWARD COUNTY AND BHP COMMUNITY LAND TRUST, INC. FOR FUNDING
AND ADMINISTRATION OF FYS 2019-2024 CARES ACT COMMUNITY
DEVELOPMENT BLOCK GRANT PROGRAM – (CDBG-CV) AND COMMUNITY
DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)
(CFDA # 14.218 / FAIN # B-20-UW-12-0001)**

This Reinstatement and Second Amendment (“Amendment”) is entered into by and between Broward County, a political subdivision of the State of Florida (“County”), and BHP Community Land Trust, Inc., a Florida not for profit corporation (“Agency”) (each a “Party” and collectively referred to as the “Parties”).

RECITALS

A. The Parties entered into the Agreement between Broward County and BHP Community Land Trust, Inc. for Funding and Administration of FYs 2019-2024 CARES Act Community Development Block Grant Program – (CDBG-CV) and Community Development Block Grant Program – (CDBG) (CFDA # 14.218 / FAIN # B-20-UW-12-0001), dated July 26, 2023 (the “Original Agreement”), for Agency to acquire and/or acquire and rehabilitate rental units.

B. The Original Agreement was amended by a First Amendment, dated July 17, 2024, which revised the project description, budget, and timeline given the approval by the Broward County Board of County Commissioners of increased funding for the Project. The Original Agreement, as amended by the First Amendment, is referred to herein as the “Agreement.”

C. The Agreement expired on September 30, 2024, and the Parties now desire to reinstate and further amend the Agreement to extend its term, revise the project description, increase the Project budget by Six Hundred Thousand and 00/100 Dollars (\$600,000), and revise the timeline given the additional funding.

Now, therefore, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The above Recitals are true and correct and are incorporated herein by reference. All capitalized terms not expressly defined within this Amendment shall retain the meaning ascribed to such terms in the Agreement.
2. Unless otherwise expressly stated herein, amendments to the Agreement made pursuant to this Amendment are indicated herein by use of strikethroughs to indicate deletions and bold/underlining to indicate additions. Except as modified herein, all remaining terms and conditions of the Agreement shall remain in full force and effect.
3. The Agreement is reinstated effective October 1, 2024.

4. The first sentence of Article 10 of the Agreement is amended as follows:

The term of this Agreement begins on the date it is fully executed by the Parties (“Effective Date”) and continues through ~~September 30, 2024~~ **August 31, 2025** (“Term”), unless otherwise terminated earlier or extended pursuant to the terms of this Agreement.

5. The first sentence of Section 4.1 of the Agreement is amended as follows:

The maximum amount payable of CDBG-CV Funds and CDBG Funds to Nonprofit under this Agreement shall be Six Million ~~Two~~ **Eight** Hundred Forty Seven Thousand and Ninety Five and 00/100 Dollars (~~\$6,247,095.00~~) **(\$6,847,095)** to fund acquisition and rehabilitation of rental units.

6. The following exhibits to the Agreement are hereby deleted and replaced in their entirety with the exhibits attached hereto and incorporated herein: Exhibit A, Project Description; Exhibit B, Budget; and Exhibit C, Project Timeline.

7. Entities of Foreign Concern. The provisions of this section apply only if the Agreement provides access to an individual’s personal identifying information. By execution of this Amendment, the undersigned authorized representative of Contractor hereby attests under penalty of perjury as follows: Contractor is not owned by the government of a foreign country of concern, is not organized under the laws of nor has its principal place of business in a foreign country of concern, and the government of a foreign country of concern does not have a controlling interest in the entity; and the undersigned authorized representative of Contractor declares that they have read the foregoing statement and that the facts stated in it are true. Terms used in this section that are not otherwise defined in the Agreement shall have the meanings ascribed to such terms in Section 287.138, Florida Statutes.

8. Anti-Human Trafficking. By execution of this Amendment by an authorized representative of Contractor, Contractor hereby attests under penalty of perjury that Contractor does not use coercion for labor or services, as such terms are defined in Section 787.06, Florida Statutes. Under penalties of perjury, the undersigned authorized representative of Contractor declares that they have read the foregoing statement and that the facts stated in it are true.

