

IN THE CIRCUIT COURT OF THE TWELFTH JUDICIAL CIRCUIT
IN AND FOR SARASOTA COUNTY, FLORIDA

MCDOWELL HOUSING PARTNERS, LLC,
a foreign limited liability company,

Petitioner,

v.

CASE NO.: _____

SARASOTA COUNTY, FLORIDA,
acting through its Board of County
Commissioners,

Respondent.

_____ /

PETITION FOR WRIT OF CERTIORARI

Petitioner, **McDowell Housing Partners, LLC**, a foreign limited liability company (“MHP” or “Petitioner”), petitions this Court for a writ of certiorari to review and quash the March 3, 2026 quasi-judicial decision of Respondent, **Sarasota County, Florida** (“Sarasota County” or the “County”), acting through its Board of County Commissioners (the “Board” or “Respondent”), to rescind MHP’s previously awarded \$1,000,000.00 in Community Development Block Grant-Disaster Recovery (“CDBG-DR”) funding for the Ekos at Arbor Park II project (“Ekos at Arbor Park II” or “Project”). In support thereof, Petitioner respectfully states as follows:

PRELIMINARY STATEMENT

This case arises from an arbitrary, unreasonable, and procedurally improper decision by Sarasota County to rescind a competitively awarded CDBG-DR funding commitment to the Ekos at Arbor Park II development project for \$1,000,000.00, after

confirming the award in writing, authorizing MHP to close its other financing for the Project, and continuing post-award negotiations for months. Contrary to the selectively presented record in the County’s presentation to the Board on March 3, 2026, MHP never abandoned the Project, and other similarly situated projects faced similar lender requirements, unexecuted agreements, and prolonged timelines. The County itself acknowledged – in writing – that subordination protections of the kind requested here were “common and understood” in deals of this nature. Even so, MHP received no proper notice that Sarasota County intended to seek rescission at the March 3, 2026 Board meeting and no meaningful opportunity to address the Board before the vote.

This case is not about whether negotiations were complete. It is about whether the County could rescind a competitively awarded project based on conditions it materially influenced, after nearly five months of delay in producing the Fairview-based documentation path, more than two months of delay in returning comments on the lender’s proposed subordination form, and on a selectively presented record that materially mischaracterized the Project’s status. For those reasons, and the others set forth below, this Court should grant the Petition, quash the rescission, and remand for lawful proceedings.

NATURE OF PROCEEDING, JURISDICTION, AND TIMELINESS

This is a petition for writ of certiorari seeking review of a quasi-judicial decision made by the Sarasota County Board of County Commissioners to rescind a previously awarded \$1,000,000.00 in CDBG-DR funding committed to the Ekos at Arbor Park II

development project. Florida courts generally classify local government decisions as quasi-judicial where the “action . . . entails the application of a general rule or policy to specific individuals, interests, or activities” *Board of Cnty. Comm'rs of Brevard Cnty. v. Snyder*, 627 So. 2d 469, 474 (Fla. 1993). Thus, local government decisions about permits, site plans, and other development orders classify as quasi-judicial in nature and are subject to certiorari review by courts. *Park of Com. Assocs. v. City of Delray Beach*, 636 So. 2d 12, 15 (Fla. 1994).

In the above-captioned action, the Board voted to rescind the funding commitment awarded to MHP for the Project at its meeting on March 3, 2026. This constituted a quasi-judicial action, rather than a legislative action, because the Board made a decision specific to the Project and did not adopt a program-wide policy change. *See generally, e.g., id.* Thus, the rescission decision is subject to certiorari review by this circuit court. *See id.*

Pursuant to Florida Rules of Appellate Procedure 9.100, a petition for writ of certiorari must be filed within thirty (30) days of rendition of the order to be reviewed. Fla. R. App. P. 9.100(c)(2). As such, MHP timely files this Petition within thirty (30) days of the decision by the Board to rescind the funding awarded to the Project. *See id.*

STATEMENT OF THE DECISION CHALLENGED

The decision challenged in this Petition is the Sarasota County Board of County Commissioners’ March 3, 2026 action rescinding the previously awarded \$1,000,000.00 in CDBG-DR funding for Ekos at Arbor Park II, under the County’s Resilient SRQ Multifamily Affordable Housing program. The challenged action arose from the Board’s consideration of the March 3, 2026 presentation titled *Project Updates: Venice Theatre, Ekos*

at Arbor Park II, and Ekos Coconut, presented by Steve Hyatt, Division Manager, Program Management Division, Office of Financial Management for the County. In the Ekos at Arbor Park II portion of that presentation, County staff addressed the Project's award history and post-award agreement status, then sought Board action as to that Project specifically. The Board's resulting action was to rescind MHP's award.

Such rescission decision is the operative act under review. It set aside a Project-specific funding commitment previously awarded through the County's competitive process and later reaffirmed in the County's June 26, 2025 written commitment letter. It was directed specifically to MHP and the Ekos at Arbor Park II Project. It was not a general budget measure, a program-wide rule change, nor a countywide policy revision. MHP, therefore, asks the Court to perform certiorari review of the rescission decision, quash such decision, and remand for lawful reconsideration consistent with due process, the essential requirements of law, and the complete factual record.

STATEMENT OF FACTS

A. The competitive award and early Board-approved Project adjustments

1. Sarasota County is the direct recipient and administrator of CDBG-DR funds allocated for Hurricane Ian recovery. To deploy a portion of those funds for rental housing, the County established the Resilient SRQ Multifamily Affordable Housing program and published a competitive Notice of Funding Availability ("NOFA") inviting applications for multifamily affordable housing projects in Sarasota County. See Exhibit

A, NOFA pp. 1-2; See Exhibit B Program Manual § 3.1 (p. 3); See Exhibit C, March 3, 2026 Presentation, p. 1.

2. MHP accordingly applied to the County for funding for its Ekos at Arbor Park II Project, a 66-unit affordable housing development in North Port. The Project was competitively selected for a \$1,000,000.00 award on July 10, 2024, after receiving a staff-average score of 107.3. See Exhibit C, March 3, 2026 Presentation, p. 9; See Exhibit N, Awarded Application, p. 1.

3. After award, MHP requested approval to reallocate the County funds from construction costs to acquisition costs. In a September 17, 2024 letter to the County, MHP explained that the requested change would not affect the Project's unit mix, design, or overall costs and would instead allow the awarded funds to be used for land acquisition at closing. The Board approved that request on October 10, 2024. See Exhibit D, 5-Letters p. 1; March 3 Presentation, p. 9 (Exhibit C).

4. The County commenced the environmental review process for the Project on October 25, 2024, and received environmental clearance for the Project on March 18, 2025. See Exhibit C, March 3, 2026 Presentation p. 9; Commitment Letter p. 1 (Exhibit F).

5. In the next phase of the transaction, MHP sought approval from the County to adjust the grant recipient structure so that Fairview Housing Partners ("Fairview") would serve as the nonprofit subrecipient. MHP submitted that request by letter dated January 29, 2025, and the Board approved the requested adjustment on February 25, 2025.

See Exhibit E, Subrecipient Change Post OBBB document, p. 1; Commitment Letter, p. 1 (Exhibit F); March 3, 2026 Presentation, p. 9 (Exhibit C).

B. The June 26, 2025 commitment letter and the July 2025 structure correspondence

6. On June 26, 2025, Sarasota County issued a written letter titled *Confirmation of CDBG-DR Commitment – Ekos at Arbor Park II*. In that letter (the “Commitment Letter”), the County confirmed that the Board, through the Resilient SRQ program, had conditionally awarded \$1,000,000.00 in CDBG-DR funds for the Project; stated that the funds were “specifically earmarked and appropriated” for Ekos at Arbor Park II; stated that Sarasota County had “no objection” to MHP’s proceeding to close its other Project funding sources before execution of the subrecipient agreement; acknowledged that the Project had received HUD environmental clearance; and stated that County staff would continue working with Fairview to complete the agreements and documentation needed for disbursement. See Commitment Letter, pp. 1-2 (Exhibit F).

7. Less than a month later, the correspondence reflects that the Fairview-based documentation path had still not been completed. By July 18, 2025—nearly five months after the Board approved the Fairview structure—County staff stated that they were open to MHP’s proposal to move back toward the originally awarded structure and, at that stage, sent only general template forms for a developer agreement and a land use restriction agreement, with the understanding that Project-specific information would later be filled in and returned for signature. Ekos at Arbor Park II - Correspondence for

Subrecipient Change Post OBBB (Exhibit E), See (Exhibit G), Bellows email dated July 18, 2025, pp. 1-2.

C. August and September 2025: lender issues disclosed, County acknowledges they are standard, and MHP closes.

8. On August 13, 2025, after receiving updated County CDBG-DR documents, MHP returned comments identifying the lender and investor requirements raised by its financing structure. MHP explained that its financing partners wanted reasonable cure protections and wanted assurance regarding the treatment of the affordability restrictions and related land use restriction agreements (“LURA”) obligations in the event of foreclosure. MHP also described those foreclosure-related provisions as standard in the industry and noted that similar language had been used in other CDBG-DR transactions. See Exhibit H, Lender Requirements email p. 1.

9. These issues arose from integrating the County’s CDBG-DR funding requirements into a Low-Income Housing Tax Credit (“LIHTC”) financing structure, which requires coordination among lender, investor, and governmental restrictions. MHP’s proposed use of the Fairview Housing Partners structure, and its subsequent reversion to a direct funding structure following changes in applicable law, were undertaken in good faith to align the Project with standard LIHTC financing practices and to facilitate execution of the County’s agreements.

10. As financing moved toward closing, MHP pressed for a timely final agreement path. On September 4, 2025, Chris Shear, President at MHP, emailed County staff explaining that MHP was ready to close the Ekos at Arbor Park II financing but

needed, at minimum, clear agreement in concept on the developer agreement and LURA. He recounted that the County had sent drafts on August 11, 2025, that MHP returned comments on August 13, 2025, and that the anticipated two-week turnaround had already been exceeded by more than two weeks. He also advised that the lenders and investors were otherwise prepared to close and identified the primary substantive issue as the foreclosure-related covenant treatment. See Exhibit I, Sept. 4, 2025 Email, p. 2.

11. Later that same day, Steve Hyatt responded for the County. In his September 4, 2025 email, Mr. Hyatt stated that, as to the concerns raised by MHP and its lenders, the County agreed to and planned to incorporate the subordination provisions, which he described as “common and understood amongst these deals.” Sept. 4, 2025 Email p. 1 (Exhibit I). He further stated that MHP’s agreement was “nearly to me for a final review and issuance” and proposed a follow-up discussion concerning the anticipated final developer agreement and LURA for execution. *Id.*

12. On September 11, 2025, MHP closed the Project financing. The record reflects that MHP did so in reliance on the Commitment Letter and funded the County’s \$1,000,000.00 contribution directly into the Project to bridge the later closing of the CDBG-DR award. See Commitment Letter pp. 1-2 (Exhibit F); (Exhibit J), Key Correspondence Timeline, Sept. 11, 2025 entry; (Exhibit K), Sept. 25, 2025 email chain.

D. Late September through October 2025: the documentation narrows and MHP indicates readiness to proceed.

13. By late September 2025, the negotiations had narrowed considerably. On September 25, 2025, Brian Ivy, Executive Vice President at MHP, transmitted investor

comments and the construction lender's proposed subordination and standstill agreement to County personnel. In that email, Mr. Ivy explained that the investor's remaining concerns centered largely on cure rights, notice, and related protections, while the construction lender requested a subordination and standstill agreement based on a standard Freddie Mac governmental lender form. He asked the County to identify any remaining objections and offered to discuss the final open points by call. Ivy email dated Sept. 25, 2025, pp. 1-2 (Exhibit K).

14. The same September 25, 2025 email chain also reflects that County staff viewed the Project documents as substantially advanced. In one message that morning, Kinsey Patel stated that the developer agreement and LURA had been provided on September 5, 2025 "in final form," including the requested subordination language, and that, apart from one schedule clarification, the agreements were ready for signature. Ms. Patel asked for an update on timing because the County was looking to proceed with execution and internal routing. Patel email dated Sept. 25, 2025, p. 1, (Exhibit K).

15. Later on September 25, 2025, Mr. Ivy responded that, from MHP's perspective, the CDBG-DR documents were acceptable as written and that MHP itself was effectively ready, while still working to secure final signoff from the financing parties because certain investor comments had not been accepted in the last draft. In that same September 25, 2025 exchange, MHP also transmitted the construction lender's proposed subordination agreement to the County for review as the remaining financing-side path to execution was being narrowed. Mr. Ivy further confirmed that the land closing had

occurred on September 11, 2025. Sept. 25 / Developer Agreement Chain, Ivy email dated Sept. 25, 2025, p. 1 (Exhibit K).

16. On October 1, 2025, Mr. Hyatt wrote to investor's counsel and MHP stating that the County would not alter certain County-standard contract provisions and that MHP needed to work those matters out with its financing partners. In the same email, Mr. Hyatt stated that staff would send back the subordination agreement for review. See (Exhibit L) Ekos at Arbor Park II - RE Ekos at Arbor Park II - Developer Agreement, Hyatt email dated Oct. 1, 2025, p. 1.

17. The record correspondence reflects a further narrowing of issues by October 8, 2025. By that point, MHP had already provided the proposed subordination agreement to the County on September 25, 2025, and communicated on October 8 that it was prepared to execute the CDBG documents as written and requested that the County provide the final agreement and subordination comments. The following day, October 9, 2025, County staff responded that the subordination agreement was under legal review and would be sent over as soon as it was ready. *See* (Exhibit L), Oct. 8-9, 2025 Email Chain. Despite representing that the Development Agreement was nearly final and ready for issuance, the County did not transmit final execution documents and continued to defer execution while maintaining control over the remaining approval steps.

18. The communications between the County and MHP continued through October of 2025. On October 21, 2025, Patel advised that the developer agreement and LURA remained with County counsel for review and also clarified the timeline for the

Project. That same day, Eduardo Teran, Development Director at MHP, followed up asking for the status of the subordination agreement. Oct. 21, 2025 emails, pp. 4-5 (Exhibit K).

E. December 2025 through January 2026: the subordination issue remains active, and the County imposes a sequencing condition.

19. By early December 2025, the subordination agreement remained an active topic. On December 3, 2025, Holland & Knight partner Drew Gandy, Esq., writing for the lender, followed up on the status of the CDBG subordination and standstill agreement and stated that the issue still appeared to be open. Gandy email dated Dec. 3, 2025 email, p. 2 (Exhibit L).

20. The following day, December 4, 2025, Ms. Patel responded that the County had preliminary comments and edits on the subordination agreement but needed additional time to finalize those terms. This was the County's first return of comments on the proposed subordination agreement more than two months after MHP had provided the lender's proposed Freddie Mac governmental-agency form on September 25, 2025, even though the subordination path had by then become the last material item preventing execution. Ms. Patel then stated that, in the meantime, MHP would need to execute the developer agreement and the LURA, and record the LURA, before the County would be able to execute a subordination agreement. Patel also stated that County-approved edits to the developer agreement and LURA would be provided soon so MHP could proceed with execution. Patel email dated Dec. 4, 2025, p. 2 (Exhibit L).

21. The negotiations were still active in January 2026. On January 16, 2026, Gandy returned a revised subordination agreement with a redline against the County's comments and stated that there were County comments neither the lender nor Freddie Mac could accept because those comments affected the financiability of the senior loan. He requested a call for the following week so he could walk through the lender's position. After that exchange, MHP continued working with Truist to escalate the remaining subordination terms for internal lender review in an effort to get the matter across the finish line, including the treatment of affordability covenants in a foreclosure scenario. Gandy email dated Jan. 16, 2026, p. 1 (Exhibit L).

F. February 27, 2026, and the March 3, 2026 Board Action

22. On February 27, 2026, an internal MHP email reflected that the subordination issue had materially narrowed. In that email, Mr. Teran wrote that MHP had "just also got confirmation from Colin at Truist that they got credit approval on being able to forego the Subordination agreement as a construction lender." Mr. Teran further explained his understanding that MHP would execute documents containing a subordination covenant in the LURA and, at conversion, would have the permanent-lender review and execute the Freddie Mac subordination agreement. The record does not, at present, include a direct lender communication to the County confirming that position; instead, the February 27, 2026 email contains Mr. Teran's internal report of what he had been told. Teran email dated Feb. 27, 2026, p. 1 (Exhibit J).

23. On March 2, 2026, after learning that the Project would be discussed at the March 3 Board meeting and not knowing rescission was even a consideration, Chris Shear emailed all Board members to explain how the Project had reached that point and to notify the County that the remaining subordination issue had been resolved so the agreements could proceed to execution. *See* (Exhibit M), Chris Shear email dated March 2, 2026.

24. Despite this, on March 3, 2026, County staff presented to the Board the slide deck titled *Project Updates: Venice Theatre, Ekos at Arbor Park II, and Ekos Coconut*. For Ekos at Arbor Park II, the presentation recited the Project's award history, the September 17, 2024 reallocation request and October 10, 2024 approval, the January 29, 2025 Fairview request and February 25, 2025 approval, the March 18, 2025 environmental clearance, the July 28, 2025 request to revert back to MHP as the grant recipient, and a February 6, 2026 statement that the senior lender declined the County's proposed subordination terms. The presentation then described County staff's ongoing negotiation and drafting efforts for the Project. March 3, 2026 Presentation, pp. 9-11 (Exhibit C).

25. The same March 3, 2026 presentation also provided context for other projects being addressed at that meeting. As to Venice Theatre, the presentation stated that such project had not commenced, that completion had shifted from March 2026 to February 2028, that the federal environmental review was no longer proceeding, and that no subrecipient agreement had been executed. The presentation nevertheless identified

the next step for Venice Theatre as Board direction related to the project's adjusted scope and funds post-award. March 3, 2026 Presentation, pp. 7-8, (Exhibit C).

26. Following the March 3, 2026 presentation, the Board voted to rescind the previously awarded \$1,000,000.00 CDBG-DR funding for Ekos at Arbor Park II.

27. MHP did not receive prior notice that rescission would be considered at the March 3, 2026 meeting and did not have a meaningful opportunity to address the County's account before the Board acted.

STANDARD OF REVIEW

Developers may seek judicial review of local government decisions via a writ of certiorari. *Broward Cnty. v. G.B.V. Int'l., Ltd.*, 787 So. 2d 838, 841 (Fla. 4th DCA 2001). Circuit courts performing certiorari review of local government decisions should only consider the following three issues: (i) whether procedural due process was afforded, (ii) whether the essential requirements of law were followed, and (iii) whether its findings are supported by competent substantial evidence. *E.g., Haines City Cmty. Dev. v. Heggs*, 658 So. 2d 523, 530 (Fla. 1995). In these cases, this first-tier certiorari review is not discretionary but rather exists as a matter of right and, therefore, is akin in many respects to a plenary appeal. *E.g., G.B.V.*, 787 So. 2d at 843.

As applied here, the rescission decision made by the Board on March 3, 2026, fails first-tier certiorari review on all three of these individually sufficient bases. *See, e.g., id.* Thus, for the reasons further explained below, this Court should quash the rescission

decision and remand for lawful proceedings consistent with the determination made pursuant to this Petition. *See id.*

ARGUMENT WITH INCORPORATED MEMORANDUM OF LAW

Sarasota County's decision to rescind the funding commitment competitively awarded to MHP cannot survive first-tier certiorari review for several independently sufficient reasons. *See generally, e.g., Vaillant*, 419 So. 2d at 626. First, the County failed to afford MHP procedural due process before voting to rescind the funding award on March 3, 2026. Second, the County departed from the essential requirements of law by rescinding the funding commitment awarded to MHP in a manner that subverted the competitive award structure established for the program. Third, the County arbitrarily applied a harsher standard to the Project than it applied to other similarly situated development projects. Fourth, the principles of equitable estoppel render it a departure from the essential requirements of law for the County to rescind the funding award to MHP after inducing reliance by MHP through its written commitment and authorization to close. Lastly, but certainly not least, the record lacks competent substantial evidence to support the County's decision to rescind the funding award to MHP for the Project.

I. Sarasota County Violated Procedural Due Process by Failing to Provide MHP with Prior Notice that Rescission Would Be Considered at the Board Meeting on March 3, 2026, and By Offering MHP No Meaningful Opportunity to Respond Before the Board Acted.

"When assessing whether or not a violation of due process has occurred, the court must first decide whether the complaining party has been deprived of a constitutionally protected liberty or property interest." *Carillon Cmty. Residential v. Seminole Cnty.*, 45 So.

3d 7, 9 (Fla. 5th DCA 2010) (internal quotation and other citation omitted). For example, parties maintain a basic right to procedural due process before a local government may take property rights from them or revoke a license or permit provided to them. *E.g., id.* at 10; *Kupke v. Orange Cnty.*, 838 So.2d 598, 599 (Fla. 5th DCA 2003) (property rights); *Seminole Entm't, Inc. v. City of Casselberry*, 811 So.2d 693, 696 (Fla. 5th DCA 2001) (licenses and permits).

“The extent of procedural due process protection varies with the character of the interest and nature of the proceeding involved.” *Id.* at 9. A quasi-judicial decision “generally meets basic due process requirements if the parties are provided notice of the hearing and an opportunity to be heard.” *Bush v. City of Mexico Beach*, 71 So. 3d 147, 149-50 (Fla. 1st DCA 2011) (quoting *Jennings v. Dade Cnty.*, 589 So. 2d 1337, 1340-41 (Fla. 3d DCA 1991)). To qualify as a party to a quasi-judicial action, a person must maintain a direct interest that will be affected by the official action taken. *Carillon*, 45 So. 3d at 10. Though the extent of procedural due process afforded to parties in quasi-judicial actions “is not as great as that afforded to a party in a full judicial hearing,” parties to quasi-judicial actions must still “be able to present evidence, cross-examine witnesses, and be informed of all the facts upon which the commission acts.” *Id.* (quoting *Kupke*, 838 So. 2d at 599) (other citation omitted). Thus, parties maintain a basic right to procedural due process before a local government may properly make a quasi-judicial decision against them. *E.g., id.*

Here, the rescission decision made by the Board on March 3, 2026, qualifies as a quasi-judicial action because it applied general policies to one specific Project, rather than formulated program-wide policy changes. *See, e.g., Snyder*, 627 So. 2d at 474 (“Generally speaking, legislative action results in the *formulation* of a general rule of policy, whereas judicial action results in the *application* of a general rule of policy.”) (emphasis in original). It also directly affected property interests held by MHP by revoking a funding commitment competitively awarded to MHP for the Project, in a manner akin to revoking a license or permit awarded to a business. *See Carillion*, 45 So. 3d at 10; *Seminole Entertainment*, 811 So. 2d at 696. In fact, exceeding the rights provided by licenses and permits, the competitive bidding process “guarantees” bidders the awarded contract if selected. *Hotel China & Glassware Co. v. Board of Pub. Instruction of Alachua Cnty.*, 130 So. 2d 78, 81 (Fla. 1st DCA 1961). Thus, as the recipient of \$1,000,000.00 commitment of development funds through a competitive award process, MHP maintains a constitutionally protected interest entitling it to procedural due process prior to any decision to revoke such commitment. *See generally id.*; *Carillion*, 45 So. 3d at 9-10.

Sarasota County violated MHP’s right to procedural due process when the Board rescinded the previously awarded \$1,000,000.00 in funding committed to MHP for the Project at its meeting on March 3, 2026, without providing MHP advance notice that rescission would be sought and without providing MHP with a meaningful opportunity to address the Board before it voted on rescission. *See generally Carillion*, 45 So. 3d at 9-10. If MHP had received advanced notice and a meaningful opportunity to address the

Board, it could have – and would have – provided the Board with evidence to refute the positions and conclusions set forth in the slideshow presentation, such as the Commitment Letter and the email from the County acknowledging that subordination protections were common and understood in deals of this nature. *See* Commitment Letter pp. 1-2 (Exhibit F); Sept. 4 Email p. 1 (Exhibit I); Dec. 4, 2025 Email Chain, Patel email dated Dec. 4, 2025, p. 2 (Exhibit L); Ekos at Arbor Park Phase II - Key Correspondence Timeline.msg - All Documents.pdf, Teran email dated Feb. 27, 2026, p. 1 (Exhibit J). Thus, the absence of procedural due process in the rescission decision made by the Board on March 3, 2026, warrants certiorari relief. *See, e.g., id.; Carillion*, 45 So. 3d at 9-10.

II. Sarasota County Departed from the Essential Requirements of Law by Impermissibly Subverting the Competitive Award Process.

A writ of certiorari soundly issues where a local government makes a decision that fails to observe the essential requirements of law. *E.g., Heggs*, 658 So. 2d at 527. Failure to observe the essential requirements of law means failure to accord due process of law within the contemplation of the Constitution, or the commission of an error so fundamental in character as to fatally infect the judgment and render it void” *Id.* (quoting *State v. Smith*, 118 So. 2d 792, 795 (Fla. 1st DCA 1960)) (italics omitted, alteration in original). Florida courts use this term interchangeably with a “departure from the essential requirements of law.” *Id.* Per the Florida Supreme Court, this “phrase . . . should not be narrowly construed so as to apply only to violations which effectively deny appellate review or which pertain to the regularity of procedure.” *Id.* at 528 (quoting *Combs v. State*, 436 So. 2d 93, 95 (Fla. 1983)) (emphasis added). Instead, “courts must be

allowed a large degree of discretion so that they may judge each case individually.” *Id.* Courts should exercise this discretion if “there has been a violation of clearly established principle of law resulting in a miscarriage of justice.” *Id.*

A clearly established principle of law deems judicial intervention appropriate to prevent a decision that subverts the competitive bidding process for a fraudulent, arbitrary, illegal, or dishonest reason. *Department of Transp. v. Groves-Watkins Constructors*, 530 So. 2d 912, 914 (Fla. 1988). Because of this, a local government may depart from the essential requirements of law, in a manner warranting certiorari relief, by making a decision that arbitrarily interferes with a competitive award process. *See generally id.* (prohibiting arbitrary interference with competitive bidding process); *Heggs*, 658 So. 2d at 527 (noting general categories of departures from the essential requirements of law warranting certiorari relief).

Here, the County established a competitive award structure to allocate grant money to development projects. *See generally id.* Pursuant to its published program materials, the County solicited applications for development projects, then scored and evaluated those applications, through a formal process. *See* NOFA pp. 1-3 (Exhibit A); Awarded Application, p. 1 (Exhibit N); Program Manual, pp. 4-6 (Exhibit B). These applications and scores were then provided to the Board for its review and final selection of qualified projects, as set forth in Section 3.5 of the Program Manual. *See* Program Manual, p. 6 (Exhibit B).

The Program Manual also addressed post-award administration of selected projects. *See id.* at pp. 6-7. This structure contemplated awarded projects moving through negotiation, subrecipient agreement formation, and necessary amendments. *Id.* It, however, made no provision for abrupt rescission of an award because final execution of the subrecipient agreement remained incomplete. *See id.* In fact, the NOFA specifically contemplates rescission of an award only if environmental clearance is not obtained. *See* NOFA, p. 20 (Exhibit A). The Project, however, obtained environmental clearance before the County decided to rescind its award on March 3, 2026. As such, MHP may properly challenge the Board's decision to rescind its funding award for the Project as a departure from the essential requirements of law, since such decision arbitrarily subverted the competitive award process set forth in the County-published program materials. *See id.*; *Groves-Watkins*, 530 So. 2d at 914.

For example, in accordance with these program materials, the County issued a Commitment Letter to MHP for the Project on June 26, 2025, and continued negotiating the operative agreement path throughout the remainder of 2025 through early 2026. *See, e.g.*, Commitment Letter; Holland and Knight January 2026 email. The decision to rescind the funding award made by the Board on March 3, 2026, however, failed to fit this published structure. *See* NOFA, pp. 1-3 (Exhibit A); Program Manual, pp. 4-7 (Exhibit B). Instead of using the tools the County contemplated in the program materials, such as continued negotiation, finalization of the subrecipient agreement, and amendment of post-award terms, the Board terminated its award to MHP on the basis that no final

agreement had been executed for the Project. This not only lacked a foundation in the competitive award process created and contemplated by the program materials, but it occurred in spite of the fact that the County participated in continued negotiations to finalize the required documentation for the Project and had previously approved adjustments to the Project's post-award structure.

Thus, the County's decision to rescind its competitively awarded funding commitment to MHP arbitrarily subverted the competitive award process established by the program materials published by the County for such funding awards. *See id.*; *Groves-Watkins*, 530 So. 2d at 914. Certiorari relief is, therefore, warranted to review the Board's decision to rescind the funding awarded for the Project. *See generally, e.g., Hegggs*, 658 So. 2d at 527.

III. Sarasota County Also Departed from the Essential Requirements of Law by Arbitrarily Applying a Harsher Standard to the Project Than It Applied to Similarly Situated Projects.

Local government decisions based on the imposition of inconsistent requirements for similarly situated properties warrant certiorari relief. *E.g., City of Tampa v. City Nat'l Bank of Fla.*, 974 So. 2d 408, 414-15 (Fla. 2d DCA 2007). For example, a departure from the essential requirements of law occurs where a local government allows one portion of its development guidelines to trump others. *City Nat'l Bank of Fla. v. City of Tampa*, 67 So. 3d 293, 298 (Fla. 2d DCA 2011). Thus, "disparate treatment among similarly situated" development projects departs from the essential requirements of law and warrants certiorari relief. *Id.*

Here, Sarasota County established a competitive award structure for development projects to receive commitments of CDBG-DR funds. *See* NOFA, pp. 1-3; Program Manual, pp. 4-6. The County, however, inconsistently applied these requirements for the CDBG-DR funding to similarly situated projects. *See id.*; *City Nat'l Bank*, 67 So. 3d at 298. The County's disparate treatment of MHP's Project and the Venice Theatre project at the same Board meeting on March 3, 2026, exemplifies this. *See id.* While the Board rescinded MHP's funding award, it used its continued discretion to address the changed scope, funding, and timing of the Venice Theatre project, as well as the absence of an executed agreement for such project. *See* March 3, 2026 Presentation, pp. 7-8 (Exhibit C). The CDBG-DR website also demonstrates that project agreements remain pending on the majority of the projects funded by the same NOFA that funded the Project. *See* <https://www.resilientsrq.net/multifamily-affordable-housing>.

The County, therefore, departed from the essential requirements of law by rescinding MHP's funding award at its meeting on March 3, 2026, since it disparately treated the Project and similarly situated development projects, such as the Venice Theatre. *See id.*; *City Nat'l Bank*, 67 So. 3d at 298. Certiorari relief is accordingly warranted here. *See City Nat'l Bank*, 67 So. 3d at 297.

IV. Equitable Estoppel Renders It a Departure from the Essential Requirements of Law to Penalize MHP for an Execution Failure Materially Created and Prolonged by the County.

"The doctrine of equitable estoppel may be invoked against a governmental entity where (1) a property owner in good faith reliance (2) upon some act or omission of the

government (3) has made such a substantial change in position or has incurred such extensive obligations and expenses that it would be highly inequitable and unjust to destroy the right he or she acquired.” *Castro v. Miami-Dade Cnty. Code Enft*, 967 So. 2d 230, 233 (Fla. 3d DCA 2007). Failure to apply this doctrine to a county in an appropriate case departs from the essential requirements of law and warrants certiorari relief in circumstances where it would be “grossly inequitable to allow the County to repudiate its prior conduct.” *Id.* at 234.

The doctrine of equitable estoppel accordingly applies to Sarasota County’s decision to rescind its funding award to MHP. *See generally id.* As previously mentioned, on June 26, 2025, the County provided MHP with the Commitment Letter confirming that it had conditionally awarded \$1,000,000.00 in CDBG-DR funds for the Project. *See* Commitment Letter, pp. 1-2 (Exhibit F). In this letter, the County stated that the funds awarded were “specifically earmarked and appropriated” for Ekos at Arbor Park II. *Id.* It also stated that the County had no objection to MHP’s proceeding to close its senior debt and equity before execution of the subrecipient agreement for the Project, while also confirming that the Project had already received HUD environmental clearance. *See id.*

In good faith reliance on these representations made by the County in the Commitment Letter, MHP substantially changed position and incurred extensive obligations and expenses. *See id.* MHP even provided the Commitment Letter to its lender and investors to demonstrate the County’s commitment to funding the Project. Moreover, on September 11, 2025, MHP closed on financing for the Project and funded the County’s

\$1,000,000.00 contribution directly into the Project to bridge the later closing of the CDBG-DR award. *See* Statement of Facts, ¶ 11. Importantly, the County did not treat that closing as unauthorized nor as a basis to withdraw its financial support for the Project. In fact, the post-closing record reflects the opposite. After the closing, extensive correspondence between the County and MHP demonstrates that they continued negotiating the development agreement, LURA documentation, and subordination issues from September 2025 through February 2026. Thus, the doctrine of equitable estoppel renders it a departure from the essential requirements of law for Sarasota County to rescind the funding awarded to MHP for the Project, given its Commitment Letter and subsequent negotiation efforts. *See Castro*, 967 So. 2d at 233-34.

The doctrine of equitable estoppel also renders it a departure from the essential requirements of law to allow the County to engage in conduct that delays or otherwise prevents MHP from executing the subrecipient agreement necessary to finalize funding for the Project. *See Tower Hotel, LLC v. City of Miami*, 395 So. 3d 196, 200 (Fla. 3d DCA 2024). For example, in *Tower Hotel*, the Third District Court of Appeal held that the doctrine of equitable estoppel applied to a local government where its actions rendered it functionally impossible for property owners to comply with deadlines for submitting project plans, since their ability to comply depended on the timing of permits, which that local government maintained sole control over approving and issuing. *See id.* Thus, the doctrine of equitable estoppel provides for certiorari to quash local government decisions

that predicate, in “at least some of the responsibility,” on delays in approvals and other actions within the local government’s sole control. *Id.*

Here, akin to *Tower Hotel*, the County controlled the process for moving forward with the Project. *See id.* As demonstrated by the record, the County engaged in conduct that delayed execution of the subrecipient agreement and controlled the sequencing decisions that kept the remaining path to its execution open longer than it otherwise would have been. *See id.*; Commitment Letter pp. 1-2 (Exhibit F); Lender Requirements email, p. 1 (Exhibit H); Sept. 4, 2025 Email p. 1 (Exhibit I); Sept. 25 / Developer Agreement Chain pp. 1-2 (Exhibit K); Patel email dated Dec. 4, 2025, p. 2 (Exhibit L); Developer Agreement Chain (Exhibit K), Gandy email dated Jan. 16, 2026, p. 1 (Exhibit L). For example, on December 4, 2025, the County sent an email declaring that it needed additional time to finalize the subordination terms for the Project. *See* Dec. 4, 2025 Email, p. 2 (Exhibit I). The County also mandated that MHP would need to execute and record the core restrictions first, then only afterward proceed with obtaining the County’s executed subordination agreement. *See id.*

The email sent by the proposed lender’s counsel, Holland & Knight, on January 16, 2026, confirms that the subordination issue remained active because of, at least in part, conduct of the County. *See* Gandy email dated Jan. 16, 2026, p. 1 (Exhibit L). In such email, Gandy advised that certain comments from the County could not be accepted because they affected the financing ability of the senior loan for the Project. *See id.*

Thus, the doctrine of equitable estoppel renders it a departure from the essential requirements of law to penalize MHP for its failure to execute the subrecipient agreement when the County's conduct rendered it functionally impossible for MHP to finalize funding for the Project. *See id.*; *Tower Hotel*, 395 So. 3d at 201 (applying equitable estoppel where a local government engages in conduct that makes compliance functionally impossible); *Castro*, 967 So. 2d at 234 (deeming it a departure from the essential requirements of law to fail to apply the doctrine of equitable estoppel to a government entity). Certiorari relief, therefore, entitles MHP to an order quashing the County's decision to rescind its funding award for the Project. *See, e.g., Castro*, 967 So. 2d at 234.

V. **Sarasota County Lacks Substantial Competent Evidence to Justify Rescinding the Funding Awarded to MHP.**

Quasi-judicial decisions made by a local government must predicate on competent, substantial evidence. *Hillsborough Cnty. v. Dibbs*, 398 So. 3d 1096, 1099 (Fla. 2d DCA 2024). To determine whether a county's findings possess sufficient support to satisfy this standard, circuit courts must examine whether the record contains "the necessary quantum of evidence" as a matter of law. *Id.* (quoting *Lee Cnty. v. Sunbelt Equities, II, Ltd.*, 619 So. 2d 996, 1003 (Fla. 2d DCA 1993)). This requires evidence that establishes "a substantial basis from which the fact at issue can be reasonably inferred, or material and relevant evidence that a reasonable mind could accept as adequate to support a conclusion." *Weyerhaeuser NR v. City of Gainesville*, Case No. 20-0581, 2021 WL 1895479, at *6 (Fla. Div. Admin. Hrgs. May 5, 2021) (citing *De Groot v. Sheffield*, 95 So. 2d 912, 914 (Fla. 1957)).

In contrast, “generalized statements in opposition to a land use proposal, even from an expert, should be disregarded.” *City of Hialeah Gardens v. Miami-Dade Charter Found., Inc.*, 857 So. 2d 202, 204 (Fla. 3d DCA 2003). Courts should not afford any weight to conclusory opinions and assertions “unsupported by any discernible, factually-based chain of underlying reasoning.” *Id.* (quoting *Division of Admin. v. Samter*, 393 So.2d 1142, 1145 (Fla. 3d DCA 1981)).

Local governments should accordingly seek to facilitate judicial review and bolster their decisions by stating formal reasons for them and issuing written orders. *G.B.V.*, 787 So. 2d at 846. Thus, absent a record supporting the conclusion that a developer failed to meet the published criteria necessary to obtain approval, a county’s decision to deny a development application must be quashed, due to the lack of substantial competent evidence to support it. *Id.*

No such record exists here. *See generally id.* At the meeting on March 3, 2026, the County presented the Board with a misleadingly narrow and inaccurate account of the status of the Project. *See* March 3, 2026 presentation, pp. 9-12 (Exhibit C). In the slideshow presentation made to the Board that day, the County emphasized the absence of an executed subrecipient agreement, detailed lender-side disagreement over subordination language, and characterized Ekos at Arbor Park II as a development project that remained unresolved at the agreement stage. *See id.*

While not untrue, the County presented these facts without the surrounding details necessary to understand why the Project remained at that stage and how far the

process had already advanced. *See id.* Most notably, the presentation failed to fairly account for the Commitment Letter sent by the County on June 26, 2025. More than a minor courtesy document, this letter declared that the County's \$1,000,000.00 award was specifically earmarked and appropriated for Ekos at Arbor Park II, confirmed environmental clearance for the Project, and stated that Sarasota County had no objection to MHP's closing its senior debt and equity before execution of the subrecipient agreement for the Project. Commitment Letter, pp. 1-2. The presentation likewise failed to disclose the County's acknowledgment on September 4, 2025, that these requested subordination protections were "common and understood amongst these deals" and that the agreement was nearly ready for final review and issuance. *See* September 4 Email, p. 1 (Exhibit I). It also failed to disclose that the County considered the developer agreement and LURA documents as sufficiently provided in final form, such that the remaining focus for the Project was merely resolving this subordination issue. Developer Agreement Chain, Patel and Ivy emails dated Sept. 25, 2025, pp. 1-2 (Exhibit K).

These omissions mattered because the presentation made on March 3, 2026, inaccurately framed the remaining lender issue as a continuing obstacle that rendered the Project at an impasse – without giving the Board important surrounding context, such as the fact that the County previously characterized this exact issue as neither novel nor disqualifying in concept and had acknowledged that the agreement was nearly ready for finalization. *See* September 4, 2025 Email, p. 1 (Exhibit I). The County's presentation and resulting quasi-judicial action also blurred the distinction between the operative

development agreement and the ancillary subordination agreement. The Development Agreement is the primary instrument governing the County's administration of the CDBG-DR funding and was substantially finalized and ready for execution. By contrast, the subordination agreement is a transaction-specific instrument driven by the requirements of third-party financing sources. The County's decision effectively elevated an ancillary, lender-driven document to a dispositive condition of award, despite having a final negotiated development agreement available for execution.

The County also critically omitted a fair portrayal of its own role in prolonging the final execution process. For example, as previously mentioned, correspondence between County staff and MHP reflects that the County was still working from general templates in July 2025, was still engaging in legal review of the subordination agreement in October 2025, and was requiring MHP to execute and record the LURA for the Project before the County would finalize and execute a subordination agreement. *See* Ekos at Arbor Park II - Correspondence for Subrecipient Change Post OBBB.pdf, Bellows email dated July 18, 2025, pp. 1-2 (Exhibit G); Patel email dated Dec. 4, 2025, p. 2 (Exhibit L). Communications with the proposed lender's counsel similarly demonstrate that comments from the County remained in consideration as recently as January 16, 2026, and could not be accepted by the lender because they affected the financiability of the senior loan for the Project. Gandy email dated Jan. 16, 2026, p. 1 (Exhibit L).

Thus, the County lacks competent substantial evidence to support its quasi-judicial decision on March 3, 2026, to rescind the funding award previously committed

to MHP for the Project. *See generally G.B.V.*, 787 So. 2d at 842-46. The County's conclusion that the Project had reached an impasse, due to the absence of an executed lending agreement, was not reasonable under the circumstances. *See id.*; *City of W. Palm Beach v. Educ. Dev. Ctr.*, 504 So. 2d 1385, 1386 (Fla. 4th DCA 1987) (interpretation of the evidence by the local government must be "both reasonable and plausible under the evidence presented"). Indeed, because of all the material omissions, the slideshow presentation made at the meeting on March 3, 2026, failed to sufficiently provide "material and relevant evidence that a reasonable mind could accept as adequate to support" the ensuing decision to rescind the County's previous commitment to award \$1,000,000.00 in funding to MHP for the Project. *See Weyerhaeuser NR*, 2021 WL 1895479, at *6 (citing *DeGroot*, 95 So. 2d at 914); *City of Hialeah Gardens*, 857 So. 2d at 204 (disregarding generalized statements in opposition to land use proposals, absent support from a fact-based chain of reasoning).

Certiorari review is, therefore, warranted here, due to the lack of substantial competent evidence to support the County's decision to rescind the funding commitment competitively awarded to MHP for Ekos at Arbor Park II. *See generally, e.g., City of W. Palm Beach*, 504 So. 2d at 1386.

CONCLUSION AND PRAYER FOR RELIEF

For the reasons set forth above, the March 3, 2026 decision of the Sarasota County Board of County Commissioners rescinding the previously awarded \$1,000,000.00 in CDBG-DR funding for the Ekos at Arbor Park II Project was reached without procedural

due process, departed from the essential requirements of law, and is not supported by competent substantial evidence. After competitively awarding the funding, confirming it in writing, authorizing MHP to close, and then delaying the remaining execution path for months, the County could not lawfully rescind that award on a selectively presented record without fair notice or a meaningful opportunity to be heard. MHP, therefore, respectfully requests that this Court grant this Petition, quash the Board's March 3, 2026 rescission decision, and remand this matter to Sarasota County for further proceedings consistent with this Court's order and the essential requirements of law. MHP further requests any ancillary relief within this Court's certiorari jurisdiction necessary to effectuate that quashal and remand.