9. In the event of any conflict or ambiguity between this Amendment and the Agreement, the Parties agree that this Amendment shall control. The Agreement, as amended herein by this Amendment, incorporates and includes all prior negotiations, correspondence, conversations, agreements, and understandings applicable to the matters contained herein, and the Parties agree that there are no commitments, agreements, or understandings concerning the subject matter hereof that are not contained in the Agreement as amended in this Amendment. Accordingly, the Parties agree that no deviation from the terms hereof shall be predicated upon any prior representations or agreements, whether oral or written.

10. Preparation of this Amendment has been a joint effort of the Parties and the resulting document shall not, solely as a matter of judicial construction, be construed more severely against one of the Parties than any other.

11. Agency acknowledges that through the date this Amendment is executed by Agency, Agency has no claims or disputes against County with respect to any of the matters covered by the Agreement.

12. The effective date of this Amendment shall be the date of complete execution by the Parties.

13. This Amendment may be executed in counterparts, whether signed physically or electronically, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

14. Agency represents and warrants that this Amendment constitutes the legal, valid, binding, and enforceable obligation of Agency, and that neither the execution nor performance of this Amendment constitutes a breach of any agreement that Agency has with any third party or violates any law, rule, regulation, or duty arising in law or equity applicable to Agency. Agency further represents and warrants that execution of this Amendment is within Agency's legal powers, and each individual executing this Amendment on behalf of Agency is duly authorized by all necessary and appropriate action to do so on behalf of Agency and does so with full legal authority.

(The remainder of this page is blank.)

IN WITNESS WHEREOF, the Parties hereto have made and executed this Amendment: Broward County, through its Board of County Commissioners, signing by and through its Mayor or Vice Mayor, authorized to execute same by Board action on the 21st day of August, 2025; and BHP Community Land Trust, Inc., signing by and through its duly authorized representative.

COUNTY

ATTEST:

BROWARD COUNTY, by and through
its Board of County Commissioners

By: _____
Broward County Administrator, as
ex officio Clerk of the Broward County
Board of County Commissioners

By: _____
Mayor
____ day of _____, 20__

Approved as to form by
Andrew J. Meyers
Broward County Attorney
115 South Andrews Avenue, Suite 423
Fort Lauderdale, Florida 33301
Telephone: (954) 357-7600

By _____
Karina D. Rodrigues (Date)
Assistant County Attorney

By _____
Annika E. Ashton (Date)
Deputy County Attorney

KDR
Dania Assemblage – CDBG CDBG-CV – Reinstatement and Second Amendment – Community Land Trust
08/14/2025
#1181934v5

REINSTATEMENT AND SECOND AMENDMENT TO AGREEMENT BETWEEN BROWARD COUNTY AND BHP COMMUNITY LAND TRUST, INC. FOR FUNDING AND ADMINISTRATION OF FYS 2019-2024 CARES ACT COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM – (CDBG-CV) AND COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM – (CDBG) (CFDA # 14.218 / FAIN # B-20-UW-12-0001)

AGENCY

BHP COMMUNITY LAND TRUST, INC.

ATTEST:



CORPORATE SECRETARY OR OTHER
WITNESS

Patrick Haggerty

(CORPORATE SEAL)

By: 

AUTHORIZED SIGNER

AMANDA BARTLE, CEO

Print Name and Title

7 day of August, 2025

EXHIBIT A

PROJECT DESCRIPTION

Fiscal Year: FY 2020-2022 **2025**
Project Name: Sky Dania
CDBG-CV/CDBG Fund Allocation: ~~\$6,247,095~~
\$6,847,095

Original Agreement Funding Breakdown

CDBG-CV funds: \$4,215,943.82
CDBG funds: \$1,191,151.18
Total Original Agreement: \$5,407,095

Additional Funds – First Amendment

CDBG Fund Allocation (**First** Amendment): \$840,000
Total Allocation with (**First** Amendment): \$6,247,095

Additional Funds – Second Amendment

CDBG Fund Allocation (Second Amendment 2/Summer Item): \$600,000
Total Allocation with (Second Amendment): \$6,847,095

Project Description: Acquisition and Rehabilitation
7 properties, 31 units

BHP Community Land Trust, Inc. d/b/a SFCLT (“SFCLT”) will utilize CDBG-CV and CDBG funding, if awarded, to acquire **7 properties** with an existing **31 units** in **9 buildings** of rental housing in Dania Beach no later than ~~August 1, 2023~~ **August 1, 2025**. SFCLT will rehabilitate the housing units, as needed, including adding energy-efficient and hurricane-resistant features as well as soundproofing and safety upgrades no later than July 31, 2025.