Dated: April 2, 2026

Respectfully submitted,

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Resilient SRQ

Community Development Block Grant-Disaster Recovery

Notice of Funding Availability (NOFA) for Multifamily Affordable Housing

NOFA Released
By 5:00 pm (EST)
March 19, 2024

Applications Open
At 12:00 pm (EST)
March 20, 2024

Applications Due
By 5:00 pm (EST)
May 1, 2024

Applications must be submitted using the online platform, Submittable. Please visit [ResilientSRQ \(www.scgov.net/resilientsrq\)](https://www.scgov.net/resilientsrq) to access the application link.

Instructions for application completion are contained in this Notice of Funding Availability.

It is the responsibility of the applicant to ensure application(s) are submitted prior to the due date and time. Applications received after 5:00 pm (EST) on May 1, 2024, will not be considered.

This Document can be made available in alternative accessible formats upon request.

The material in this NOFA does not represent all the particular priorities, program components, or funding sources currently/potentially available through local, state, or federal funders and may change upon the release of this NOFA for the various funding sources.

**EXHIBIT
A**

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Version History

Version Number	Change Date	Summary of Changes
1.0	03/19/2024	Original version published
1.1	05/21/2024	Clarified language to define multifamily for the purposes of Sarasota County’s CDBG-DR Program to read as “five or more rental units per parcel”

Summary

Sarasota County announces this Notice of Funding Availability (“NOFA”) from the Community Development Block Grant Disaster Recovery (CDBG-DR) Fund (the “Funds”) to be used within Sarasota County for New Affordable Multifamily Housing. The availability and use of these funds is subject to the U. S. Department of Housing and Urban Development’s (“HUD”) approval of the Action Plan, submitted to HUD by Sarasota County pursuant to the CDBG *Sarasota County’s Plan for Disaster Recovery* (“Action Plan”), Subpart I of the regulations at Title 24 Part 570 of the Code of Federal Regulations. Sarasota County’s CDBG DR Action Plan was approved on November 21, 2023.

The NOFA complies with the requirements as stated in the Action Plan and establishes the award process, the application acceptance period and eligibility criteria.

The purpose of the program is to address the critical unmet rental housing needs, particularly for individuals who have been displaced from rental houses, apartments, and mobile homes following Hurricane Ian. These multifamily projects will encompass apartment complexes and potentially mixed-use developments. The County will receive applications from eligible applicants as specified in this NOFA to develop multifamily housing projects. The aim is to replace rental housing units that were lost from Hurricane Ian and to stabilize the housing stock to mitigate disruption in the likely event of a similar disaster. This program does not address rehabilitation, reconstruction, or replacement of shelters or transitional housing, as no damage was reported in these types of facilities.

In accordance with CDBG-DR requirements, and Sarasota County’s commitment to non-discrimination and equal opportunity in housing, the County will require established procedures to affirmatively market units acquired, rehabilitated, constructed, or otherwise assisted by this program. Sarasota County is also committed to the goal of increasing housing opportunities for persons with Limited English Proficiency (LEP), low-income residents, and underrepresented racial and ethnic groups. Applications for multifamily programs will need to include affirmative marketing for all CDBG-DR-assisted housing with five or more rental units per parcel. These plans should include efforts to reach out to those least likely to apply and individuals with LEP. Furthermore, applications should demonstrate that the proposed projects will actively promote fair housing and help reduce racial, ethnic, and low-income concentrations in the area. They should also aim to promote affordable housing in low-poverty, non-minority areas in response to the impacts from natural disasters like Hurricane Ian.

Allocation of CDBG DR Funds

The U.S. Department of Housing and Urban Development (HUD) announced that Sarasota County will receive \$201,535,000 in funding to support long-term recovery efforts following impacts from Hurricane Ian in 2022 through the Continuing Appropriations Act, 2023 (Pub. L. 117–180, Division A) approved September 30, 2022, and the Department of Housing and Urban Development Appropriations Act, 2023 (Pub. L. 117–328, Division L, Title II) approved December 29, 2022, for major disasters occurring in 2022. Community Development Block Grant - Disaster Recovery (CDBG-DR) funding is designed to address needs that remain after all other assistance has been exhausted. Of the \$201,535,000 in CDBG Disaster Recovery funds, \$40,000,000 is dedicated to fund New Affordable Multifamily Housing (“Program”) and

are contained in the approved Action Plan solely for New Affordable Multifamily Housing in the impacted areas. This program will allow for eligibility under the benefits to Low- to Moderate- Income (LMI) Persons LMI Persons, and the Low- to Moderate-Income Housing (LMH).

Eligible applicants can submit applications for proposed projects during the established application window as specified in this NOFA and updated as needed on [Resilient SRQ \(www.scgov.net/resilientsrq\)](http://www.scgov.net/resilientsrq). The County will conduct a comprehensive evaluation of the proposals, carefully considering the feasibility, cost-effectiveness, and sustainability of each project. The County will evaluate proposed projects submitted by applicants based on eligibility criteria (defined below). The Board of County Commissioners will review the project evaluations during a future public meeting and make the final project selections at that time. Throughout the process, transparency and accountability will be maintained by providing regular updates to the public through the [Resilient SRQ \(www.scgov.net/resilientsrq\)](http://www.scgov.net/resilientsrq). No minimum or maximum award has been set.

The application acceptance period for this NOFA will begin March 20, 2024 by 12pm (EST).

Notice of Award

Sarasota County may fund all or a portion of the total requested funding. All applications and evaluation scores will be submitted to the Board of County Commissioners for their review and final selection of awarded projects. Once awards and awarded amounts are determined, Sarasota County will notify all applicants on final determination of their application. Projects selected for award to applicants by the County Commission will be required to execute a Subrecipient Agreement. A draft of the subrecipient agreement will be made available on our website and can be located at [Resilient SRQ \(www.scgov.net/resilientsrq\)](http://www.scgov.net/resilientsrq). Execution of a Subrecipient Agreement is contingent upon both parties' agreement regarding the terms and conditions which include but are not limited to the project scope, budget (e.g., State, and federal construction and financial rules and regulations), and timeliness. Following execution of a Subrecipient Agreement, the Subrecipient shall complete and receive approval to proceed with the project in accordance with the terms and conditions of the Subrecipient Agreement. This may include things like completion and approval of an Environmental Review.

Critical Dates and Timelines

The projected dates and timelines are subject to change. Sarasota County will publish all updates to the timeline at [Resilient SRQ \(www.scgov.net/resilientsrq\)](http://www.scgov.net/resilientsrq). All times specified in this NOFA are Eastern Standard time.

Date	Time	Action
March 19, 2024	Before 5:00 pm (EST)	Sarasota County Issues Notice of Funding Availability (NOFA)
March 20, 2024	By 12:00 pm (EST)	Launch applications
May 1, 2024	By 5:00 pm (EST)	Applications Due

Eligible Applicants

- (1) Non-profits/non-profit developers
- (2) For-profit developers
- (3) Public housing authorities
- (4) Municipalities
- (5) Community-based development organizations

Minimum Eligibility Criteria

Applicants must meet **ALL** of the minimum eligibility criteria listed below to be considered for CDBG-DR funding.

1. Project proposes five or more rental units per parcel and a minimum of 51 percent of the units are affordable in accordance with the annual HOME Investment Partnerships Program or below as described in [24 CFR 92.252](#).
2. Applicant agrees to a minimum affordability period of at least 20 years.
3. Project is located in Sarasota County.
4. Project is an eligible CDBG-DR activity (rehabilitation, reconstruction, and new construction of affordable multifamily housing projects).
5. Applicant has secured or taken adequate steps to secure underwriting.
6. Project includes mitigation measures.

Eligible Activities

Housing activities allowed under HCDA Section 105(a)(1), 105(a)(4), 105(a)(9), 105(a)(11), and 105(a)(14-15), including but not limited to:

- (1) Rehabilitation, reconstruction, and new construction of affordable multifamily housing projects. For the purposes of this program, multifamily housing is defined as five or more rental units per parcel.

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Scoring Criteria

<p align="center">Minimum Eligibility Criteria</p> <p>Applicants must meet ALL of the minimum eligibility criteria listed below to be considered for CDBG-DR funding.</p> <ol style="list-style-type: none"> 1. Project proposes five or more rental units per parcel and a minimum of 51 percent of the units are affordable in accordance with the annual HOME Investment Partnerships Program or below as described in 24 CFR 92.252. 2. Applicant agrees to a minimum affordability period of at least 20 years. 3. Project is located in Sarasota County. 4. Project is an eligible CDBG-DR activity (rehabilitation, reconstruction, and new construction of affordable multifamily housing projects). 5. Applicant has secured or taken adequate steps to secure underwriting. 6. Project includes mitigation measures. 		
<p align="center">Scoring Criteria</p>		
Criteria Category	Description	Points Available
Financial Plan	<ul style="list-style-type: none"> • Applicant has not demonstrated reasonable steps to secure adequate funding for project – 0 pts OR • Applicant has demonstrated reasonable steps to secure adequate funding for project – 5 pts OR • All funds needed to complete this project have been accounted for with exception of funds requested from Resilient SRQ - 15 pts 	0, 5, or 15
Leverage of Funding	<ul style="list-style-type: none"> • CDBG-DR funding would cover 81-100% percent of project costs - 0 pts OR • CDBG-DR funding would cover 61-80% percent of project costs - 5 pts OR • CDBG-DR funding would cover 41%-60% percent of project costs - 10 pts OR • CDBG-DR funding would cover 21%-40% percent of project costs - 15 pts OR • CDBG-DR funding would cover 1-20% percent of project costs - 20 pts 	0, 5, 10, 15 or 20
Project Readiness	<p>Level of planning that remains and demonstrated ability to complete the project within five years.</p> <ul style="list-style-type: none"> • Potential site is identified but not acquired – 0 pts OR • Site is acquired but not zoned for the proposed project use – 15 pts OR • Site is acquired and zoned for the proposed project use– 20 pts 	0, 15, or 20
Project Impact	Project demonstrates a reasonable cost-benefit analysis that is proportional to the number of units proposed and requested amount.	0-15

Criteria Category	Description	Points Available
Number of Affordable Units	Percentage of proposed units that are affordable. <ul style="list-style-type: none"> 51% affordable units – 0 pts OR 51.01% - 70% affordable units – 5 pts OR 70.01% - 90% affordable units – 10 pts 	0, 5, or 10
Period of Affordability	<ul style="list-style-type: none"> 20 year period of affordability- 0 pts OR 21-29 year period of affordability- 5 pts OR 30-39 year period of affordability- 10 pts OR 40 + year period of affordability- 15 pts 	0, 5, 10, or 15
Pre-Award Assessment	Resources and experience to successfully complete the project and maintain compliance with federal, local, and state regulations.	0-15
Total Maximum Points Available		110

Affordable Rent Rates

The current HOME rent rates effective June 15, 2023, for North Port – Sarasota – Bradenton are as follows:

	Efficiency	1- Bedroom	2- Bedroom	3- Bedroom	4- Bedroom	5- Bedroom	6- Bedroom
FY 2023 FMR	\$1,065	\$1,277	\$1,593	\$2,112	\$2,514	\$2,891	\$3,268
Low Rent Limit	\$800	\$857	\$1,028	\$1,188	\$1,326	\$1,463	\$1,599
High Rent Limit	\$1,020	\$1,094	\$1,316	\$1,511	\$1,666	\$1,820	\$1,973

Any reference in this NOFA for affordable rent shall be considered at the current rates for North Port – Sarasota – Bradenton as provided at <https://www.hudexchange.info/programs/home/home-rent-limits/ HUD HOME Rent Limits>

Application Submission Requirements

Application Submission Requirements

All projects must have a completed application. Please refer to Sample Application for all required documentation. Eligible Applicants can submit applications for proposed projects during the established application window as specified in this NOFA and updated as needed on [Resilient SRQ \(www.scgov.net/resilientsrq\)](http://www.scgov.net/resilientsrq).

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Sample Application

MULTIFAMILY AFFORDABLE HOUSING APPLICATION

ORGANIZATION INFORMATION

1. Legal Name of Organization (Applicant):
2. Is this your first multifamily affordable housing submission to Resilient SRQ? Yes/No
 - a. Yes
 - i. UEI # and EIN #
 - ii. Address
 - b. No
3. Primary Point of Contact
 - a. Name
 - b. Email
 - c. Phone Number
4. Alternate Point of Contact
 - a. Name
 - b. Email
 - c. Phone Number

PROJECT INFORMATION

5. Project Name:
6. Select which CDBG-DR Eligible Activity project qualifies for.
 - Rehabilitation
 - Reconstruction
 - New Construction
7. Does the project have a physical address?
 - a. Yes
 - i. Enter
 - b. No, parcel id only
 - i. Enter parcel id #
 - c. No
8. Is the project site leased?
 - a. Yes
 - i. How many years remain on the lease?
 - b. No, the organization owns it.
 - c. N/A, project site has been secured.
9. Does this project involve the future acquisition of real property? Yes/No
10. Is the site consistent with the Comprehensive Plan?
 - a. Yes
 - b. No
 - c. Unknown
11. Project Description:
12. Provide the month and year of the estimated completion date of the project.
13. Does the proposed project displace current occupants or businesses?

- a. Yes, temporarily displaced
 - b. Yes, permanently displaced
 - c. No
14. Describe the steps that will be taken to ensure disadvantaged, underserved communities, and/or vulnerable populations are not negatively affected.
15. Describe how your organization intends to ensure equitable access to support fair housing and non-discrimination.
16. Does the proposed project plan to provide permanent supportive housing for qualified tenants?
17. Project budget (complete spreadsheet)
18. Have funds been received or is there an expectation of receiving funds for the project?
- a. Yes
 - i. (complete spreadsheet of other sources)
 - ii. For funds that have not been received, explain the process and timeline for securing funds.
 - iii. Documents to support other sources of funding (i.e. award letters)
19. Cost benefit analysis (complete spreadsheet)
20. Which green building standards does the proposed project anticipate following? (select all that apply)
- a. Enterprise Green Communities
 - b. LEED (New Construction, Homes, Midrise, Existing Building Operations and Maintenance, or Neighborhood Development)
 - c. ICC- 700 National Green Building Standards
 - d. EPA Indoor AirPlus
21. Which minimum energy efficiency standard(s) does the proposed project anticipate including?
- a. Energy STAR (Certified Homes or Multifamily High-Risk)
 - b. DOE Zero Energy Ready Home
 - c. EarthCraft House, EarthCraft Multifamily
 - d. Passive House Institute Passive Building or EnerPHit certification from the Passive House Institute US (PHIUS)
 - e. International Passive House Association
 - f. Greenpoint Rated New Home, Greenpoint Rated Existing Home (Whole House or Whole Building label)
 - g. Earth Advantage New Homes
22. In addition to incorporating resilient construction standards, what other mitigation measures will be used on the project (select all that apply)
- a. Using resilient building materials and technology
 - b. Elevating structures above the Base Flood Elevation (BFE)
 - c. Integration of open space or use of nature to manage flooding
23. In addition to incorporating resilient construction standards, what other mitigation measures will be used on the project (select all that apply)
- a. Number of acres no longer vulnerable to flood events
 - b. Number of floodplain designs standards updated
 - c. Number of properties with access above 100 year or 500 year flood level
 - d. Number of multifamily units constructed or reconstructed
 - e. Number of residents protected from future flooding

24. What is the anticipated period of affordability for the proposed project?
- 20 years
 - 21 – 29 years
 - 30 – 39 years
 - 40 + years
25. Are there any known or potential environmental/historic concerns associated with the project site? (select all that apply)
- Lead-based paint
 - Asbestos
 - Chinese drywall
 - Endangered or threatened species
 - Historic designation
 - Other
 - Unsure
 - None
26. Have there been any environmental studies or assessments completed?
- Yes
 - Upload copies.
 - No
27. Do you have any existing contracts related to this project?
- Yes
 - Describe
28. Has any construction work started for this project?
- Yes
 - Describe
29. Describe the plan to maintain the property for the duration of the affordability period.
30. Describe the financial feasibility for the proposed project.
31. If available, provide any additional information such as a pro forma, financial plan, feasibility study, completed underwriting, etc.

PRE-AWARD ASSESSMENT

32. Has the organization received grant funding from Sarasota County in the last 5 years?
- Yes
 - Provide grant number, award amount, funding source, and purpose.
33. Has the organization previously been awarded funding from HUD?
- Yes
 - Describe the type of funding awarded and when.
 - Has the organization ever been on any corrective action plans?
 - Yes, describe.
34. Has the organization received any other federal grant(s) in the last 5 years?
- Provide award amount, funding source, and purpose.
 - Has the organization ever been on any corrective action plans?
 - Describe
35. Has the organization ever undertaken the proposed activity before?

- a. If yes, what was the result?
- 36. Describe the qualifications/credentials and experience of key staff responsible for this project.
- 37. Has there been a change in senior level management (e.g. Executive Director/CEO, Finance Director/CFO) within the past twelve (12) months?
 - a. Yes
 - i. Describe
- 38. Describe how and who will monitor progress in implementing the project including any data collection tools that will be used to verify achievement of project's goals and objectives.

DOCUMENTS

Required

- Declaration and Certification Form
- Government Wide Debarment and Suspension Form
- No Lobbying Form
- Foreign Country of Concern Attestation

Optional

- Project Specific Documentation
- Letter of Prioritization (if submitting multiple projects)

(The remainder of this page is left blank intentionally)

Public Records

By submitting an application, the applicant acknowledges that any material submitted in response to this NOFA is a public record pursuant to the Florida Public Records Law, Chapter 119, Florida Statutes, and may be subject to public inspection.

Ineligible Use of Funds

Ineligible activities are defined in 24 CFR 570.207, these include, but are not limited to, clearance, site assemblage, provision of site improvements and provision of certain housing pre-construction costs set forth in § 570.206(g); political activities; purchase of equipment (except as provided for in 24 CFR 570.201(c)); operating and maintenance expenses; and income payments.

Pre-Award Costs

No pre-award costs are eligible for reimbursement.

Duplication of Benefits (DOB) Review

Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act prohibits any person, business, or other entity from receiving duplicative financial assistance for the same disaster recovery purpose from multiple sources of federal and other support (42 United States Code [U.S.C.] 5155(a) and (c)). Duplication occurs when a beneficiary receives assistance from multiple sources for a cumulative amount that exceeds the total need for a particular disaster recovery purpose. The amount of the duplication is the amount of assistance provided in excess of need.

In accordance with CDBG-DR regulations, the program's subrecipients are required to disclose all other benefits (e.g., cash, in-kind, grants, loans) received, or which will be received for the proposed project to ensure that federal funds do not duplicate funds received from other sources. The applicant is required to notify the County immediately, in writing, in the event any additional benefits are received after the CDBG DR award. The County will determine whether the funds received are duplicative. If the funds received are deemed duplicative, the applicant is required to return the funds to the County. In the event DOB occurs, the subrecipient shall be required to return the funds to the County. Typical sources of duplicated benefits can include, but are not limited to, the following:

- State Apartment Incentive Loan (SAIL)
- HOME Investment Partnerships Program (HOME)
- State Housing Initiatives Partnership (SHIP)
- 4% Low-Income Housing Tax Credit (LIHTC)
- 9% Low-Income Housing Tax Credit (LIHTC)
- Federal Emergency Management Agency (FEMA) Public Assistance
- FEMA Hazard Mitigation Grant Program
- FEMA National Flood Insurance Program
- FEMA Increased Cost of Compliance Benefits
- U.S. Army Corps of Engineers
- Commercial insurance
- Insurance and personal property replacement
- Forced mortgage payoffs
- Philanthropic cash assistance
- Some subsidized loans

Site Restrictions

All properties must be located within Sarasota County. The property must be either owned or secured under a lease agreement that lasts for a minimum duration of 20 years from the date of occupancy of the first CDBG-DR assisted unit.

Application Review Process

Review and Assessment of Applications.

Applications submitted for consideration for CDBG Disaster Recovery funding under this NOFA will be reviewed according to the process outlined below. An application, during any of these stages of review, may be determined to be ineligible. Applicants will be promptly notified in these instances.

Eligible applicants can submit applications for proposed projects during the established application window as specified in this NOFA and updated as needed on [Resilient SRQ \(www.scgov.net/resilientsrq\)](http://www.scgov.net/resilientsrq). The County will conduct a comprehensive assessment of the proposals, carefully considering the feasibility, cost-effectiveness, and sustainability of each project. The County will evaluate proposed projects submitted by applicants based on threshold and scoring criteria outlined above in this document. The Board of County Commissioners will review the project evaluations during a public meeting and make the final project selections. Throughout the process, transparency and accountability will be maintained by providing regular updates to all applicants and the public through the [ResilientSRQ \(www.scgov.net/resilientsrq\)](http://www.scgov.net/resilientsrq).

Eligibility Criteria Review

All applications will first be reviewed as described above. Applications must meet minimum eligibility threshold criteria to proceed for further detailed review.

Documentation Submission Review

Applications will be reviewed for documentation. Applications that do not meet the documentation requirements will be notified of any administrative deficiencies. In each event, the applicant will be given an opportunity to correct such deficiencies. Applications not meeting documentation requirements after receipt and review of the administrative deficiency response will be considered incomplete and the applicant will be provided with written notice.

Clarifications

The County reserves the right to clarify or request additional information at any time from applicants. Applicants shall respond within the timeframe specified in the County's request to remain eligible for Resilient SRQ funding.

Financial Evaluation

Sarasota County shall evaluate the financial feasibility and underwriting of the proposed project by reviewing areas including, but not limited to, the amount of CDBG-DR requested funds and the projects overall budget and other identified sources of funding.

Compliance Evaluation

After Sarasota County has determined that a project is financially feasible, it will be evaluated for compliance status by applicable Sarasota County staff.

Environmental Review

It will be the responsibility of Sarasota County to facilitate Environmental Reviews. The County has provided an allowance for the environmental review in the application budget. In the event an environmental review concludes site conditions are deemed unacceptable, the award will be rescinded. “Unacceptable” sites include, without limitation, those containing an immitigable environmental factor that may adversely affect the health and safety of the residents.

NOTE: There can be no choice-limiting actions on the part of the developer/owner until environmental clearance is received, and a Notice to Proceed is issued. The concept of prohibiting “choice-limiting” actions is to prevent the developer from investing in a project before all necessary environmental clearances are obtained. Market studies, environmental studies, plan development, engineering or design costs, inspections and tests are not considered “choice-limiting” actions.

“Choice-limiting actions” are defined as any activity that would have an adverse environmental impact or limit the choice of reasonable alternatives, such as acquisition by the developer/owner (or any subsidiary of the developer), construction, demolition of buildings, or rehabilitation or reconstruction of buildings.

Per 24 CFR Part 58.22, failure to comply with the prohibition against committing funds or taking physical action (using either HUD funds or non-HUD funds) before the completion of the environmental review process could result in loss of HUD assistance, cancellation of the project, reimbursement by the developer/owner to HUD for the amount expended, or suspension of the disbursement of funds for the affected activity.

Submission and Review Process

The application acceptance period for this NOFA will begin on March 20th, 2024. For questions regarding this NOFA please contact Program Staff by emailing ResilientSRQ@scgov.net

Applications must be submitted with required supporting documentation as described in this NOFA and associated application materials. Please visit [Resilient SRQ \(www.scgov.net/resilientsrq\)](http://www.scgov.net/resilientsrq) for link to the application.

Application materials including the NOFA, program guidelines, and all applicable CDBG-DR rules, will be available at [Resilient SRQ \(www.scgov.net/resilientsrq\)](http://www.scgov.net/resilientsrq).

Applications will be required to adhere to the CDBG-DR Rule and eligibility threshold requirements in effect at the time of the Application submission. Applications must be completed through Submittable. Forms cannot be altered or modified and must be in final form before submitting them to the County.

Subrecipient Agreement Administration

Any activity funded under this NOFA will be governed by a written Subrecipient Agreement that identifies the terms and conditions related to the awarded funds. The Agreement will not be effective until executed by all parties. Any amendments must be in writing. The Agreement will include provisions to ensure compliance with 2 CFR Part 200, 24 CFR Part 570 and the applicable Consolidated Notice published regarding this funding.

Sarasota County reserves the right to negotiate funding amounts and payment schedules with selected applicants. On a case-by-case basis, negotiations may be appropriate for, but not limited to, situations such as the demand exceeding the amount of funds available, the existence of project readiness issues, and discrete project components meeting program objectives or grant requirements, such as the LMI benefit.

State and Federal Administrative Requirements

Activities must meet all federal, state, and local requirements, including all applicable requirements outlined in the following regulations, statutes, memoranda, policy and guidance documents:

File Name	File Location/Link
Uniform Administrative Requirements (2 CFR 200)	eCFR :: 2 CFR Part 200 -- Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1
CDBG Program Regulations (24 CFR 570)	eCFR :: 24 CFR Part 570 -- Community Development Block Grants https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-570
CDBG Federal Crosscutting Requirements	Cross Cutting Requirements (hudexchange.info) https://sites.hudexchange.info/cdbg-dr-consolidated-notice/cross-cutting-requirements/
Federal Register, 88 FR 32046 (May 18,2023)	FR-6393-N-01-AAN.pdf (hud.gov) https://www.hud.gov/sites/dfiles/CPD/documents/FR-6393-N-01-AAN.pdf
Applicable additional Federal Register Notices and Memoranda	CDBG-DR Laws, Regulations, and Federal Register Notices HUD.gov / U.S. Department of Housing and Urban Development (HUD) https://www.hud.gov/program_offices/comm_planning/cdbg-dr/regulations

(End of NOFA)



CDBG-DR Multifamily Affordable Housing Program Manual

**EXHIBIT
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1. Version History

Version Number	Change Date	Summary of Changes
1.0		Original version

2. Program Overview

2.1 Introduction

In alignment with Sarasota County’s comprehensive approach to resilient recovery from Hurricane Ian, Sarasota County is launching the Resilient SRQ Multifamily Affordable Housing (MAH) Program, funded by the Community Development Block Grant–Disaster Recovery (CDBG-DR), to support in replacing rental housing units that were damaged or lost from Hurricane Ian and creating new multifamily affordable rental housing to stabilize the housing stock to mitigate disruption for future disasters. Mitigation measures will be incorporated for projects awarded under this program.

Sarasota County will award CDBG-DR funds to non-profits/non-profit developers, for-profit developers, public housing authorities, Sarasota County municipalities, and community-based development organizations to support the rehabilitation, reconstruction, and new construction of multi-family affordable housing projects.

CDBG-DR grants are allocated to States and local jurisdictions by the U.S. Department of Housing and Urban Development (HUD) and are intended to address “unmet needs” not satisfied by other federal or local recovery resources.

The purpose of this program manual is to provide the overall objectives and process that Sarasota County will award CDBG-DR funds.

Circumstances may arise that require exceptions to the established policies. In such cases, the Board of County Commissioners or designee has the authority to make exceptions to the policies outlined in this Program Manual. The County is committed to upholding the principles and objectives of the policies outlined in this manual, while also providing the flexibility needed to address unique or unforeseen circumstances in a manner that serves the best interest of the community.

2.2 Program Description

The MAH Program is a grant that provides funding for unmet rental housing needs, particularly for individuals who have been displaced from rental houses, apartments, and mobile homes or have become homeless due to the disaster. In order to ensure an efficient and coordinated distribution of funds for MAH projects, Sarasota County will administer the grant award process and review and allocate funds for MAH projects awarded by Sarasota County. Projects awarded are to be undertaken by those described in Section 2.5.3 Eligible Applicants.

2.3 Program Objectives

The MAH program is designed to promote sound, sustainable long-term multifamily affordable rental housing. Approved projects will require construction standards that support long term sustainability and resilience against future disasters.

2.4 Funding Sources

The U.S. Department of Housing and Urban Development (HUD) announced that Sarasota County will receive \$201,535,000 in funding to support long-term recovery efforts following impacts from Hurricane Ian in 2022 through the Continuing Appropriations Act, 2023 (Pub. L. 117–180, Division A) approved September 30, 2022, and the Department of Housing and Urban Development Appropriations Act, 2023 (Pub. L. 117–328, Division L, Title II) approved December 29, 2022, for major disasters occurring in 2022. Community Development Block Grant – Disaster Recovery (CDBG-DR) funding is designed to address needs that remain after all other assistance has been exhausted.

HUD has allocated \$201,535,000 in CDBG-DR funds to Sarasota County in response to Hurricane Ian, DR-4673-FL, through the publication of the Federal Register, 88 Fed. Reg. 32,046 (May 18, 2023) <https://www.govinfo.gov/content/pkg/FR-2023-05-18/pdf/2023-10598.pdf>. This allocation was made available through Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.)

2.5 CDBG-DR Eligibility Criteria

2.5.1 HUD Criteria

HUD criteria for this program has two main components: meeting a national objective and being an eligible activity. This program aims to replace the rental housing units that were lost from the impacts of Hurricane Ian and provide additional affordable housing. The minimum required eligibility criteria are outlined below.

2.5.2 National Objectives

Each project funded through this program must meet HUD’s National Objective as follows:

- Benefit to Low- and Moderate-Income Persons, Low Mod Housing Activities (LMH)

The LMH objective includes activities undertaken which improve or provide permanent residential structures that will be occupied by low/moderate income households. In order to meet the housing LMI national objective, assisted multi-family housing structures must be at least 51 percent occupied by LMI households.

2.5.3 Eligible Applicants

CDBG-DR funds can be awarded to the following groups:

- Non-profits/non-profit developers;
- For-profit developers;
- Public housing authorities;
- Sarasota County municipalities; and
- Community-based development organizations

2.5.4 Eligible Activities

Eligible activities must be undertaken in Sarasota County, Florida. Housing activities eligible within this project may include the following:

- Rehabilitation, reconstruction, and new construction of affordable multifamily housing projects

For the purposes of CDBG-DR funds, multifamily housing is defined as five or more units per structure.

3. Application and Selection Process

3.1 Administrative Framework

Sarasota County will be responsible for collecting, reviewing, and approving all MAH Program applications. Eligible applicants who are awarded funds are subrecipients of the Sarasota County CDBG-DR grant and are responsible for the implementation and timely completion of the projects. Subrecipients must adhere to the federal, state, and local requirements applicable to these grant funds. Sarasota County will provide training and technical assistance to applicants awarded projects. Throughout the project, Sarasota County will monitor approved projects and provide oversight to maintain compliance and ensure their successful completion.

3.2 Application Process

Eligible Applicants can submit applications for proposed projects during the established application window as specified on the [Resilient SRQ](http://www.scgov.net/ResilientSRQ) webpage (www.scgov.net/ResilientSRQ). Resilient SRQ County staff will conduct a comprehensive assessment of the proposals, carefully considering the feasibility, cost-effectiveness, and sustainability of each project. The County will evaluate proposed projects submitted by applicants based on criteria specified in Section 3.4 of this Program Manual. County staff will present the potential projects to the Sarasota County Board of County Commissioners, who will review the project evaluation recommendations during a public meeting. The Board of County Commissioners will make the final project selection. Throughout the process, transparency and accountability will be maintained by providing regular updates to the public through the [Resilient SRQ](http://www.scgov.net/ResilientSRQ) (www.scgov.net/ResilientSRQ) webpage and notifying applicants and community members.

3.2.1 Outreach and Program Promotion

Sarasota County will release a public notice announcing the program and funds available, and a request for applications through the following platforms:

- Social media
- Website
- Press release to local news sources
- Other public channels

Sarasota County will conduct information sessions to provide an overview of the MAH program goals and objectives and the application and scoring process. Staff will remain available to answer questions throughout the process and potential applicants will have an opportunity to ask questions and/or discuss issues specific to their project and the application process.

Throughout the application cycle, technical assistance also is available by sending inquiries to resilientsrq@scgov.net. Resilient SRQ Staff will respond to all inquiries in a timely manner.

3.2.2 Application Window

Applications opened March 20, 2024 12:00 PM EST and will close on May 1, 2024 5:00 PM EST. Any change to the dates and time will be reflected on the [Resilient SRQ](http://www.scgov.net/ResilientSRQ) website. Applications must be completed and submitted before the deadline to be considered for funding.

3.3.2 Disadvantaged Communities

The application includes questions that help ensure vulnerable populations and underserved communities are not negatively impacted by the proposed project. Applications must address the extent to which the project benefits such populations and underserved communities.

3.2.3 Permanent Supportive Housing

Permanent Supportive Housing is permanent housing in which housing assistance (e.g., long-term leasing or rental assistance) and supportive services are provided to assist households with at least one member (adult or child) with a disability in achieving housing stability. Applicants are encouraged to provide supportive services to qualified tenants for the entire duration of their residence.

3.2.4 Clarifications

The County reserves the right to clarify or request additional information at any time from applicants. Applicants shall respond within the timeframe specified in the County's request to remain eligible for Resilient SRQ funding.

3.3 Summary of Application Requirements

3.3.1 Application Submission Requirements

Applicants will complete a detailed application that will include questions regarding information about the project including project details, financial resources and planned use of CDBG-DR funds, project impact, number of affordable units, period of affordability, mitigation measures, and dedicated project resources to ensure compliance with federal, state, and local regulations.

3.3.3 Minimum and Maximum Awards

There are no minimum or maximum awards under this program.

3.4 Scoring Criteria

Once a project is presumed eligible, the project will be reviewed by Resilient SRQ staff, and a recommended score will be provided to the Board of County Commissioners for final determination on projects to be selected for award. Applications will be reviewed, and scores will be recommended in accordance with the table below.

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Minimum Eligibility Criteria

Applicants must meet **ALL** of the minimum eligibility criteria listed below to be considered for CDBG-DR funding.

1. Project proposes more than five rental units and a minimum of 51 percent of the units are affordable in accordance with the annual HOME Investment Partnerships Program or below as described in [24 CFR 92.252](#).
2. Applicant agrees to a minimum affordability period of at least 20 years.
3. Project is located in Sarasota County.
4. Project is an eligible CDBG-DR activity (rehabilitation, reconstruction, and new construction of affordable multifamily housing projects).
5. Applicant has secured or taken adequate steps to secure underwriting.
6. Project includes mitigation measures.

Scoring Criteria

Criteria Category	Description	Points Available
Financial Plan	<ul style="list-style-type: none"> • Applicant has not demonstrated reasonable steps to secure adequate funding for project – 0 pts OR • Applicant has demonstrated reasonable steps to secure adequate funding for project – 5 pts OR • All funds needed to complete this project have been accounted for with exception of funds requested from Resilient SRQ - 15 pts 	0, 5, or 15
Leverage of Funding	<ul style="list-style-type: none"> • CDBG-DR funding would cover 81-100% percent of project costs - 0 pts OR • CDBG-DR funding would cover 61-80% percent of project costs -5 pts OR • CDBG-DR funding would cover 41%-60% percent of project costs - 10 pts OR • CDBG-DR funding would cover 21%-40% percent of project costs - 15 pts OR • CDBG-DR funding would cover 1-20% percent of project costs -20 pts 	0, 5, 10, 15 or 20
Project Readiness	<p>Level of planning that remains and demonstrated ability to complete the project within five years.</p> <ul style="list-style-type: none"> • Potential site is identified but not acquired – 0 pts OR • Site is acquired but not zoned for the proposed project use – 15 pts OR • Site is acquired and zoned for the proposed project use– 20 pts 	0, 15, or 20
Project Impact	Project demonstrates a reasonable cost-benefit analysis that is proportional to the number of units proposed and requested amount.	0-15
Number of Affordable Units	<p>Percentage of proposed units that are affordable.</p> <ul style="list-style-type: none"> • 51% affordable units – 0 pts OR • 51.01% - 70% affordable units – 5 pts OR • 70.01% - 90% affordable units – 10 pts 	0, 5, or 10
Period of Affordability	<ul style="list-style-type: none"> • 20 year period of affordability- 0 pts OR • 21-29 year period of affordability- 5 pts OR • 30-39 year period of affordability- 10 pts OR • 40 + year period of affordability- 15 pts 	0, 5, 10, or 15
Pre-Award Assessment	Resources and experience to successfully complete the project and maintain compliance with federal, local, and state regulations.	0-15
Total Maximum Points Available		110

3.5 Notice of Award

Sarasota County may fund all or a portion of the total requested funding. All applications and recommended scores will be provided to the Board of County Commissioners for their review and final selection of projects. Once award amounts are determined, Sarasota County will notify all applicants on final determination award. Projects selected for award by the County Commission will be required to execute a subrecipient agreement. A draft of the subrecipient agreement will be made available on the [Resilient SRQ](#) website. Execution of a grant is contingent upon both parties' agreement regarding the terms and conditions, including but not limited to, the project scope, budget (e.g., State, and federal construction and financial rules and regulations), and timeliness. Awards will be considered final upon execution of the subrecipient agreement between Sarasota County and the Applicant.

3.6 Negotiation

Sarasota County reserves the right to negotiate funding amounts and payment schedules with awarded applicants. On a case-by-case basis, negotiations may be appropriate for, but not limited to, situations such as the demand exceeding the amount of funds available, the existence of project readiness issues, and discrete project components meeting program objectives or grant requirements, such as the LMI benefit.

4. Grant Management

4.1 Subrecipient Environmental Reviews

It will be the responsibility of Sarasota County to orchestrate Environmental Reviews. In the event an environmental review concludes site conditions are deemed unacceptable, the award will be rescinded. "Unacceptable" sites include, without limitation, those containing an immitigable environmental factor that may adversely affect the health and safety of the residents.

NOTE: There can be no choice-limiting actions on the project until environmental clearance is received, and a Notice to Proceed is issued. The concept of prohibiting "choice-limiting" actions is to prevent the developer from investing in a project before all necessary environmental clearances are obtained. Market studies, environmental studies, plan development, engineering or design costs, inspections and tests are not considered "choice-limiting" actions.

"Choice-limiting actions" are defined as any activity that would have an adverse environmental impact or limit the choice of reasonable alternatives, such as acquisition, construction, demolition of buildings, or rehabilitation or reconstruction of buildings.

Per 24 CFR Part 58.22, failure to comply with the prohibition against committing funds or taking physical action (using either HUD funds or non-HUD funds) before the completion of the environmental review process could result in loss of HUD assistance, cancellation of the project, reimbursement by the developer/owner to HUD for the amount expended, or suspension of the disbursement of funds for the affected activity.

4.2 Subrecipient Agreements

The Subrecipient Agreement will outline the conditions of the CDBG-DR funding for the approved project. The subrecipient agreement terms may include, but not limited to:

- Project Name
- Award amount

- Scope of Services
- Performance Monitoring & Reporting
- Period of performance and term
- Affordability period
- Budget
- Payment
- Resale and Recapture of Funds
- Program Requirement & Award Conditions
 - Tie-back to disaster, if applicable
 - Eligible Activity and National Objective
 - Environmental Review (24 CFR, Part 58)
 - Evidence of commitment of leverage funds
 - Approved Procurement Policy
 - Conflict of Interest
 - Fraud, Waste, & Abuse Policy
 - Anti-Displacement and Relocation Plan
 - Construction Standards
 - Cross-Cutting Compliance
 - Fair Housing and Civil Rights Law
 - Labor Standards
 - Section 3
- Termination
- Land Use Restriction Agreement
- Other requirements

4.3 Subrecipient Agreement Amendments

The County reserves the right to amend Subrecipient Agreements at any time. Subrecipients may request an amendment to extend period of performance, amend budgets, change the scope of work, or update project milestones. The County will review the amendment request and determine if the amendment is warranted. Subrecipients are encouraged to submit the request to amend as soon as the need is identified. Requests to amend the Subrecipient Agreement must be submitted within a reasonable timeframe.

4.4 Payment Method and Process

Funding will be provided to Subrecipients on a cost reimbursement basis based on actual expenditure and at intervals as defined in the Subrecipient Agreement.

4.4.1 Payment Conditions

The subrecipient must complete all conditions specified in the subrecipient agreement before requesting payment. Upon execution of the subrecipient agreement, the subrecipient may proceed with implementation of the project. Conditions may include but not limited to the following:

- Requirements outlined in the Subrecipient Agreement
- Procurement documentation
- Contracts documentation
- Insurance and bonding documentation
- Compliance documentation on federal cross-cutting requirements

4.4.2 Supporting Documentation

Subrecipients must verify all costs before submitting invoices to the County for reimbursement and provide all required reporting and supporting documentation (e.g., detailed invoices, purchase order, proof of services, and paid itemized receipt) requested by the County. At a minimum, the supporting documentation should include:

- Vendor name and contact information
- Invoice number
- Invoice date
- Date of service
- Services performed
- Amount due

Additional documentation may be requested at any time before payments can be made.

4.4.3 Payment Requests

The subrecipient is responsible for billing the County for invoiced costs, the County will review the invoices to ensure all required information is included to pay the subrecipient. Payment requests must be submitted no more than monthly. Before submitting a payment request, the Subrecipient must verify the invoices are accurate and complete, the activities and costs were incurred during the period of performance, and all required supporting documentation is included in the payment request. Payment requests that do not include the required information or supporting documentation will be rejected and returned to the subrecipient to collect the necessary information and resubmit.

4.4.4 Payment Monitoring and Reconciliation

The County will monitor payment requests and reconcile any issues that may arise as a result. The quality assurance/quality control process will involve the following:

- Documentation reviews and data collection during the payment review process.
- Program monitoring to ensure that activities are within program guidelines.
- Program expenditure and payment request review for eligibility based on applicable laws, CDBG-DR requirements, and CDBG regulations.
- Follow-ups regarding identified compliance issues, initiation of corrective actions, and implementation of program controls, as necessary.

4.5 Eligible and Ineligible Costs

4.5.1 Eligible Costs

Beyond eligible activities described in this Program Manual, the program will make use of 2 CFR Part 200, Subpart E (Cost Principles), to understand what costs can be incurred through the CDBG-DR grant. Each cost should adhere to accounting principles, be necessary and reasonable for the performance of the grant award, be consistent with policies and procedures, and be adequately documented.

In accordance with [FR II.B.1](#), [42 U.S.C. 5305\(a\)](#) and [24 CFR 570.207\(b\)\(3\)](#) are waived to the extent necessary to permit new housing construction, subject to the following alternative requirement. When a Subrecipient carries out a new housing construction activity, [24 CFR 570.202](#) shall apply and shall be read to extend to new construction in addition to rehabilitation assistance. Private individuals and entities must remain compliant with federal accessibility requirements as well as with the applicable site selection requirements of [24 CFR 1.4\(b\)\(3\)](#) and [8.4\(b\)\(5\)](#).

4.5.2 Ineligible Costs

Ineligible activities are defined in 24 CFR 570.207, these include, but are not limited to, clearance, site assemblage, provision of site improvements and provision of certain housing pre-construction costs set forth in § 570.206(g); political activities; purchase of equipment (except as provided for in 24 CFR 570.201(c)); operating and maintenance expenses; and income payments.

4.6 Duplication of Benefits (DOB) Review

Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act prohibits any person, business, or other entity from receiving duplicative financial assistance for the same disaster recovery purpose from multiple sources of federal and other support (42 United States Code [U.S.C.] 5155(a) and (c)). Duplication occurs when a beneficiary receives assistance from multiple sources for a cumulative amount that exceeds the total need for a particular disaster recovery purpose. The amount of the duplication is the amount of assistance provided in excess of need.