- 17-21 SW 5th Avenue, Dania Beach, Florida (2 buildings, 6 units)
- 25 SW 5th Avenue, Dania Beach, Florida (3 units)
- 38 SW 4th Avenue, Dania Beach, Florida (3 units)
- 42 SW 4th Avenue, Dania Beach, Florida (1 unit)
- 46 SW 4th Avenue, Dania Beach, Florida (2 units)
- 420 SW 1st Street, Dania Beach, Florida (2 buildings, 10 units)
- 506 NW 3rd Street, Dania Beach, Florida (6 units)

The properties will remain affordable in perpetuity using the community land trust model for land ownership.

CDBG HUD National Objective 24 CFR 570 Part 208(a)(3) Low-Mod-Income Housing (LMH)

ATTACHMENT 1 to EXHIBIT A

PROGRAM DESIGN

Agency shall use the CDBG-CV Funds and CDBG Funds provided under the Agreement to acquire **31 units** located within **9 buildings** on **7 properties** as identified below:

- 17-21 SW 5th Avenue, Dania Beach, Florida (2 buildings, 6 units)
- 25 SW 5th Avenue, Dania Beach, Florida (3 units)
- 38 SW 4th Avenue, Dania Beach, Florida (3 units)
- 42 SW 4th Avenue, Dania Beach, Florida (1 unit)
- 46 SW 4th Avenue, Dania Beach, Florida (2 units)
- 420 SW 1st Street, Dania Beach, Florida (2 buildings, 10 units)
- 506 NW 3rd Street, Dania Beach, Florida (6 units)

The properties will remain affordable in perpetuity using the community land trust model for land ownership.

Targeted renters will be low-and-moderate income (LMI) households with incomes at or below 80% of Area Median Income (AMI). Per the requirements of the CDBG-CV NOFA, SFCLT will set rents at or below HOME Rent Limits. SFCLT will set aside a minimum of 15 units at the HOME low-rent rate for very low-income households at or below 50% AMI.

The original budget only had enough to complete immediate and necessary repairs to address: insurance requirements, noise and hurricane mitigation, life safety, and code violations. The revised budget, with additional CDBG and HOME funding, now allows for interior and exterior improvements to the property.

HARD COSTS, Immediate Repairs (June 2024 – August 2024)

- Roof Repairs – underway
- Wasteline and ~~Sewer~~Sewer Repair – underway
- Fencing and Dumpster Enclosures – complete
- Electrical Upgrades – underway
- HVAC – once electrical is completed
- Impact Doors – ordered
- Impact Windows – ordered, installed upon completion of HVAC

HARD COSTS, Completed Repairs (August 2024 – August 2025)

- **Roof Repairs – complete**
- **Wasteline and Sewer Repair – underway**
- **Electrical Upgrades – complete**
- **HVAC – complete**
- **Impact Doors – complete**
- **Impact Windows – complete**

HARD COSTS, Additional Renovations (September 2024 – June 2025, staggered with vacant units)

- Plumbing, Waterlines, Bathrooms and Kitchens
- Appliances
- Flooring (as needed)
- Painting (interior and exterior)
- Landscaping

SOFT COSTS

- Professional Fees: Architecture, Engineering, Construction Management, Legal, etc.
- Other Costs: Due Diligence, Inspections, Taxes, Insurance, etc.
- Tenant: Relocation
- Fees: Project Management / Developer Fee

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Federal Award Identification Information as required by 2 C.F.R. Part 200.332(a)

Name: BHP Community Land Trust, Inc.

Unique Entity Identifier: 066938358 (DUNS Number)

Federal Award Identification Number (FAIN): B-20-UW-12-0001, B-20-UC-12-0001 through B-22-UC-12-0001, **B-24-UC-12-0001**

Federal Award Date: June 30, 2020 **and October/November 2020 through October/November 2024**

Subaward Period of Performance Start and End Date: See timeline in Exhibit C

Subaward Budget Period Start and End Date: See timeline in Exhibit C

Amount of Federal Funds Obligated by this action by County to ~~Subrecipient~~ Developer: See Exhibit B

Total Amount of CDBG and CDBG-CV Federal Funds Obligated to ~~Subrecipient~~ Developer by County, including the current financial obligation: ~~\$6,247,095~~ **\$6,847,095** (as detailed in Exhibits A and B) to fund acquisition **and rehabilitation** of rental units; Amount includes only federal funds from County's fiscal year 2020-2024/**2025** Annual Action Plans.