In accordance with CDBG-DR regulations, the program's subrecipients are required to disclose all other benefits (e.g., cash, in-kind, grants, loans) received, or which will be received for the proposed project to ensure that federal funds do not duplicate funds received from other sources. The subrecipient is required to notify the County immediately, in writing, in the event any additional benefits from those already received after the CDBG-DR award. The County will determine whether the funds received are duplicative. If the funds received are deemed duplicative, the subrecipient is required to return the funds to the County. Typical sources of duplicated benefits can include, but are not limited to, the following:

- HOME Investment Partnerships Program (HOME)
- State Housing Initiatives Partnership (SHIP)
- 4% Low-Income Housing Tax Credit (LIHTC)
- 9% Low-Income Housing Tax Credit (LIHTC)
- Federal Emergency Management Agency (FEMA) Public Assistance
- FEMA Hazard Mitigation Grant Program
- FEMA National Flood Insurance Program
- FEMA Increased Cost of Compliance Benefits
- U.S. Army Corps of Engineers
- Commercial insurance
- Insurance and personal property replacement
- Forced mortgage payoffs
- Philanthropic cash assistance
- Some subsidized loans

4.7 Cost Reasonableness Evaluation

Projects funded under this program must be considered necessary and reasonable. Costs are considered reasonable if, in their nature and amount, they do not exceed that which would be incurred by a prudent person in the conduct of competitive business. Analytical techniques and procedures may be used to ensure that final costs are fair and reasonable, such as a cost analysis detailing the individual cost elements of projects to certify elements such as necessity, pricing, and consistency.

4.8 Program Income

Sarasota County does not anticipate any program income generated by the CDBG-DR program. If program income is generated, Sarasota County will account for and manage utilizing separate account established within financial reporting systems and controls already established. County will follow requirements as provided under 88 FR 32046.

“Program income” is defined as gross income generated from the use of CDBG-DR funds, except as provided in III.E.1.b. under 88 FR 32046 and received by a subrecipient. Income received before or after grant closeout that generated program income, is considered CDBG-DR funds and subject to the requirements in the Consolidated Notice and the Action Plan.

4.9 Resale or Recapture of Funds

The Subrecipient may be required to repay all or a portion of the funds awarded for events that may include, but not limited to:

- Subrecipient does not comply with the terms of the executed subrecipient agreement
- Subrecipient sells, transfers, refinances or forecloses the property listed in the executed subrecipient agreement prior to satisfying the agreed upon affordability period or fails to comply with the minimum required occupancy of 51% to LMI households or as specified in the executed subrecipient agreement
- DOB is determined at any time
- Subrecipient does not complete the project within the time specified in the executed subrecipient agreement

The County will monitor compliance with the deed restrictions on an annual basis, and failure to comply with will result in the recovery of awarded CDBG-DR funds.

4.10 Timely Expenditures and Project Completion

The County expects to complete program activities as quickly as possible to address the unmet housing need. The County is required by HUD to disburse CDBG-DR funding allocated through this program to be disbursed within 6 years from grant agreement execution unless HUD grants an extension. However, the awarded project must be completed within the period of performance as specified in the subrecipient agreement unless an executed amendment to the subrecipient agreement allows for additional time.

4.11 Records

Subrecipients must retain all CDBG-DR records for a minimum of five (5) years after closeout of the subrecipient agreement. In addition, subrecipients must provide access the County, HUD, the Comptroller General of the United States, or other authorized governmental agencies to any pertinent records for purposes of monitoring and to make audits, examinations, excerpts, and transcripts (2 CFR 200.337).

Consistent with applicable state and local laws regarding privacy and obligations of confidentiality, subrecipients must also provide citizens with reasonable access to records on the past use of CDBG-DR funds (24 CFR 570.508 and 2 CFR 200.338).

4.12 Reporting

The County will report to HUD on a quarterly basis, however subrecipients will be required to provide a monthly performance report that details the activities completed in the previous month. These reports will be aggregated and used to provide HUD with a report on grant progress. The reports will include, at a minimum:

- Narrative of the activities completed during the quarter.
- Financial metrics that demonstrate costs incurred to date and projected future spending.
- Documentation showing total number of beneficiaries served or accomplishments completed.
- Section 3 reporting on total labor hours and target labor hours.
- Data in accordance with Federal Funding Accountability and Transparency Act (FFATA) guidelines

In addition to those listed above, the subrecipient shall also include mitigation measures and resilience performance metrics as described in the subsections below in their monthly performance report.

4.12.1 Mitigation Measures

Mitigation measures help ensure that communities are more resilient to the impacts of recurring natural disasters and climate change. Examples of mitigation measure include:

- Incorporating resilient construction standards
- Using resilient building materials and technology
- Elevating structures above the Base Flood Elevation (BFE)
- Integration of open space or use of nature to manage flooding

When determining which mitigation measures to incorporate, subrecipients should design and construct structures to withstand existing and future climate impacts expected to occur over the service life of the project.

4.12.2 Resilience Performance Metrics

Before carrying out CDBG-DR funded activities to construct, reconstruct, or rehabilitate residential or non-residential structures, Subrecipients must establish resilience performance metrics for the activity.

The process for developing resilience performance metrics includes:

1. An estimate of the projected risk to the completed activity from natural hazards, including those hazards that are influenced by climate change (e.g., high winds destroying newly built homes),
2. Identification of the mitigation measures that will address the projected risks (e.g., using building materials that are able to withstand high winds), and
3. An assessment of the benefit of the mitigation measures through verifiable data (e.g., 10 newly built homes will withstand high winds up to 100 mph).

In Disaster Recovery Grant Reporting (DRGR) system, HUD has published specific measures for mitigation activities such as the number of residential units constructed, number of residents protected from future flooding, and units with solar panels. Examples of other resilience performance metrics include:

- Number of acres no longer vulnerable to flood events
- Number of floodplain design standards updated
- Number of properties with access above 100 year or 500-year flood level
- Number of multi-family units constructed or reconstructed
- Number of residents protected from future flooding

4.13 Monitoring and Compliance

The County is required to provide oversight and monitoring of its Subrecipients and internal county departments. Oversight will include ongoing generic reviews, and monitoring will include targeted area-focused reviews of administrative, financial, performance, reporting, and compliance with applicable federal crosscutting requirements. The objective of the oversight and monitoring activities is to facilitate the achievement of performance goals while ensuring that subaward funds are used for authorized purposes in compliance with Federal statutes, regulations, and the terms and conditions of the subaward.

The Subrecipient shall ensure that all records and files pertaining to the project, as well as any additional information requested by the County, is made available at the monitoring visit or at the time specified by the County. The County may request a visit to the project site as part of the monitoring visit.

The County will notify Subrecipients of monitoring events in advance. In response to Subrecipient monitoring, the County will provide technical assistance to mitigate identified risks and to address concerns and findings. Monitoring will be conducted based on risk. At a minimum, Subrecipients will be monitored at least once annually. The County will determine the frequency of monitoring with each Subrecipient and reserves the right to change the frequency at any time at the County's discretion. The County will use monitoring checklists to ensure consistency and to provide a detailed record.

Each monitoring will address project-specific issues and may be carried out through a combination of desk review, remote monitoring, and/or on-site monitoring. The primary goals of monitoring are to:

1. Review activity eligibility and achievement of national objective;
2. Evaluate conformance to the subrecipient agreement;
3. Ensure compliance with CDBG-DR program and all other applicable federal, state, and County requirements, including, but not limited to appropriate insurance coverage, assessment management processes, procurement procedures, conflicts of interest disclosures, and fair housing and civil rights compliance;
4. Review and ensure accuracy and completeness of record keeping and financial management systems;
5. Evaluate organizational, program and project performance, as well as on-going project viability (financial health, management capacity, etc.);
6. Design any corrective actions necessary to improve or reinforce performance; and
7. Identify the technical assistance needs of CDBG-DR Subrecipients.

Upon completion of a monitoring, the County will provide a monitoring letter to each Subrecipient outlining the results of the monitoring. If corrective actions are needed as a result of findings or concerns, a corrective action plan will be included with the letter. The Subrecipient will be provided the opportunity to respond to the monitoring results, and County staff will work collaboratively with the Subrecipient to resolve any findings or concerns.

5. CDBG-DR Requirements

5.1 Cross-Cutting Requirements

5.1.1 Environmental Review and Historic Preservation

Environmental and historic preservation compliance reviews must be completed before any work can begin on a project following CDBG-DR award. CDBG-DR appropriation acts prohibit HUD from waiving these requirements. The County will work with the Subrecipient to ensure completion of the reviews.

5.1.2 URA, Section 104(d), and Related Relocation Requirements

CDBG-DR funding is subject to the URA, section 104(d), and to the CDBG program regulatory requirements at 24 CFR 570.606. Some of those Federal requirements are subject to waivers and/or alternative requirements for disaster recovery purposes and are described further in Section 6 of this Program Manual.

5.1.3 Davis Bacon Requirements

Under Section 110(a) of the Housing and Community Development Act of 1974 (HCDA), laborers and mechanics employed by contractors and subcontractors on construction work “financed in whole or in part” with CDBG assistance must be paid not less than wages determined to be prevailing on similar construction work in the locality by the Secretary of Labor in accordance with the Davis Bacon Act (40 U.S.C. 3141 et seq.). Davis- Bacon prevailing wage requirements do not apply in the following situations:

- Construction work prime contracts of \$2,000 or less,
- Bona fide volunteers where procedures and requirements of 24 CFR § 70 are met
- Force account work
- Non-construction activities like storm debris removal
- Demolition that is not followed by construction
- Equipment installation costs so long as they do not exceed 13% of the total equipment cost
- Rehabilitation, reconstruction, and demolition of residential property containing fewer than eight units.

5.1.4 Section 3 of the Housing and Urban Development Act of 1968

Subrecipients shall direct employment, training, and contracting opportunities to low-income individuals and the businesses that employ these persons within their community. These opportunities are, to the greatest extent feasible, required to be given to low- and very low-income persons and business concerns, particularly those who are recipients of government assistance for housing or residents of the community in which the federal funds are spent. Where feasible, subrecipients should give priority for contracting opportunities and training to Section 3 workers residing within the service area or the neighborhood of the project, and participants in YouthBuild programs.

5.2 Other Federal Requirements

In addition to cross-cutting requirements, Subrecipients are required to comply with additional federal requirements as follows:

5.2.1 Procurement Requirements

Subrecipients must adopt a procurement policy (or amend the current policy) and comply with the federal procurement requirements of 2 CFR 200.318-327. The County will work with the Subrecipient to review

the procurement prior to being advertised, amended, awarded, and the resulting agreement to ensure compliance with the requirements specified herein.

Key procurement requirements:

- Any cost charged to the grant must meet three standards of necessary, reasonable, and allowable.
- All procurements must demonstrate compliance with “free and open” competition requirements.
- All procurements must have an independent cost estimate (ICE) in advance of award, and preferably in advance of procurement. Selecting the lowest bidder in the absence of an independent cost estimate does not meet HUD or 2 CFR Part 200 procurement requirements.
- Any contracts or procurement actions that exceed the micro-purchase threshold (as defined by 2 CFR 200.67) are required to be posted on the Subrecipient’s website.
- Requirements for procurement of professional services at 2 CFR 20.59 apply.
- Contract preferences are for firm fixed price contracts, except for professional services contracts that can be time and materials (T&M) contracts. Timesheet documentation is required for all time and materials T&M contracts.
- Goods and services contracts must include:
 - The period of performance or date of completion and the contract amount.
 - Performance requirements and liquidated damages into each procured contract.
- Contracts that will trigger labor standards reporting (Davis Bacon) should specify this in the procurement and include a wage determination. Contract documents should specify reporting requirements. SAM documentation for general contractors and sub-contractors should be in file.
- Contracts triggering Section 3 reporting of labor hours in three categories (total labor hours, Section 3 labor hours, Targeted Section 3 labor hours) should include these requirements in both procurement and contract documents.

5.2.2 Contractor Standards

Subrecipients must ensure that any contractor that is performing work on the project complies with the Contract Work Hours and Safety Standards Act (CWHSSA) and the Copeland Anti-Kickback Act (the Copeland Act). CWHSSA requires that for any federally assisted construction contract over \$100,000 subject to Davis-Bacon and Related Acts wage standards where the Federal Government is not a direct party, contractors and subcontractors must pay laborers and mechanics, including watchmen and guards, employed in the performance of covered contracts one-and-a-half times their normal hourly rate for any hours worked in excess of 40 hours weekly, based on a work week of 7 consecutive days.

The Copeland Act applies to contractors and subcontractors that perform work on contracts for the construction, prosecution, repair, or completion of public buildings, public works, or works that are financed in whole or in part by loans or grants from the Federal Government. The Act prohibits any person from inducing a worker on a federally funded project to give up any part of the compensation to which the worker is entitled. No payroll deductions are permitted that are not specifically listed in the Copeland Act unless the contractor has obtained written permission from the employee as specified in 29 CFR 3.5 for otherwise permissible payroll deductions.

5.2.3 Construction Regulations

All structures, defined at 44 CFR 59.1, designed principally for residential use and located in the 100-year floodplain or equivalent FEMA data source, that receive assistance for new construction, reconstruction, rehabilitation of substantial damage, or rehabilitation that results in substantial improvement, as defined at 24 CFR 55.2(b)(10), must be elevated with the lowest floor, including the basement, at least 2 feet above

the 1 percent annual chance floodplain elevation (base flood elevation). Structures that are elevated will meet federal accessibility standards.

Mixed-use structures with no dwelling units and no residents below 2 feet above base flood elevation must be elevated or floodproofed in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or a successor standard up to at least 2 feet above base flood elevation.

5.2.4 Green Building Standards

All CDBG-DR-funded projects must identify an industry-recognized green building standard and a minimum energy efficiency standard.

HUD requires all rehabilitation, reconstruction, and new construction to be designed to incorporate principles of sustainability, including water and energy efficiency, resilience, and mitigating the impact of future disasters. Wherever feasible, the County follows best practices, such as those provided by the U.S. Department of Energy, Guidelines for Home Energy Professionals, including Standard Work Specifications for Home Energy Upgrades. For CDBG-DR-funded projects, HUD requires green building standards for replacement and new construction of residential housing. All rehabilitation projects will follow the policies and procedures specified in the HUD Community Planning and Development (CPD) Green Building Retrofit Checklist, to the extent applicable, for rehabilitation other than the rehabilitation of substantially damaged residential buildings. The HUD checklist can be accessed here: [HUD CPD Green Building Retrofit Checklist](#).

All rehabilitation, reconstruction, or new construction must meet an industry-recognized standard that has achieved certification under the Green and Resilient Building Standards and additionally, all such covered construction must achieve a minimum efficiency standard.

The following are examples of achieving the Green and Resilient Building Standard.

- Enterprise Green Communities
- LEED (New Construction, Homes, Midrise, Existing Building Operations and Maintenance, or Neighborhood Development)
- ICC- 700 National Green Building Standards
- EPA Indoor AirPlus
- Any other equivalent comprehensive green building standard program acceptable to HUD

The following are examples of meeting the minimum energy efficiency standard:

- Energy STAR (Certified Homes or Multifamily High-Risk)
- DOE Zero Energy Ready Home
- EarthCraft House, EarthCraft Multifamily
- Passive House Institute Passive Building or EnerPHit certification from the Passive House Institute US (PHIUS)
- International Passive House Association
- Greenpoint Rated New Home, Greenpoint Rated Existing Home (Whole House or Whole Building label)
- Earth Advantage New Homes
- Any other equivalent energy efficiency standard acceptable to HUD

5.25 Lead Safe Housing Rule

Projects that involve damage or disturbance of painted or coated surfaces, as well as development or improvement of existing structures, may involve some level of lead impact regardless of the type, age, or location of the property. Testing, reduction, abatement, and clearance of lead-based paint in accordance with 24 CFR Part 35 must be completed by qualified professionals. The Subrecipient shall provide information pamphlets to tenants and shall follow the disclosure requirements in 24 CFR Part 35. Exemptions for inspection are provided [24 CFR 35.115](#). For more information visit: [Lead-Based Paint](#)

5.2.6 Flood Insurance Requirements

The Subrecipient shall comply with the requirements of the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001). The Subrecipient shall assure that for activities located in an area identified by FEMA as having special flood hazards, that flood insurance under the National Flood Insurance Program (NFIP) is obtained and maintained in the amount and duration prescribed by FEMA's NFIP as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

5.2.7 Conflict of Interest

Except for the use of CDBG-DR funds to pay salaries and other related administrative or personnel costs, the general rule is that no persons who exercise or have exercised any functions or responsibilities with respect to CDBG-DR activities assisted under this subpart or who are in a position to participate in a decision making process or to gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-DR-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-DR -assisted activity, or with respect to the proceeds of the CDBG-DR-assisted activity, either for themselves or those with who they have family or business ties, during their tenure or for one year thereafter.

5.2.8 Fair Housing and Equal Opportunity

Through the use of CDBG-DR funding, no person should be excluded, denied benefits, or subjected to discrimination on the basis of their race, color, national origin, sex, disability, or age. The County and its Subrecipients may not discriminate in any of the following areas: deciding who will be admitted or have access to any CDBG-DR-funded program or activity; providing opportunities in or treating any person with regard to such a program or activity; or making employment decisions in the administration of or in connection with such a program or activity. The County and the Subrecipients must administer and fund programs that are in conformity with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d), the Fair Housing Act (42 U.S.C. 3601–3619), and implementing regulations, and will affirmatively further fair housing.

Complaints alleging violation of fair housing laws can be made to HUD's office of Fair Housing and Equal Opportunity for Region 4 (phone: 800-440-8091 or email: complaintsoffice04@hud.gov)

5.2.9 Equal Employment Opportunity Act of 1972

An Equal Employment Opportunity clause as described under 41 CFR 60-1.4(b) must be included in all contracts that meet the definition of a "federally assisted construction contract".

Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity," as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR Chapter 60). (All construction contracts awarded in excess of \$10,000 by Subrecipients and/or beneficiary of funds and their contractors or sub grantees.)

5.2.10 Prevention of Fraud, Waste and Abuse

The County will follow the policies outlined in the Prevention of Fraud, Waste, and Abuse policy. The policy can be found on the [Resilient SRQ](#) website.

5.2.11 Section 504 of the Rehabilitation Act of 1973

The Subrecipient shall comply with Section 504 of the Rehabilitation Act of 1973, as amended. Federal laws define a person with a disability as “any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment.”

The Subrecipient shall comply with federal regulations 28 CFR Part 36, Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities, and 24 CFR Part 8, Nondiscrimination Based on Handicap in Federally Assisted Programs and Activities of Housing and Urban Development.

To comply with Section 504, the project shall designate and maintain:

- Minimum of 5 % of the total dwelling units, but not fewer than one unit, to be accessible for individuals with mobility impairments.
- Additional 2 % of the total units, but not fewer than one unit, must be accessible for persons with hearing or vision impairments. All of the accessible units must be equally distributed among different unit sizes and development types and must be disbursed on all accessible routes throughout the development, for example accessible units must be on the ground floor in a multi-story development if there is no elevator.

The County requires the following features in housing units awarded any CDBG-DR funds under this Program:

- Primary entrance door shall have a threshold with no more than a ½- inch rise;
- All door handles on primary entrance door and interior doors must have lever handles;
- • Lever handles on all bathroom faucets and kitchen sink faucets;
- Ability to install horizontal grab bars to support at least 250 lbs.
- Mid-point on light switches and thermostats shall not be more than 48 inches above finished floor level; and
- Cabinet drawer handles and cabinet door handles in bathroom and kitchen shall be lever or D-pull type that operate easily using a single closed fist.

In addition to the features listed above, elderly-only (62+) units must include these additional features:

- At least 15% of the units must have accessible showers (no curb); and
- Grab bars in shower/tub

5.2.12 Americans with Disabilities Act (ADA)

This Act provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications. The ADA also states that discrimination includes the failure to design and construct facilities (built for first occupancy after January 26, 1993) that are accessible to, and usable by, persons with disabilities. The ADA also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. Removal must be readily achievable, easily accomplishable, and able to be carried out without much difficulty or expense.

5.2.13 Residential Anti Displacement and Relocation Assistance Plan (RARAP)

Subrecipients must adopt the Sarasota County RARAP or adopt a RARAP that meets the requirements established by Sarasota County. Subrecipients must also provide the following benefits to households or businesses that they displace:

- Relocation advisory services;
- A minimum of 90-day notice to vacate;
- Reimbursement for moving expenses; and
- Payments for added cost of renting or purchasing comparable replacement housing.

Additional information and instructions can be found in Sarasota County’s RARAP.

5.3 Other Requirements

The County is committed to the goals of increasing housing opportunities for persons with Limited English Proficiency (LEP), low-income residents, and underrepresented racial and ethnic groups. Subrecipients must include in their affirmative marketing plans steps that will be taken to reach those least likely to apply and individuals with LEP.

6. Consolidated Notice Waivers and Alternative Requirements

This section will outline the waivers and amendments provided in the Federal Register as it pertains to Housing Activities and Related Floodplain Issues.

6.1 Alternative Requirements

6.1.1 New housing construction waiver and alternative requirement

[42 U.S.C. 5305\(a\)](#) and [24 CFR 570.207\(b\)\(3\)](#) are waived to the extent necessary to permit new housing construction, subject to the following alternative requirement. When a CDBG–DR grantee carries out a new housing construction activity, [24 CFR 570.202](#) shall apply and shall be read to extend to new construction in addition to rehabilitation assistance. Private individuals and entities must remain compliant with federal accessibility requirements as well as with the applicable site selection requirements of [24 CFR 1.4\(b\)\(3\)](#) and [8.4\(b\)\(5\)](#).