Total Amount of the Federal Award committed to Subrecipient by County: See Exhibit B

Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA): See Exhibit A for project description.

Name of Federal Awarding Nonprofit, pass-through entity, and contact information for awarding official of the Pass-through entity:

Federal Awarding Nonprofit: United States Department of Housing and Urban Development

Pass-through Entity: Broward County

Contact Information for awarding official of the pass-through entity: See Section 12.8 of this Agreement.

Assistance Listings number and Title: CFDA 14.218 – Community Development Block Grants/Entitlement Grants; The dollar amount made available under each Federal Award and CFDA at time of disbursement: For amount see Exhibit B – CFDA 14.218

Identification of whether the award is R&D: No

Indirect cost rate for the Federal award: N/A

EXHIBIT B
BUDGET

Itemized Cost	Total (Original Agreement)	Total (Amended Agreement)	CD8G-CV	CD8G	FY20 HOME CHDO	FY22 HOME CHDO	FY23 HOME CHDO	SPCLT / JP PRO
A. Acquisition Cost								
1. Land and Building	\$5,280,000.00	\$5,280,000.00	\$4,215,943.82	\$1,064,056.18	\$0.00	\$0.00	\$0.00	\$0.00
2. Closing Costs	\$26,557.91	\$26,557.91	\$0.00	\$26,557.91	\$0.00	\$0.00	\$0.00	\$0.00
3. Deposit	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25,000.00
B. Site Work		\$30,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30,000.00
1. Site Work	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
C. Construction/Rehabilitation		\$1,643,098.00	\$0.00	\$299,116.00	\$461,805.00	\$348,332.00	\$555,845.00	\$0.00
1. Rehabilitation	\$926,605.00	\$926,605.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Contingency	\$0.00	\$716,493.00	\$0.00	\$299,116.00	\$461,805.00	\$348,332.00	\$555,845.00	\$242,348.00
D. Professional Fees		\$64,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50,000.00
1. Architect & Engineering Fee	N/A	\$50,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50,000.00
2. Construction Management	\$0.00	\$64,000.00	\$0.00	\$7,000.00	\$7,000.00	\$25,000.00	\$25,000.00	\$0.00
3. Other Professional	\$0.00	\$98,016.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$89,628.00
E. Other Costs		\$302,032.28	\$0.00	\$138,557.00	\$22,710.00	\$134,750.00	\$0.00	\$6,015.00
1. Due Diligence and Soft Costs	\$249,955.00	\$249,955.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Contingency	\$300,000.00	\$117,226.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$117,226.00
F. Financing Costs	\$0.00	\$166,313.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$166,313.00
G. Fees and Expenses		\$777,052.81	\$0.00	\$487,476.09	\$86,738.00	\$100,336.00	\$102,502.00	\$0.00
1. Project Management / Developer	\$153,382.09	\$153,382.09	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
H. Project Reserves		\$30,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30,000.00
1. Operating Reserve	\$0.00	\$30,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30,000.00
2. Replacement Reserve	\$0.00	\$20,850.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,850.00
I. Tenant		\$62,487.00	\$0.00	\$0.00	\$0.00	\$62,487.00	\$0.00	\$0.00
1. Relocation and Income Cert	\$65,000.00	\$65,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
2. Resident Services	\$0.00	\$62,487.00	\$0.00	\$0.00	\$0.00	\$62,487.00	\$0.00	\$62,487.00
3. Marketing and Leasing	\$0.00	\$1,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,000.00
J. Operating Budget	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
K. Total Costs (Sources)	\$6,926,500.00	\$9,028,100.00	\$4,215,943.82	\$2,031,151.18	\$578,253.00	\$668,905.00	\$683,347.00	\$850,500.00
L. Difference (If Applicable)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
M. Permanent Financing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
N. Total (Sum of all sources)	\$6,926,500.00	\$9,028,100.00	\$4,215,943.82	\$2,031,151.18	\$578,253.00	\$668,905.00	\$683,347.00	\$850,500.00