6.1.2 Construction standards for new construction, reconstruction, and rehabilitation

If the project includes carrying out activities to construct, reconstruct, or rehabilitate residential structures with CDBG–DR funds as part of activities eligible under [42 U.S.C. 5305\(a\)](#) (including activities authorized by waiver and alternative requirement), the Subrecipient shall comply with the required applicable construction standards as specified in this Program Manual . For purposes of the Consolidated Notice, the terms “substantial damage” and “substantial improvement” shall be as defined in [44 CFR 59.1](#) unless otherwise noted.

6.1.3 Green and resilient building standard for new construction and reconstruction of housing

The Subrecipient shall ensure Green and Resilient Building Standards, as defined in this section, for: (i) all new construction and reconstruction (i.e., demolishing a housing unit and rebuilding it on the same lot in substantially the same manner) of residential buildings and (ii) all rehabilitation activities of substantially damaged residential buildings, including changes to structural elements such as flooring systems, columns, or load-bearing interior or exterior walls.

The Green and Resilient Building Standard requires that all construction covered by the paragraph above and assisted with CDBG–DR funds meet an industry-recognized standard that has achieved certification under:

- Enterprise Green Communities;
- LEED (New Construction, Homes, Midrise, Existing Buildings Operations and Maintenance, or Neighborhood Development);
- ICC–700 National Green Building Standard (NGBS) Green or NGBS Green+ Resilience;
- Living Building Challenge; or
- Any other equivalent comprehensive green building program acceptable to HUD.

Additionally, all such covered construction must achieve a minimum energy efficiency standard, such as

- ENERGY STAR (Certified Homes or Multifamily High-Rise);
- DOE Zero Energy Ready Home;
- EarthCraft House, EarthCraft Multifamily;
- Passive House Institute Passive Building or EnerPHit certification from the Passive House Institute US (PHIUS);
- International Passive House Association;
- Greenpoint Rated New Home, Greenpoint Rated Existing Home (Whole House or Whole Building label);
- Earth Advantage New Homes; or
- Any other equivalent energy efficiency standard acceptable to HUD.

The executed Subrecipient agreement shall include which of these Green and Resilient Building Standards will be used for the project.

6.1.4 Standards for rehabilitation of non-substantially damaged residential buildings

For rehabilitation other than the rehabilitation of substantially damaged residential buildings described in section 6.1.3. above, Subrecipients must follow the guidelines specified in the HUD [CPD Green Building Retrofit Checklist](#).

Subrecipients must apply these guidelines to the extent applicable for the rehabilitation work undertaken, for example, the use of mold resistant products when replacing surfaces such as drywall. Products and appliances replaced as part of the rehabilitation work, must be ENERGY STAR-labeled, WaterSense-labeled, or Federal Energy Management Program (FEMP)-designated products or appliances.

6.1.5 Elevation standards for new construction, reconstruction, and rehabilitation of substantial damage, or rehabilitation resulting in substantial improvements

All structures, defined at 44 CFR 59.1, designed principally for residential use, and located in the one percent annual chance (or 100-year) floodplain, that receive assistance for new construction, reconstruction, rehabilitation of substantial damage, or rehabilitation that results in substantial improvement, as defined at 24 CFR 55.2(b)(10), must be elevated with the lowest floor, including the basement, at least two feet above the one percent annual chance floodplain elevation (base flood elevation). Mixed-use structures with no dwelling units and no residents below two feet above base flood elevation, must be elevated or floodproofed, in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(3)(ii) or successor standard, up to at least two feet above base flood elevation.

All Critical Actions, as defined at 24 CFR 55.2(b)(3), within the 500-year (or 0.2 percent annual chance) floodplain must be elevated or floodproofed (in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(2)–(3) or successor standard) to the higher of the 500-year floodplain elevation or three feet above the 100-year floodplain elevation. If the 500-year floodplain is unavailable, and the Critical Action is in the 100-year floodplain, then the structure must be elevated or floodproofed (in accordance with FEMA floodproofing standards at 44 CFR 60.3(c)(2)–(3) or successor standard) at least three feet above the 100-year floodplain elevation. Critical Actions are defined as “any activity for which even a slight chance of flooding would be too great, because such flooding might result in loss of life, injury to persons or damage to property.” For example, Critical Actions include hospitals, nursing homes, emergency shelters, police stations, fire stations, and principal utility lines.

In addition to other requirements in this section, Subrecipients must comply with applicable state, local, and tribal codes and standards for floodplain management, including elevation, setbacks, and cumulative substantial damage requirements. Subrecipients using CDBG–DR funds as the non-Federal match in a FEMA-funded project may apply the alternative requirement for the elevation of structures described in Section III.F.6. Structures of 88 FR 32046 that are elevated must meet federal accessibility standards.

6.1.6 Broadband infrastructure in housing

Any substantial rehabilitation, as defined by 24 CFR 5.100, reconstruction, or new construction of a building with more than four rental units must include installation of broadband infrastructure, except where the grantee documents that: (i) the location of the new construction or substantial rehabilitation makes installation of broadband infrastructure infeasible; (ii) the cost of installing broadband infrastructure would result in a fundamental alteration in the nature of its program or activity, or in an undue financial burden; or (iii) the structure of the housing to be substantially rehabilitated makes installation of broadband infrastructure infeasible.

6.1.7 Applicable affordability periods for new construction of affordable rental housing

To meet the low- and moderate-income housing national objective, rental housing assisted with CDBG–DR funds must be rented to low- and moderate-income (LMI) households at affordable rents, as defined by HUD HOME rent limits at the time of final acceptance of the project. The Subrecipient shall guarantee that the affordability period for affordable rent to the units that will be occupied by LMI persons be for a minimum of 20 years.

7. Financial Management

7.1 Overview

Subrecipients must maintain a financial management system that meets the requirements found in 2 CFR Part 200 and the applicable subrecipient agreement. In general, these requirements specify that a Subrecipient:

1. Provides effective internal control over the accountability for all funds, property, and other assets; adequately safeguards these assets and confirms the assets are used for authorized purposes.
2. Identifies the source and application of funds for CDBG-DR-funded activities.
3. Establishes procedures to verify cost reasonableness, cost allowability, allocable costs, applicable credits, and the composition of costs as either direct or indirect, as noted in 2 CFR Part 200, Subpart E- Cost Principles.
4. Ensures that the CDBG-DR funds used do not violate any applicable restrictions or prohibitions.
5. Permits the accurate, complete, and timely disclosure of financial results.

6. Minimizes the time elapsed between transfer of funds from the County and payment by the Subrecipient.
7. Establishes written procedures for determining the allowability of costs in accordance with Subpart E - Cost Principles and the terms and conditions of the Subrecipient agreement.

7.2 Procedure

Sarasota County will provide a CDBG-DR System of Record that will serve as the repository for project documentation, including monitoring and compliance. The System of Record will enable Sarasota County to review document files and conduct Duplication of Benefits, Verification of Benefits and related verifications required to comply with CDBG-DR regulations. Subrecipient are required to assemble and review all compliance documentation and upload it to the System of Record in an orderly manner. Sarasota County will provide training to Subrecipients on how to manage their CDBG-DR programs and projects with the system of record.

8. Closeout

8.1 Closeout Procedure and Documents

When executing closeout procedures, the Subrecipient will be required to provide closeout documents to the County. The Subrecipient can request final funds when the project meets the following conditions:

- All eligible activities are completed and meet a national objective.
- All funds are expended in full, or the remaining funds are intended to be returned to HUD.
- All reporting requirements as required (e.g., Quarterly Performance Reports, HUD Monthly Status Reports, HUD Contract Reports, other internal reporting) are completed and submitted.
- Any special conditions of the program are met.
- All audit and monitoring issues are resolved.

The County will work with Subrecipients to collect all closeout documentation for their files to support HUD requirements for close-out. A final closeout file review will be required to ensure that all documentation required in each step of the process is completed and is compliant. Subrecipients are required to submit documentation, including but not limited to the following:

- Documentation reporting the grant accomplishments and expenditures of each project to the residents of the jurisdiction, including that the HUD national objective was met
- Documentation that funds were expended in full or certification of the return of the remaining funds
- Documentation describing the resolution of any outstanding audit or monitoring issues
- Duplication of benefits verification form
- Certification of completion from an engineer
- Flood insurance documentation, where applicable
- Final inspection and documentation

A final DOB review will be completed by the Subrecipient and verified by Sarasota County as part of the closeout process.

9. Appendix

9.1 Abbreviations and Definitions

Acquisition – The acquiring of real property, in whole or in part, by the recipient, or other public or private non-profit entity through purchase, long-term lease, donation, or otherwise for any public purpose, subject to the limitation of 24 CFR 570.207. Real property includes air rights, water rights, rights-of-way, easements, and other interests therein (24 CFR 570.201).

Allocable Costs – Costs assigned to a Community Development Block Grant-Disaster Recovery eligible activity with a methodology for clear determination of where to attribute costs.

Allowable Costs – Costs deemed allowable under the Community Development Block Grant-Disaster Recovery rules and regulations and 2 CFR 200 Subpart E.

Americans with Disabilities Act (ADA) – Effective July 20, 1990, a federal law which prohibits discrimination and ensures equal opportunity for persons with disabilities in employment, state and local government services, public accommodations, commercial facilities, and transportation. It also mandates the establishment of TDD/telephone relay services.

CFR: Code of Federal Regulations

Community Development Block Grant (CDBG) – Supports community development activities to build stronger and more resilient communities. To support community development, activities are identified through an ongoing process. Activities may address needs such as infrastructure, economic development projects, public facilities installation, community centers, housing rehabilitation, public services, clearance/acquisition, microenterprise assistance, code enforcement, homeowner assistance, etc.

Community Development Block Grant-Disaster Recovery (CDBG-DR) – The Community Development Block Grant Disaster Recovery Program, administered by the U.S. Department of Housing and Urban Development, as authorized under Title I of the Housing and Community Development Act of 1974, as amended. These funds are provided as a last resort to help cities, counties, and states to recover from Presidentially declared disasters.

Consolidated Notice – The U.S. Department of Housing and Urban Development’s Community Development Block Grant-Disaster Recovery Consolidated Notice, Appendix B of Federal Register Vol. 88, No. 96. The Consolidated Notice governs all Office of Long-Term Resiliency Community Development Block Grant-Disaster Recovery grants beginning with 2020 disasters and includes amended requirements from previous Federal Register Notices and Community Planning and Development Notices that have regulated Community Development Block Grant-Disaster Recovery funds in the past. The Consolidated

Notice includes waivers and alternative requirements, relevant regulatory requirements, the grant award process, criteria for action plan approval, and eligible disaster recovery activities.

Cost Reimbursement – Payment made to the subrecipient after a request for funds has been submitted along with proper supporting documentation and has been approved by Sarasota County. In Community Development Block Grant-Disaster Recovery subrecipient agreements, the subrecipients are required to pay in advance for all completed work that is associated with the deliverables set forth in the subrecipient agreement and is reimbursed based on the invoice and supporting documentation submitted to the Sarasota County.

Davis-Bacon and Related Acts (DBRA) – Federal law requiring contractors and subcontractors performing on federally funded or assisted contracts for the construction, alteration, or repair of public buildings or public works to pay their laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area.

Direct Cost – Any project cost or project delivery cost that is identified specifically with completing an activity or product such as materials and labor. Costs identified specifically within a contract are direct costs of that contract. Administrative expenses are not generally considered direct costs.

Disability – Federal nondiscrimination laws define a person with a disability to include any (1) individual with a physical or mental impairment that substantially limits one or more major life activities; (2) individual with a record of such impairment; or (3) individual who is regarded as having such an impairment consistent with federal law under The Social Security Act, as amended, 42 U.S.C. §423(d), The Americans with Disabilities Act of 1990, as amended, 42 U.S.C. §12102(1) -(3), and in accordance with the U.S. Department of Housing and Urban Development regulations at 24 CFR 5.403 and 891.505.

Disaster Recovery Grant Reporting (DRGR) System – The U.S Department of Housing and Urban Development’s web-based reporting and grants management system.

DRGR: Disaster Recovery and Grant Reporting System developed by HUD. It is primarily used by grantees to access grant funds and report performance accomplishments for grant-funded activities.

Duplication of Benefits (DOB) – When a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose within the same time period, and the total assistance received for that purpose is more than the total need for assistance.

Elderly—A person at least 62 years of age [24 CFR § 5.100].

Federal Register (FR) – The official journal of the Federal Government of the United States that contains government agency rules, proposed rules, and public notices issued by federal administrative agencies.

FEMA: Federal Emergency Management Agency

FFATA: Federal Funding Accountability and Transparency Act

Force Account Work - The use of a subrecipients own labor force to carry out a capital project. Force account work may consist of design, construction, refurbishment, inspection, and construction management activities, if eligible for reimbursement under the grant. Incremental labor costs from flagging protection, service diversions, or other activities directly related to the capital grant may also be defined as force account work. Documentation can include a force account plan for the work accomplished or planned, or any other documentation that reflects that in-house labor forces were "budgeted" to accomplish the work.

Grantee – As used in this document, the grantee is Sarasota County, Florida as recipient of Community Development Block Grant-Disaster Recovery funds from the U.S. Department of Housing and Urban Development.

Green Building Standards – All rehabilitation that meets the definition of substantial improvement, reconstruction, or new construction must meet an industry-recognized standard that has achieved certification under at least one of the following programs: (1) ENERGY STAR (Certified Homes or Multifamily High-Rise), (2) EPA Indoor Air Plus (Energy Star a prerequisite), (3) LEED (New Construction, Homes, Midrise, Existing Buildings Operations, and Maintenance, or Neighborhood Development), or (4) ICC–700 National Green Building Standard.

HCDA: Housing and Community Development Act of 1974, as amended

HUD: The United States Department of Housing and Urban Development

Indirect Cost – Any expense not directly identified with a cost objective, such as a specific project, facility, or function. Indirect costs include administration, personnel, and security costs.

Low Moderate Housing (LMH) –At least 51 percent of the units are occupied by Low-to-Moderate Income households.

LMI- Low to moderate income persons.

Project Delivery Cost – Costs used specifically to meet the requirements to complete a particular project, especially as it applies to meeting Community Development Block Grant requirements.

Project/Program/Activity – The housing, infrastructure, economic development, or planning endeavor undertaken by Sarasota County, the subgrantee and/or subrecipient using Community Development Block Grant-Disaster Recovery funds.

Quarterly Performance Report (QPR) – The Community Development Block Grant-Disaster Recovery Quarterly Performance Report that is required to be uploaded quarterly in the Disaster Recovery Grant Reporting system for the U.S. Department of Housing and Urban Development’s review of Sarasota County’s disaster recovery programs.

Reasonable Costs – Costs that do not exceed what a prudent person would incur under similar circumstances, as demonstrated by the market price for comparable goods and services. For contracted work, the Responsible Entity should conduct an independent cost estimate to establish cost reasonableness as outlined in 2 CFR Part 200.

Subsidized Loans – Loans, including forgivable loans, other than private loans. Both Small Business Administration and Federal Emergency Management Agency provide subsidized loans for disaster recovery.

Section 3 – Section 3 of the Housing and Urban Development Act of 1968, as amended, and the implementing regulations at 24 CFR Part 135 and 24 CFR Part 75, as applicable, relating to employment and other economic opportunities for low and very low-income persons.

Special Flood Hazard Area (SFHA) – Areas where the National Flood Insurance Program's (NFIP's) floodplain management regulations must be enforced, and the mandatory purchase of flood insurance applies.

Subcontract – A contract entered into by a subcontractor to furnish supplies or services for performance of a prime contract, or another subcontract. It includes, but is not limited to, purchase orders, and changes and modifications to purchase orders.

Subcontractor – Any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a subrecipient. As related to Section 3 of the of the Housing and Urban Development Act of 1968, as amended, any entity (other than a person who is an employee of the contractor) which has a contract with a contractor to undertake a portion of the contractor's obligation for the performance of work generated by the expenditure of Section 3 covered assistance or arising in connection with a Section 3 covered project.

Subrecipient –Eligible applicants under this program that is provided Community Development Block Grant-Disaster Recovery funds from Sarasota County to perform agreed upon eligible disaster recovery activities documented in a Subrecipient Agreement.

Subrecipient Agreement – An agreement between the Sarasota County and the subrecipient for the subrecipient to undertake activities using Community Development Block Grant- Disaster Recovery funds.

Uniform Relocation Assistance and Real Property Acquisition Act (URA) of 1970, as amended – A federal law that establishes minimum standards for federally funded programs and projects that require the acquisition of real property (real estate) or displace persons from their homes, businesses, or farms. The URA's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for federal or federally funded projects pursuant to 49 CFR Part 24 and applicable waivers provided in the

U.S. Department of Housing and Urban Development's Community Development Block Grant-Disaster Recovery Consolidated Notice, Appendix B of Federal Register Vol. 87, No. 23.

Waiver – A revision to the standard Community Development Block Grant-Disaster Recovery regulations, requirements, and activities, granted by the U.S. Department of Housing and Urban Development.

Sarasota County

Resilient SRQ

Community Development Block Grant-Disaster Recovery

Project Updates

Venice Theatre, Ekos at Arbor Park II, and Ekos Coconut

March 3, 2026

Steve Hyatt, Division Manager, Program Management Division

EXHIBIT
C



311
scgov.net/ResilientSRQ
ResilientSRQ@scgov.net



- Background on Resilient SRQ (CDBG-DR)
- Current Program Status
 - Funded Programs and Projects
- Hurricane Ian – Venice Theatre
 - Adjusted project scope, funds, and timeline.
- Hurricane Ian – Ekos at Arbor Park II
 - Status of agreement execution
- 2024 Storms – Ekos Cocoonut
 - Additional information received



Background

- Sarasota County is a direct recipient of (2) CDBG-DR allocations.
 - Hurricane Ian (2022) - \$201.5 million
 - 2024 Storms (2024) - \$210.0 million
- Fund may be utilized for unmet need recovery efforts, to include housing, infrastructure, affordable housing, public services, economic revitalization, planning, admin, etc.
- HUD has approved Sarasota County's (2) Action Plans and executed grant agreements with Sarasota County as the direct recipient (grantee).
 - All programs, for Ian and 2024 Storms, have launched and funds allocated.
- 6-year deadline to expend funds from grant agreement execution:
 - Hurricane Ian Deadline: February 28, 2030
 - 2024 Storms Deadline: June 29, 2031



- Housing Rehabilitation, Reconstruction, and Reimbursement Programs:
 - Hurricane Ian: 198 homeowners awarded (315 award agreements)
 - 161 homeowners pending award.
 - 2024 Storms: 226 homeowners in queue for eligibility / award.
- Infrastructure and Dredging Programs:
 - Hurricane Ian: 25 projects (\$76.9 million)
 - 2024 Storms: 13 projects (\$131.8 million)
- Multifamily Affordable Housing Programs:
 - Hurricane Ian: 10 projects (\$55.1 million)
 - 2024 Storms: 3 projects (\$26.9 million)



Status (cont.)

- Career Trades Training Program:
 - Hurricane Ian: 1 project (\$7.5 million)
- Voluntary Buyout Program:
 - Hurricane Ian: 3 projects (\$1.2 million)
- Total:
 - Program is or projecting to manage (585) individual homeowner sites and locations and (55) additional infrastructure-type projects (infrastructure, dredging, affordable housing, etc.)
 - Regular monitoring efforts are instituted by county staff to monitor progress, changing project conditions / statuses, advancing projects to meeting HUD timelines for expenditures, and adjustments to original, Board-awarded project applications.



Venice Theatre Project - Ian

- Hurricane Ian – Infrastructure and Public Facilities Program
 - February 4, 2024 – Competitive application period opens.
 - May 22, 2024 – Board awards funds to projects, not including Venice Theatre.
 - July 9, 2025 – With funds available to re-purpose, \$2M awarded to Venice Theatre.
 - Original application: \$6,000,000 requested for CDBG-DR.
- Project Scope – Venice Theatre Expansion of Raymond Center for Education
 - Second floor renovations, 2 hardened elevator towers, 7 classrooms, lobby, offices, conference room, recital/performance space with 125-seat capacity, hurricane impact windows and doors, wind mitigation system, etc.
 - Total project budget = \$9,983,854
 - Project to begin in Summer 2025 and end in March 2026.



- Current Status – Venice Theatre Expansion of Raymond Center for Education
 - Scope adjusted due to lowered CDBG-DR funds:
 - Elimination of the second-floor renovation, removal of hardened elevator towers, and lowered to 4 classrooms from 7 classrooms.
 - Project budget reduced from \$9,983,854 to \$4,942,733.
 - Donor funds available for project have since moved to Jervey Theatre.
 - Project has not commenced and will start after the Jervey Theatre is completed in Fall 2026.
 - Construction completion has shifted from March 2026 to February 2028.
- Staff activities have paused:
- The federal environmental review is no longer proceeding.
- A subrecipient agreement has not been executed.



Next Steps

To receive Board direction related to the subrecipient's adjusted project scope and funds, post-award.



Ekos at Arbor Park II - Ian

- Hurricane Ian – Multifamily Affordable Housing Program
 - March 20, 2024 – Competitive application period opens.
 - July 10, 2024 – Board awards funds to projects, include Ekos at Arbor Park II.
- Timeline – Ekos at Arbor Park II
 - September 17, 2024 – McDowell Housing Partners requests realignment of \$1,000,000 in CDBG-DR funds awarded from construction to property acquisition.
 - October 10, 2024 – Board approves the requested realignment of funds awarded from construction to property acquisition.
 - October 25, 2024 – County mobilizes its consultant team to conduct the federal environmental review, a requirement of all CDBG-DR funded projects.
 - January 29, 2025 – McDowell Housing Partners request adjusting the grant recipient to be Fairview Housing Partners, Inc. in order to loan the funds to the project.



Ekos at Arbor Park II – Ian (cont.)

- Timeline – Ekos at Arbor Park II (Cont.)
 - February 25, 2025 – Board approves the requested adjustment to the grant recipient identifying Fairview Housing Partners, Inc. as the subrecipient.
 - March 18, 2025 – County receives the authority to use grant funds for the Ekos at Arbor Park II project, providing environmental clearance for the project.
 - July 28, 2025 – McDowell Housing Partners request that the awarded grant recipient be the original applicant, McDowell Housing Partners in place of Fairview Housing.
 - February 6, 2026 – Senior lender declines acceptance of County’s proposed subordination agreement terms.



Ekos at Arbor Park II – Ian (cont.)

- Current Status – Ekos at Arbor Park II
 - Amongst (9) other Hurricane Ian multi-family affordable housing developers and subrecipients, staff have been negotiating and drafting agreement terms for the Ekos at Arbor Park II project - first with McDowell, then Fairview, now McDowell.
 - Of note, there are different agreement structures – a subrecipient agreement and/or developer agreement, and associated land use restriction agreements and subordination agreements (if applicable).
 - The property has since been purchased and acquired, financially closed, and construction is underway on the property.
 - Currently, there is no monthly reporting, draws, and public signage of the Board’s award of funding.
 - Final developer agreement, land use restriction agreement, and subordination agreement has been provided to McDowell Housing Partners and its lenders.
 - Senior lender has declined accepting the terms of a subordination agreement with Sarasota County and negotiations and agreement have stalled.



Next Steps

To receive Board direction related to the subrecipient's current project status and funding agreement terms.



- 2024 Storms – Multifamily Affordable Housing Program
 - September 15, 2025 – Competitive application period opens.
 - January 13, 2026 – Board awards funds to projects, not including Ekos Coconut project.
 - Board directed staff to work with the developer, McDowell Housing Partners, and City of Sarasota on the project’s viability if awarded the remain CDBG-DR funds, \$3,075,248.
- Timeline – Ekos Coconut
 - January 16, 2026 – Staff requested additional information in the subject areas of the status of the purchase of the property, additional project funds, and any updates to the proposed project scope since the original application submission.
 - January 30, 2026 – McDowell Housing Partners respond with requested information.
 - February 2, 2026 – Staff sent a follow-up email requesting additional information on the additional funds for the project and conceptual terms of an agreement, if moving forward.
 - February 6, 2026 – McDowell Housing Partners responds with requested information.



- Current Status – Ekos Coconut
 - Project affordable unit count is proposed to be reduced from 158 to 120 units from the original application for funding.
 - Purchase agreement with the property owner is in near-final form and currently undergoing final negotiations. An appraisal and market study has been provided.
 - Developer has requested a formal conditional award of CDBG-DR funds for 6 months to identify remaining funding sources (i.e. SAIL, LIHTC, Bonds, City of Sarasota funds, etc.) and for the County to initiate the required federal environmental review.
 - Developer desires the CDBG-DR funds, if awarded, go towards the property acquisition of the property with remaining non-CDBG-DR funds to go towards remain portion of property acquisition, design, construction, etc.



Next Steps

To receive Board direction related to this project, the information supplied, and tentative award of funds.



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Sarasota County

Resilient SRQ

Community Development Block Grant-Disaster Recovery

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Letter #1:

McDowell Housing Partners Request – Property Acquisition (1st Request)

(Approved by the Board on October 10, 2024)

**EXHIBIT
D**



September 17, 2024

Sarasota County Commissioners
1660 Ringling Blvd
Sarasota, FL 34236

RE: Ekos at Arbor Park II – Sarasota County CDBG-DR – Request for approval to reallocate funds to acquisition.

To Whom It May Concern:

MHP Arbor Park II, LLC (“Applicant”) submitted an application requesting \$1,000,000.00 in CDBG-DR from Sarasota County for Ekos at Arbor Park II (“Project”) located in North Port. In the application submittal, the Applicant erroneously indicated that the funding would be utilized for construction / hard costs.

We would like to formally request that the awarded funding be reallocated from construction / hard costs, to acquisition cost, as permitted under the CDBG regulations. This reallocation has no impact on the Project’s unit mix, construction type, design or project costs. By reallocating the funds to acquisition, Davis-Bacon requirements will not apply to the Project, which would otherwise have a material effect on the cost of the Project and the ability of the Project to find suitable and available subcontractors. The reallocated funds will be utilized for the land acquisition cost at closing.

Thank you very much for your consideration in this matter. Should you required additional information, or have any questions, please contact me at (786) 600-3690 or bivy@mcddhousing.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Brian Ivy", with a stylized flourish extending from the end.

Brian Ivy
EVP Development

Letter #2:

McDowell Housing Partners Request – Fairview Housing Awardee (2nd Request)

(Approved by the Board on February 25, 2025)



Steve Hyatt
Division Manager, Program Management Division
Office of Financial Management (OFM)
301 N. Cattlemen Road, Suite 200
Sarasota, FL 34232

January 29, 2025

Re: Ekos at Arbor Park II; CDBG-DR Award; Fairview Housing – Grant Recipient

Dear Steve,

Ekos at Arbor Park II is a proposed 66-unit affordable housing complex located at 1191 W Price Blvd in North Port, which will provide safe, clean and structurally resilient housing for families with household incomes ranging from 30%-70% of the local area median income (the “Project”). The Project will be financed by a combination of capital including, but not limited to, low-income housing tax credits (LIHTCs) and the County’s CDBG-DR grant funds (the “CDBG Grant”). Once municipal approvals are finalized and financing is closed, we expect construction of the Project to take approximately 18 months.

The County awarded a CDBG Grant to the Project in the amount of \$1,000,000. As discussed, grant funds have a material negative impact on LIHTC-financed projects due to the adverse tax consequences they create. We previously requested that the County consider changing the structure of the CDBG funds from a grant to a loan to alleviate the tax issues. The County informed us that it was unable to make that change. As an alternative, we are asking the County to consider granting the funds to a non-profit entity that can then lend the funds to the Project and negate the tax complications.

The grant-to-loan structure is commonly employed in the affordable housing industry and is used routinely across the country. For this Project we have selected Fairview Housing Partners Ltd. (“Fairview”) to serve as the non-profit grant recipient and are kindly requesting the County to approve the same.

This is the first transaction between McDowell Housing Partners and Fairview. Although our firms will be working together for the first time I have personally known and worked with Fairview’s Executive Director Thom Amdur in different capacities for the better part of a decade. Thom is one of the affordable housing industry’s most respected leaders and his advocacy at the state and national levels is admired throughout the industry. We are excited to be working with Thom and the entire Fairview team on this transformative project.

777 Brickell Avenue, Suite 1300, Miami, FL 33131
Tel. 786-584-2725
www.mcdhousing.com



We can assure the County that the inclusion of Fairview as the sub-recipient under the CDBG Grant will not change any aspect of the Project. The Project will yield the same number of units and serve the same population and income levels as originally intended. All development and construction timelines will also remain intact.

Please do not hesitate to reach out to me if you have any questions. Thank you for your continued support of the Project and for considering our request.

Sincerely,

A handwritten signature in black ink, appearing to read "B Ivy", written in a cursive style.

Brian Ivy
Executive Vice President of Development
McDowell Housing Partners

Letter #3:

McDowell Housing Partners – Revert Grant Awardee to McDowell



July 28, 2025

Steve Hyatt
Division Manager, Program Management Division
Office of Financial Management (OFM)
301 N. Cattlemen Road, Suite 200
Sarasota, FL 34232

Re: Ekos at Arbor Park II; CDBG-DR Award; Reversion from Loan to Grant Structure

Dear Steve,

Ekos at Arbor Park II is a proposed 66-unit affordable housing complex located at 1191 W Price Blvd in North Port, which will provide safe, clean and structurally resilient housing for families with household incomes ranging from 30%-70% of the local area median income (the "Project"). The Project will be financed by a combination of capital including, but not limited to, 9% low-income housing tax credits (LIHTCs) and the County's CDBG-DR grant funds (the "CDBG Grant"). Once municipal approvals are finalized and financing is closed, we expect construction of the Project to take approximately 18 months.

The County awarded a CDBG Grant to the Project in the amount of \$1,000,000. As discussed, grant funds are considered income/revenue and federal income taxes would be due by the LIHTC partnership as a result. This has a material negative impact on the LIHTC investor's rate of return which either lowers the price they are willing to pay for the LIHTCs or requires that they withdraw from the transaction altogether. We previously requested that the County consider changing the structure of the CDBG Grant funds from a grant to a pass-through loan structure with a qualified non-profit entity to alleviate these tax issues. The County was kind enough to make that change but has encountered challenges in producing the documentation.

We are hereby requesting a reversion back to the original direct grant which allows the County to use its preferred structure and make the CDBG Grant directly to the Project so that we can proceed to closing and commence construction. This is only possible now because of changes in federal tax law. The recently passed One Big Beautiful Bill Act reinstated 100% bonus depreciation for real estate assets, which allows this Project to offset the grant income (tax liability) generated by the CDBG Grant by applying more depreciable losses and thereby preserving the investor rate of return and the corresponding LIHTC tax equity pricing. *Please note this depreciation strategy is particular to this Project and may not be suitable for other projects receiving grants.*

Please reach out to us if you have any questions. Thank you for your continued support of the Project and for considering our request.

Sincerely,

A handwritten signature in black ink, appearing to read "B Ivy", written in a cursive style.

Brian Ivy
Executive Vice President of Development
McDowell Housing Partners

777 Brickell Avenue, Suite 1300, Miami, FL 33131
Tel. 786-584-2725
www.mcdhousing.com



Steve Hyatt
Division Manager, Program Management Division
Office of Financial Management (OFM)
301 N. Cattlemen Road, Suite 200
Sarasota, FL 34232

January 29, 2025

Re: Ekos at Arbor Park II; CDBG-DR Award; Fairview Housing – Grant Recipient

Dear Steve,

Ekos at Arbor Park II is a proposed 66-unit affordable housing complex located at 1191 W Price Blvd in North Port, which will provide safe, clean and structurally resilient housing for families with household incomes ranging from 30%-70% of the local area median income (the “Project”). The Project will be financed by a combination of capital including, but not limited to, low-income housing tax credits (LIHTCs) and the County’s CDBG-DR grant funds (the “CDBG Grant”). Once municipal approvals are finalized and financing is closed, we expect construction of the Project to take approximately 18 months.

The County awarded a CDBG Grant to the Project in the amount of \$1,000,000. As discussed, grant funds have a material negative impact on LIHTC-financed projects due to the adverse tax consequences they create. We previously requested that the County consider changing the structure of the CDBG funds from a grant to a loan to alleviate the tax issues. The County informed us that it was unable to make that change. As an alternative, we are asking the County to consider granting the funds to a non-profit entity that can then lend the funds to the Project and negate the tax complications.

The grant-to-loan structure is commonly employed in the affordable housing industry and is used routinely across the country. For this Project we have selected Fairview Housing Partners Ltd. (“Fairview”) to serve as the non-profit grant recipient and are kindly requesting the County to approve the same.

This is the first transaction between McDowell Housing Partners and Fairview. Although our firms will be working together for the first time I have personally known and worked with Fairview’s Executive Director Thom Amdur in different capacities for the better part of a decade. Thom is one of the affordable housing industry’s most respected leaders and his advocacy at the state and national levels is admired throughout the industry. We are excited to be working with Thom and the entire Fairview team on this transformative project.



We can assure the County that the inclusion of Fairview as the sub-recipient under the CDBG Grant will not change any aspect of the Project. The Project will yield the same number of units and serve the same population and income levels as originally intended. All development and construction timelines will also remain intact.

Please do not hesitate to reach out to me if you have any questions. Thank you for your continued support of the Project and for considering our request.

Sincerely,

A handwritten signature in black ink, appearing to read "B Ivy", written in a cursive style.

Brian Ivy
Executive Vice President of Development
McDowell Housing Partners

Sarasota County
Resilient SRQ
Community Development Block Grant-Disaster Recovery

June 26, 2025

MHP Arbor Park II, LLC
c/o McDowell Housing Partners
Attn: Eduardo Teran
777 Brickell Avenue, Suite 1300
Miami, FL 33131

RE: Confirmation of CDBG-DR Commitment – Ekos at Arbor Park II

To McDowell Housing Partners:

This letter confirms that the Sarasota County Board of County Commissioners, through its Resilient SRQ program, has conditionally awarded \$1,000,000 in Community Development Block Grant – Disaster Recovery (CDBG-DR) funds for the Ekos at Arbor Park II multifamily affordable housing project, as communicated in that certain original Award Letter to McDowell Housing Partners (MHP) dated July 18, 2024 (attached hereto as Exhibit A), as updated by that certain Award Letter to Fairview Housing Partners dated March 3, 2025 (attached hereto as Exhibit B).

We understand that MHP Arbor Park II, LLC and its designated nonprofit subrecipient, Fairview Housing Partners, have agreed to terms for the CDBG-DR award and are preparing final loan documents between these parties. Sarasota County staff are diligently working to finalize the County's Subrecipient Agreement to be entered into with Fairview Housing Partners, but it will not be available for the project's scheduled closing date.

In recognition of this timing, Sarasota County can confirm for the comfort of your funding partners the following:

- The County remains committed to providing the awarded CDBG-DR funding for the project through Fairview Housing Partners, LTD contingent upon full compliance with all federal, state, and local program requirements and the successful execution of the Subrecipient Agreement.
- The funds for the CDBG-DR funding are specifically earmarked and appropriated for Ekos at Arbor Park II and will be available for distribution to the project as soon as the Subrecipient Agreement is finalized and executed and the draw process is completed.
- Sarasota County has no objection to MHP Arbor Park II, LLC proceeding to close its other project funding sources (including senior debt and equity investment) prior to execution of the Subrecipient Agreement understanding that MHP Arbor Park II, LLC, bears all risk of the continued retention of the award of funds if the closing requirements are later determined to conflict with federal requirements of the CDBG-DR funds.
- We acknowledge that the project has received its HUD environmental clearance, and therefore the project may proceed with choice-limiting actions in compliance with federal requirements.

**EXHIBIT
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- The County and Resilient SRQ staff will continue to work closely with Fairview Housing Partners to complete all necessary agreements and documentation to facilitate timely disbursement of the CDBG-DR funds in accordance with program rules.

We appreciate your partnership and commitment to expanding resilient and affordable housing in Sarasota County and look forward to continuing our collaboration to bring Ekos at Arbor Park II to fruition.

Should you have any questions, please do not hesitate to contact Wendi Bellows att wbellows@scgov.net or (941) 218-0372.

Sincerely,

Steve Hyatt
Digitally signed by Steve Hyatt
Date: 2025.06.26 12:51:17
-04'00'

Steve Hyatt, MBA, CPM
Division Manager, Program Management Division,
Office of Financial Management (OFM)
301 N. Cattlemen Road, Suite 200, Sarasota, FL 34232

cc:

- Justin Walker, Fairview Housing Partners
- Brian Ivy, McDowell Housing Partners
- Andrew Baker, McDowell Housing Partners
- Chris Shear, McDowell Housing Partners
- Nancy DeLoach, Resilient SRQ
- Kinsey Patel, Resilient SRQ
- Andrea Frate, Resilient SRQ
- Wendi Bellows, Resilient SRQ

Eduardo Teran

From: Wendi Bellows <wbellows@scgov.net>
Sent: Friday, July 18, 2025 9:01 AM
To: Eduardo Teran; Brian Ivy; Andrew Baker; Henry Phillips
Cc: Steve Hyatt; Kinsey Patel; Andrea Frate; Nancy DeLoach
Subject: RE: Ekos at Arbor Park II - Template Subrecipient agmnt for Grant
Attachments: multifamily developer agreement_template - Final.pdf; LURA_template - Final.pdf

Eduardo,

I spoke with our team, and we would be interested in this approach. We can work through the specifics on the milestone payments in 2026.

Please find attached the general templates that we use for the Developer Agreement and the LURA. If this is something that your team agrees with, we will fill it in with your specific project information and send it back to be signed.

Wendi Bellows

Multifamily Affordable Housing Coordinator | Resilient SRQ
Sarasota County Government
301 N. Cattlemen Rd. Suite 200 Sarasota, FL 34232
Cell: (941) 218-0372
Email: wbellows@scgov.net
Web: www.resilientsrq.net

Sarasota County
Resilient SRQ
Community Development Block Grant-Disaster Recovery

All email sent to and from Sarasota County Government is subject to the public record laws of the State of Florida.

From: Eduardo Teran <eteran@mcdhousing.com>
Sent: Friday, July 18, 2025 6:48 AM
To: Wendi Bellows <wbellows@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>
Subject: Re: Ekos at Arbor Park II - Template Subrecipient agmnt for Grant

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Hey Wendi,

EXHIBIT
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Thanks for your time discussing the Ekos at Arbor Park II Project. To further elaborate on the question, I posed to you yesterday:

After internal discussions and in light of certain changes in federal tax law, we are exploring the possibility of reverting the funds back to their originally awarded structure—as a grant rather than a loan.

That said, one of our primary concerns is the timing of the formal “award” and receipt of funds. Specifically, we would need to structure disbursement in a way that would allow us to receive the funds in calendar year 2026. This would allow us to better manage the tax implications associated with the grant. We would appreciate your input and support on structuring mechanisms that could support this objective.

One concept we are proposing is tying disbursement of the funds to a project milestone, such as reaching 50% construction completion or another meaningful threshold that could trigger the drawdown in 2026.

Please note: we remain committed to using the funds strictly for acquisition, as originally contemplated. We will coordinate internally on how to bridge timing from a cash flow and closing perspective. We’d welcome a brief conversation or your initial thoughts on potential paths forward that satisfy both compliance requirements and timing needs.

Let me know if you or your team have any questions regarding the above.

Thank you,

Eduardo Teran

Director of Development

McDowell Housing Partners

777 Brickell Avenue, Suite 1300 | Miami, FL 33131

Office: (786) 604-2797 | Cell: (202) 262-7690

www.mcdhousing.com

From: Eduardo Teran <eteran@mcdhousing.com>

Sent: Thursday, July 17, 2025 2:41:29 PM

To: Wendi Bellows <wbellows@scgov.net>

Subject: RE: Ekos at Arbor Park II - Template Subrecipient agmnt for Grant

Yes please, the one we would use if we were to revert back to the grant structure

Thanks!

Eduardo Teran

Director of Development
McDowell Housing Partners
777 Brickell Avenue, Suite 1300 | Miami, FL 33131
Office: (786) 604-2797 | Cell: (202) 262-7690
www.mcdhousing.com



From: Wendi Bellows <wbellows@scgov.net>
Sent: Thursday, July 17, 2025 2:14 PM
To: Eduardo Teran <eteran@mcdhousing.com>
Subject: RE: Ekos at Arbor Park II - Template Subrecipient agmnt for Grant

We do not yet have a working template for the Subrecipient Agreement with Fairview. Are you wanting to see the template for the Developer Agreement that McDowell and the County would enter into if you were not working with Fairview?

From: Eduardo Teran <eteran@mcdhousing.com>
Sent: Thursday, July 17, 2025 1:16 PM
To: Wendi Bellows <wbellows@scgov.net>
Subject: Ekos at Arbor Park II - Template Subrecipient agmnt for Grant

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Hey Wendi,

Can you send me the template for the Grant subrecipient agreement that you all have on file, I want to review it with my team. We haven't made any decisions but working in the background to see how we can get this across the finish line,

Thank you,

Eduardo Teran
Director of Development
McDowell Housing Partners
777 Brickell Avenue, Suite 1300 | Miami, FL 33131
Office: (786) 604-2797 | Cell: (202) 262-7690
www.mcdhousing.com





Eduardo Teran

From: Brian Ivy
Sent: Wednesday, August 13, 2025 12:53 PM
To: Wendi Bellows; Eduardo Teran
Cc: Lloyd Burman; Andrew Baker; McKinney, Emily; Chris Shear; Henry Phillips; Kinsey Patel; Nancy DeLoach; Steve Hyatt; Andrea Frate
Subject: RE: Ekos at Arbor Park II - Developer Agreement
Attachments: Comments - CDBG-DR Developer Agreement Ekos at Arbor Park II - Final 4910-9606-9726 v.1.docx; Comments Ekos at Arbor Park II LURA - Final 4913-6267-0430 v.1.docx

Hi Wendi,

Thanks so much for the updated CDBG documents. The MHP team is generally all set (we have a couple factual cleanups), but we received a few substantive comments from our investor and lender. Please see the attached documents.

As you'll see the substantive comments can be summarized as follows:

1. There's concern that the default/recapture provisions are drafted in a way that even if one unit unintentionally violates income compliance it would trigger a recapture. Our financing partners want to make sure that if a compliance mistake is made, we have a reasonable right to cure.
2. Our lenders are looking for assurance that if the property fails and is foreclosed upon, the CDBG LURA (inclusive of the affordability restrictions) will terminate. Most LURAs that we enter in to have this provision. It's standard for the industry and lenders generally rely on it to restructure the property in the unlikely event of a catastrophic failure. (As a point of context, we just closed a CDBG project in Lee County that included this language.)

And one question:

1. Why is the LURA running to Arbor Land, LLC initially and not to MHP Arbor Park II, LLC? We expect the LURA to be recorded along with all the other closing transaction documents, which occurs when MHP Arbor Park II, LLC is the new landowner.

I'll give you a call to discuss.

Thanks!