Itemized Cost	Total (Original Agreement)	Total (Current) (Amended Agreement)	CDBG-CV	CDBG	FY20 HOME CHDO	FY22 HOME CHDO	FY23 HOME CHDO	SFCLT / JP PRO / FHLB AHP
A. Acquisition Cost								
1. Land and Building	\$5,280,000.00	\$5,280,000.00	\$4,215,943.82	\$1,064,056.18	\$0.00	\$0.00	\$0.00	\$0.00
2. Closing Costs	\$26,557.91	\$26,557.91	\$0.00	\$26,557.91	\$0.00	\$0.00	\$0.00	\$0.00
3. Deposit	\$25,000.00	\$25,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$25,000.00
B. Site Work								
1. Site Work	\$0.00	\$30,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30,000.00
2. Other	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
C. Construction/Rehabilitation								
1. Rehabilitation	\$926,605.00	\$1,663,098.00 \$2,147,093.09	\$0.00	\$299,116.00 \$783,111.09	\$461,805.00	\$346,332.00	\$555,845.00	\$0.00
2. Contingency	\$0.00	\$242,348.00 \$192,348.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$242,348.00 \$192,348.00
D. Professional Fees								
1. Architect & Engineering Fee	N/A	\$0 \$100,000	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50,000.00 \$100,000.00
2. Construction Management	\$0.00	\$64,000.00 \$95,500.00	\$0.00	\$7,000.00 \$38,500	\$7,000.00	\$25,000.00	\$25,000.00	\$0.00
3. Other Professional	\$0.00	\$98,016.00 \$89,628.00	\$0.00	\$8,388.00	\$0.00	\$0.00	\$0.00	\$89,628.00
E. Other Costs								
1. Due Diligence and Soft Costs	\$249,955.00	\$302,032.28 \$317,420.00	\$0.00	\$138,557.00 \$153,945.00	\$22,710.00	\$134,750.00	\$0.00	\$6,015.00
2. Contingency	\$200,000.00	\$117,226.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$117,226.00
F. Financing Costs	\$0.00	\$166,313.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$166,313.00
G. Fees and Expenses								
1. Project Management / Developer	\$153,382.09	\$777,052.81 \$854,557.00	\$0.00	\$487,476.09 \$564,981.00	\$86,738.00	\$100,336.00	\$102,502.00	\$0.00
H. Project Reserves								
1. Operating Reserve	\$0.00	\$30,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$30,000.00
2. Replacement Reserve	\$0.00	\$20,850.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$20,850.00
I. Tenant								
1. Relocation and Income Cert	\$65,000.00	\$62,487.00	\$0.00	\$0.00	\$0.00	\$62,487.00	\$0.00	\$0.00
2. Resident Services	\$0.00	\$62,270.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$62,270.00
3. Marketing and Leasing	\$0.00	\$10,850.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10,850.00
J. Operating Budget	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
K. Total Costs (Sources)	\$6,926,500.00	\$9,028,100.00 \$9,777,216.00	\$4,215,943.82	\$2,031,151.18 \$2,631,151.18	\$578,253.00	\$668,905.00	\$683,347.00	\$850,500.00
L. Difference (If Applicable)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
M. Permanent Financing	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
N. Total (Sum of all sources)	\$6,926,500.00	\$9,028,100.00 \$6,628,100.00	\$4,215,943.82	\$2,031,151.18 \$2,631,151.18	\$578,253.00	\$668,905.00	\$683,347.00	\$850,500.00

BUDGET NARRATIVE

CDBG/CDBG-CV Funds: an amount not to exceed ~~\$6,247,095~~ **\$6,847,095** to fund acquisition and rehabilitation of rental units, which includes the CDBG-CV costs outlined in the chart above.

Original Agreement Funding Breakdown

CDBG-CV funds: \$4,215,943.82
(CDBG-CV1: \$2,824,874.31, CDBG-CV2: \$610,249, CDBG-CV3 Margate/
Weston: \$780,820.51)
CDBG funds – (original): \$1,191,151.18

Total Original Agreement: \$5,407,095

Additional Funds First Amendment

CDBG Fund Allocation (**First** Amendment): \$840,000
Total Allocation with (**First** Amendment): \$6,247,095

Additional Funds – Second Amendment

CDBG Fund Allocation (<u>Second</u> Amendment):	\$600,000
Total Allocation with (<u>Second</u> Amendment):	\$6,847,095

Non-CDBG Funds: \$578,253 (FY20 HOME CHDO), \$668,905 (FY22 HOME CHDO), \$683,347 (FY23 HOME CHDO); \$850,500 (SFCLT/JP PRO)

Allowable Cost for U.S. HUD Share of Budget

Federal cost principles for grants and contracts with state and local governments are set forth in 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which contains a series of principles governing the allowability of various types of costs under federal grants and contracts. General information concerning the cost principles is summarized below. The following types of costs are specifically unallowable:

- (A) Advertising costs other than those associated with recruitment of personnel and the solicitation of bids for goods and services.
- (B) Bad debts.
- (C) Contingencies.
- (D) Contribution and donations.
- (E) Entertainment.
- (F) Fines and penalties.
- (G) Interest.
- (H) Losses on other grants or contracts.

Most other categories of cost are generally allowable under the cost principles provided the costs are allowable and reasonable. General comments on individual cost elements are listed below:

Personnel (Salary) costs are generally allowable provided they are based on actual current salaries adjusted for any anticipated cost-of-living or merit increases during the grant period. Salary costs for unidentified new employees must be consistent with the Nonprofit's overall employee compensation structure. Nonprofit's compensation policy should not change as a result of obtaining a federal grant.

Fringe Benefit costs such as pay for vacations, holidays, sick leave, employee insurance, and unemployment benefits are allowable to the extent required by law or established organizational policy.

Travel costs consistent with established organizational policy are generally allowable. The difference between first class and coach air fare is specifically unallowable. In the absence of established organizational travel policy, it is a good practice to adopt policies consistent with the federal travel regulations.

Equipment costs should be based on the least cost method of acquisition (rent, purchase, lease with option to buy) over the grant period as demonstrated by competitive bidding. Equipment costs are only allowable to the extent the equipment is directly necessary to accomplish the grant. The cost of equipment not fully utilized under the grant must be allocated to other organization costs to assure a fair share distribution. Whenever practical, used equipment should be considered in meeting equipment needs.

Material/Supplies cost directly associated with the Project is allowable. Prices must generally be justified through competitive bids except for nominal purchases.

Subcontracts/Contractual Services must be awarded on a competitive basis except in extraordinary circumstances. The same principles applicable to individual cost principles for grantees are generally applicable cost-reimbursement type subcontracts under grants.

Consultant agreements should include a certification by the consultant that the consultant rate is equal to or less than the lowest rate the consultant accepts for comparable work. Additionally, Congress prohibits the salary component of consultant fees under HUD grants from exceeding the applicable approved rate schedule.

Construction costs include construction of new buildings, structures, or other real property as well as alteration or repair of existing structures. Construction costs should be supported by detailed cost estimates and competitive bidding. Consult with the Housing Finance Division's Compliance Officer on applicability of the Davis-Bacon Wage determination to the Project.

Other costs include all types of direct costs not specified above. Normally, such costs include space, telephone, utilities, printing, and other basic operating expenses.

Leverage is that which the municipality or non-profit organization brings to the Project. It may be in the form of services or contributed operating expenses (in-kind contributions) or cash support from the organization itself or from other sources.

EXHIBIT C

PROJECT TIMELINE

The table below lists the main work tasks required to complete Project objectives before the term of the Agreement expires.

<u>WORK TASKS</u>	<u>START-UP</u>	<u>COMPLETION</u>
1. Enter Agreement with COUNTY	Execution by County	N/A
2. Site Acquisition	March 2023	July 31, 2023
3. Environmental Review	April 2023	July 2023
4. Architectural Work and Permit Approvals	June 2023	July 2024 <u>Ongoing</u>
5. Contractor Selection	July 2023	July 2024
6. Rehabilitation	June 2024	July 2025
7. 6. Rehabilitation	June 2024	July 31, 2024 <u>2026**</u> (50% expenditures – A minimum of \$840,000 must be expended and billed by July 26, 2024) * <u>(A minimum of \$600,000 must be expended and billed by July 31, 2025) **</u>
8. <u>7.</u> Tenant selection and Income certification	Ongoing	Ongoing
9. 8. Quarterly reporting	Ongoing	Project completion (rental of last unit)
10. <u>9.</u> Final Progress Report	N/A	Project completion (rental of last unit)

* CDBG Funds in the amount of \$840,000 will not be available after July 26, 2024)

** **CDBG Funds in the amount of \$600,000 will not be available after July 31, 2025**