From: Wendi Bellows <wbellows@scgov.net>
Sent: Monday, August 11, 2025 11:36 AM
To: Eduardo Teran <eteran@mcdhousing.com>; Brian Ivy <bivy@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt

EXHIBIT
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Eduardo Teran

From: Steve Hyatt <shyatt@scgov.net>
Sent: Thursday, September 4, 2025 1:24 PM
To: Chris Shear; Wendi Bellows
Cc: Lloyd Burman; Andrew Baker; McKinney, Emily; Henry Phillips; Kinsey Patel; Nancy DeLoach; Andrea Frate; Brian Ivy; Eduardo Teran; McKinney, Emily
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Hi Chris,

I appreciate the update, and I believe we need to remain cognizant of the circumstances surrounding this deal and requested alterations, some of which is adjusting our legal's agreed upon templated language to meet your project's requirements. Unfortunately, when these occur or are requested, they are admittedly not as well-versed in the nuances of these deals so changes can sometimes be difficult to convey and agree to, even from my staff and myself. Factor in that we will have +10 agreements, all potentially different in some way, creates challenges for administering the funds and programs.

Underlying some of the timeliness I know is our CDBG-DR program issuance of reimbursement grants over loans, which decisions factored in the provision of this financial support for other, smaller non-LIHTC-funded projects in our community – there remains ample interest from other developers and non-profits for these funds in a reimbursement context so hopefully that is understood. You may, however, be more interested in our SHIP-loans for multi-housing development if there's interest here in Sarasota – just let me know.

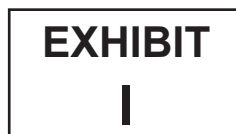
Overall, as it relates to the pressing concerns before you and your lenders, we agree to and plan to incorporate the subordination provisions, which are common and understood amongst these deals. From experience, the language itself in a LURA has been enough to satisfy other deals without the follow-up subordination agreement (even though it has been acknowledged of its potential but never requested) but I also know this is common as well. You can convey this acknowledgment and acceptance (in concept) to your lenders.

Your agreement is nearly to me for a final review and issuance – this is where the subordination language was to come in so this is timely in its provision of language as we were to propose our own based on other deals. If you can share with me some dates and time this next week to discuss your project, the anticipated final developer agreement and/or LURA for execution, and any of your other concerns, please let me know and we will setup something.

Thank you.

Steve Hyatt, MBA, CPM

Division Manager, Program Management Division
Office of Financial Management (OFM)
301 N. Cattlemen Road, Suite 200, Sarasota, FL 34232
Cell: 941-315-5187
Email: shyatt@scgov.net
Web: www.scgov.net/ResilientSRQ
Web: www.scgov.net/ARPA



From: Chris Shear <cshear@mcdhousing.com>
Sent: Thursday, September 4, 2025 12:44 PM
To: Wendi Bellows <wbellows@scgov.net>; Steve Hyatt <shyatt@scgov.net>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Eduardo Teran <eteran@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>
Subject: RE: Ekos at Arbor Park II - Developer Agreement
Importance: High

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Steve, Wendi, and Team,

I hope you're all having a good week. I'm reaching out with an urgent request. We are ready to close the Ekos at Arbor Park II financing, but we cannot proceed until we have, at minimum, clear agreement in concept with the County on the **Developer Agreement** and **LURA**.

Timeline recap (for clarity):

- **8/11/2025:** County sent drafts of the Developer Agreement and LURA.
- **8/13/2025:** We returned comments. We were told to expect a ~2-week turn.
- We are now **over three weeks** beyond that estimate.

Our lenders and investors are otherwise prepared to close. Their primary substantive issue was whether the covenant terminates upon foreclosure. We understand from Wendi (WE spoke at the Florida Housing Coalition conference last week) that **termination will not be accepted** and that the drafts may still require multiple internal reviews (and possibly the County Attorney, which Wendi indicated could take up to month to coordinate with). We've conveyed the County's position to the senior lenders/investors. **They are comfortable proceeding** so long as the **LURA/County restrictions are expressly subordinated to the senior permanent loan (Freddie Mac)** at conversion.

To expedite, we provided **Freddie Mac's template subordination agreement** and aligned all parties on the following pragmatic path:

1. Include a concise **subordination acknowledgment** now (in the LURA and/or Developer Agreement), and
2. Execute the **full Freddie Mac subordination form** at the time of permanent loan conversion.

Below is language we have used in other CDBG-DR contexts that would satisfy lender requirements and allow us to close construction financing now:

Proposed Subordination Acknowledgment (for LURA and/or Developer Agreement)

*"County acknowledges that the Developer intends to obtain a senior **permanent** mortgage loan to be purchased or securitized by **Freddie Mac** (the "Senior Permanent Loan"). County agrees that, as a condition to the Senior Permanent Loan at the time of conversion from construction to permanent*

From: Eduardo Teran <eteran@mcdhousing.com>
Sent on: Friday, February 27, 2026 5:41:22 PM
To: Chris Shear <cshear@mcdhousing.com>; Brian Ivy <bivy@mcdhousing.com>
CC: Lloyd Burman <lburman@mcdhousing.com>
Subject: RE: Ekos at Arbor Park II - BOCC Information for Meeting
Attachments: Sarasota County Letter - Confirmation of CDBG-DR Commitment - Ekos at Arbor Park II - 6.26.25.pdf (286.89 KB), Ekos at Arbor Park II - Correspondence for Subrecipient Change Post OBBB.pdf (211.96 KB), Ekos at Arbor Park II - SRQ email indicating Subordination agreements are common.pdf (164.4 KB), Ekos at Arbor Park II - SRQ email indicating Subordination agreements are common.pdf (164.4 KB), Ekos at Arbor Park II - Email indicating MHP is outlining Lenders requirements on LURA in event of foreclosure.pdf (105.75 KB), RE Ekos at Arbor Park II - Developer Agreement.msg (737.5 KB)

Chris,

Below and attached are the corrections/additional information requested. Update notes in GREEN. Brian brought up a very good point that our 8/13 that outlines the lenders stance regarding the very issue that is open today [wiping out the LURA/affordability provisions]. This issue being critically important to them did not arise until we finally got on the phone with CAO.

Regarding the final documents we provided to them was on 9/25 – Basically these are the docs in final form MINUS the items that the were listed in the email attached that were lender/investor comments which we later made [lender and investor] in an effort to get these across the finish line. We never got an updated turn of docs as the conversation evolved into focusing on the Subordination agreement.

We just also got confirmation from Colin at Truist that they got credit approval on being able to forego the Subordination agreement as a construction lender. So basically, we would execute docs with subordination covenant in the LURA. At conversion we would have them review and execute the Freddie Mac subordination agreement, which per conversations with Shahr, Freddie has started accepting letting affordability provisions survive foreclosure (@Brian Ivy please elaborate if I am relaying any of this portion incorrectly please, that is my understanding of where we landed with her).

Thank you,

Eduardo Teran

Director of Development

McDowell Housing Partners

777 Brickell Avenue, Suite 1300 | Miami, FL 33131

Office: (786) 604-2797 | Cell: (202) 262-7690

www.mcdhousing.com



From: Chris Shear <cshear@mcdhousing.com>
Sent: Friday, February 27, 2026 9:44 AM
To: Eduardo Teran <eteran@mcdhousing.com>
Subject: RE: Ekos at Arbor Park II - BOCC Information for Meeting

EXHIBIT

J

Thank you. I've added a couple of additional points.

Chris Shear

President

McDowell Housing Partners

777 Brickell Ave, Suite 1300, Miami, FL 33131

Direct (786)577-9837 | Cell (773)981-1817

www.mcdhousing.com



From: Eduardo Teran <eteran@mcdhousing.com>

Sent: Friday, February 27, 2026 8:57 AM

To: Chris Shear <cshear@mcdhousing.com>; Brian Ivy <bivy@mcdhousing.com>

Subject: Ekos at Arbor Park II - BOCC Information for Meeting

Team,

Per our discussion yesterday, find below and attached the following items:

1. SRQ Action Plan and pertinent Timelines
2. Documents received from SS County and any timing commitments mandated by SRQ
3. Revised timeline of processes, note that the BLACK is what SRQ added on the BOCC meeting agenda, the RED is my infill to give additional context.
4. Current Status – this is what SRQ added to the BOCC meeting agenda, adding for your reference
5. Upcoming meeting agenda with snippets of items pertaining Arbor/Cocoanut.

SRQ Action Plan

1. 4.3.4.1.2 – Program Estimated beginning and end date – "... “The program will end when all funds have been expended and all eligible participants have completed closeout, or 6 years after execution of grant agreement with HUD”.
 - a. We are still in compliance.

Documents Received from SRQ and Commitments

- Arbor Park II - SRQ Document Commitments
 - 07/18/2024 - Notice of Conditional Award
 - All additional sources of funding necessary must be secured by 12/31/2025.
 - 03/03/2025 - Conditional award to provide funds to Fairview
 - All additional sources of funding necessary must be secured by 12/31/2025.
 - 06/26/2025 - Confirmation from County that they were "diligently working to finalize County's subrecipient agreement" but could confirm for the comfort of our funding partners - County remains committed to fund the CDBG-DR Funds [Attaching Letter from SRQ highlighting the County's Commitment on Closing the loan](#)

Timeline

- March 20, 2024 – Competitive application period opens.
- July 10, 2024 – Board awards funds to projects, include Ekos at Arbor Park II.
- September 17, 2024 – McDowell Housing Partners requests realignment of \$1,000,000 in CDBG-DR funds awarded from construction to property acquisition.
- October 10, 2024 – Board approves the requested realignment of funds awarded from construction to property acquisition.

- October 25, 2024 – County mobilizes its consultant team to conduct the federal environmental review, requirement of all CDBG-DR funded projects.
- January 29, 2025 – McDowell Housing Partners request adjusting the grant recipient to be Fairview Housing Partners, Inc. in order to loan the funds to the project. **If the funds are granted directly into a project (i.e. grant made to the partnership/project owner) it creates a tax liability for the tax credit investor and results in lower tax credit pricing, effectively diluting the price the investor pays for the tax credit.**
- February 25, 2025 – Board approves the requested adjustment to the grant recipient identifying Fairview Housing Partners, Inc. as the subrecipient.
- March 18, 2025 – County receives the authority to use grant funds for the Ekos at Arbor Park II project, providing environmental clearance for the project.
 - July 18, 2025 - MHP Verbal Request to SRQ to change back to Grant [Attaching correspondence Ref Ekos at Arbor Park II - Correspondence for Subrecipient Change Post OBBB.pdf on 7/17, Wendi Bellows indicated they do not have Subrecipient agreement for Fairview yet, on 7/18 we provided context on why we were proposing this change and they replied indicating their team would be interested in this change]
 - a. **This was requested due to the ONE BIG BEAUTIFUL BILL whereby the negative tax consequence to the tax credit investor noted above was relieved with the change of federal law. In addition, at this point, 4 months had passed and we were still being told that “There was no projected timeline” to finalize the Fairview agreements, despite us having completed negotiated docs with Fairview. This was a solution to expedite the process.**
- July 28, 2025 – McDowell Housing Partners request that the awarded grant recipient be the original applicant, McDowell Housing Partners in place of Fairview Housing.
 - Aug 11, 2025 - Project Specific Dev Agreement and LURA provided to MHP for review.
 - Aug 13, 2025 - MHP Reviews and provides redlines on Dev Agmt and LURA. The Dev Agreement and LURA from 8/11 were the ones that were turned with redlines. **We included clear communication that the lender was concerned about and wanted the LURA (and its affordability covenants) to terminate upon a foreclosure which is the very issue that is still open today.** Through all the correspondence that occurred regarding subordination agreement, this being the root issue for SS County did not come up until our 1/30 call with the County Attorneys office.
 - August 22, 2025 -
 - MHP emailed SRQ indicated **that per discussions, we are on same page about closing other sources prior to SS SRQ closing.** The intent of the email was to ensure the period of performance was in line with what we were proceeding with. SRQ clarified and we got aligned.
 - MHP emailed SRQ indicating that we had a Freddie Mac forward commitment we indicated that they may require the loan to be subordinated to their mortgage, we provided the subordination agreement for their review.
 - September 4, 2025 -
 - MHP emailed SRQ indicating we want to push to closing and we have been waiting for over 3 weeks for a returned Dev agmt and lura (After we provided our feedback on 8/13/25). MHP further provided a note indicating that the senior lender would be comfortable with proceeding as long as the dev agreement/lura indicated intent to subordinate SRQs grant to senior loans. We asked for a call with all parties to come to an agreement.
 - **SRQ replied indicating that they understand this is common and understood and they agree to incorporate a subordination provision, and indicating that Dev agmt and Lura were in final reviews. [Attaching email ref Ekos at Arbor Park II - SRQ email indicating Subordination agreements are common.pdf it indicates “Overall, as it relates to the pressing concerns before you and your lenders, we agree to and plan to incorporate the subordination provisions, which are common and understood amongst these deals. From experience, the language itself in a LURA has been enough to satisfy other deals without the follow-up subordination agreement (even though it has been acknowledged of its potential but never requested) but I also know this is common as well. You can convey this acknowledgment and acceptance (in concept) to your lenders. “]**
 - September 5, 2025 - SRQ provides reviewed Dev agmt and Lura with subordination clause.

- **September 11, 2025 - Project Closes with other financing partners in order to maintain original timelines provided to SRQ. In the understanding that the CDBG-DR loan would close at a later date. MHP funded the \$1M directly into the development in good faith to bridge the subsequent closing of the CDBG-DR grant. This was only done on the fact that we had in multiple communications that the County remained committed to closing on the funds.**
- September 25, 2025 -
 - MHP emailed SRQ we are signed off on docs and awaiting approval from our financing partners. SRQ replied.
 - MHP followed up indicating final financing partners comments on Dev agmnt and Lura. MHP relayed that the construction lender requested the Subordination and standstill agreement (based on Freddie Macs forms used for governmental lenders) and provided it to SRQ.
- September 29, 2025 -
 - SRQ replies and indicated some of these comments were provided previously and not accepted. Indicating that the agreements sent on 9/5 had incorporated what the county agreed with. They requested a decision on execution within the week.
 - MHP replied and asked if Subordination agreement had been reviewed. MHP requested a call between all parties to get to conclusion.
- **September 29, 2025 - Project Commences Construction.**
- September 30, 2025 - SRQ replied indicating they may consider entering into subordination agreement.
- **October 8, 2025 - MHP emailed SRQ indicating we would be able to executed CDBG docs in their current form, we would just need the following items satisfied: 1) Corrected recitals in agreements. 2) Comments to Subordination agreement. We requested these to be sent as soon as available. [Attached, Ref Ekos at Arbor Park II - MHP Indicates we are ready to sign off on docs.pdf]**
- October 30, 2025 - SRQ reached out and indicated that as a condition of this award that all additional funding necessary to complete the proposed project must be secured by 12/31/25 and asked if we would be on track for this. MHP responded in confirmation. We asked for an update on the estimated timeframe of Subordination agreement review and receipt.
- December 4, 2025 - SRQ sent preliminary comments on subordination agreement "But needed additional time to finalize those terms". Indicating that we would need to execute Dev agreement and Lura in the meantime.
 - **NOTE - SRQ had Subordination agreement since SEPT 25th, over 2 months.**
 - Over December and early January - MHP was having discussions with financing partners and their counsel to get to a resolution on subordination agreement.
- January 16, 2026 - Drew Gandy (Lender's counsel) provided comments to subordination agreement and requested to jump on a call to review.
- January 30, 2026 - Call occurred with county and it was agreed upon that the county's main concern is the affordability covenant being wiped out at foreclosure. Outcome of that meeting is MHP was to work with lenders and see if there is any way the affordability provision could be kept at foreclosure.
 - **Since Jan 30 - MHP has been working with Truist to be able to keep the provision. As of 2/27/2026 - Truist has received sign off from Equity partner and is awaiting final sign offs from Construction lender.**
- February 6, 2026 – Senior lender declines acceptance of County's proposed subordination agreement terms.

Current Status

- Amongst (9) other Hurricane Ian multi-family affordable housing developers and subrecipients, staff have been negotiating and drafting agreement terms for the Ekos at Arbor Park II project - first with McDowell, then Fairview, now McDowell.
 - Of note, there are different agreement structures – a subrecipient agreement and/or developer agreement, and associated land use restriction agreements and subordination agreements (if applicable).
- The property has since been purchased and acquired, financially closed, and construction is underway on the property.

- Currently, there is no monthly reporting, draws, and public signage of the Board's award of funding.
- Final developer agreement, land use restriction agreement, and subordination agreement has been provided to McDowell Housing Partners and its lenders.
- Senior lender has declined accepting the terms of a subordination agreement with Sarasota County and negotiations and agreement have stalled.

Thank you,

Eduardo Teran

Director of Development

McDowell Housing Partners

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Office: (786) 604-2797 | Cell: (202) 262-7690

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From: Brian Ivy <bivy@mcdhousing.com>
Sent on: Thursday, September 25, 2025 6:41:48 PM
To: Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>
CC: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Steve Hyatt <shyatt@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>
Subject: RE: Ekos at Arbor Park II - Developer Agreement
Attachments: CDBG-DR Developer Agreement Ekos at Arbor Park II - 9.5.25 (Investor Coments).docx (160.24 KB), Ekos at Arbor Park II LURA - 9.5.25 (Investor Comments).docx (70.18 KB), Standstill Agreement - CDBG Sarasota County (Arbor Park II)(527535692.2).docx (42.03 KB)

Hi Kinsey and Wendi,

We were able to track down responses from investor and construction lender counsel. Below are the investor's comments. I went ahead and dropped them into the attached agreements as tracked changes so you can see them incorporated into the drafts. Please note that the comments are basically the same as previously provided. The investor is generally concerned with cure rights and notice as you can see:

Development Agreement:

- MHP Arbor Park II is not wholly owned by McDowell. This needs to be updated globally.
- Article VI, A: The language currently reads that the County can require repayment for "events that may include, but not be limited to the following." This essentially reads that the County could require repayment of the Grant for any reason. We need this narrowed down to a specified list of default events.
- Article VII: Please delete "(but are not limited to)". As noted above, we need to know what the possible default scenarios are.
- Article VII.C, viii: Please delete or limit to the general partner entity. The Investor cannot agree to be jointly and severally liable with the General Partner.
- Article XI: Please provide notices to the Investor. The Investor has significantly capital in the transaction and needs to be made aware of potential defaults that could jeopardize its investment.

CDBG LURC:

- MHP Arbor II is not wholly owned by McDowell. Please update.
- Section 14: The Investor needs to have notice and cure rights to protect its Investment in the Project. As a reminder the Investor is contributing significantly more capital then the County and is not benefiting from the subordination agreement that the lenders receive.
- Section 15: This section reads that if any unit has a tenant which over income the full amount of the CDBG funds can be recaptured. There needs to be some mechanism to cure this via the next available unit rule or a minimum unit percentage below 100%.

The construction lender requested that the County enter into the attached Subordination and Standstill Agreement. It is based on the standard Freddie Mac form used for governmental lenders.

If there's any comments or documents that you cannot accept, please provide your availability for a call. It would be best to hash out these remaining items with a discussion.

Thanks!

EXHIBIT
K

Brian Ivy

Executive Vice President of Development

McDowell Housing Partners

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From: Kinsey Patel <kpatel@scgov.net>**Sent:** Thursday, September 25, 2025 8:34 AM**To:** Brian Ivy <bivy@mcdhousing.com>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>**Cc:** Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Steve Hyatt <shyatt@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>**Subject:** Re: Ekos at Arbor Park II - Developer Agreement

Thank you Brian. Eventually, we will need the closing documents for the reimbursement but not at this time. If it is not updated in the property appraiser, by the time you're able to provide a response, then please also include the deed so we can make sure we have everything correct on the land use restriction agreement.

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From: Brian Ivy <bivy@mcdhousing.com>**Sent:** Thursday, September 25, 2025 8:24:13 AM**To:** Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>**Cc:** Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Steve Hyatt <shyatt@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>**Subject:** RE: Ekos at Arbor Park II - Developer Agreement

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Hi Kinsey,

Thank you for following up with us. Yes, we here at MHP are all signed off on the docs. We appreciate you addressing our major concerns, and as far as we're concerned, we're all set. We are still, however, trying to obtain sign off from our financing partners. Most of our investor's comments (which were pertaining to notice provisions and cure rights) were not accepted in the last draft, so we're pushing them to either sign off as-is or provide a response asap. We hope to have their direction shortly.

The land closing occurred on 9/11. We can check with our title company to see if they know when the transfer is likely to appear in the land records. In the interim, we'd be happy to provide a copy of the deed if that would be helpful. Let me know.

We're pushing as hard as we can to get this to a conclusion. We appreciate all of yours, Wendi's and Steve's help. We'll revert as soon as we can.

From: Kinsey Patel <kpatel@scgov.net>
Sent: Thursday, September 25, 2025 7:00 AM
To: Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Good morning,

The developer agreement and LURA were provided to you on 9/5 in final form, including the requested subordination language. It sounds like construction is starting within the next week and we don't have an executed agreement or any hard date on when it will be signed by your team. There was one clarification regarding the schedule in the agreement to confirm, but otherwise the agreements are ready for signature. As of this morning, we also note that Arbor Land LLC is still listed as the property owner. Can you confirm when this might be updated to reflect the closing that occurred, this will help determine when you can sign the LURA. We are looking to proceed with execution and begin routing for our internal approvals. As Steve mentioned in his email, the language we included has worked in past agreements with similar funding sources, so we're hopeful that we are close to receiving the signed documents from your team. Please provide an update and timeframe on when we can expect to hear from you.

Kinsey

From: Eduardo Teran <eteran@mcdhousing.com>
Sent: Monday, September 22, 2025 9:22 AM
To: Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Good Morning Wendi,

Hope you're doing well. We closed with our other financing sources on 9/11, and now that closing has occurred, we've been pushing financing partners and their counsel to review the latest agreement and provide feedback. Our goal is to work through the open comments and establish the best path to finalize docs.

We're eager to get this across the finish line but will need a little more time to turn it around, I will provide an update to the team in the next ~2-3 business days.

Thank you for your patience and support,

Eduardo Teran
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From: Wendi Bellows <wbellows@scgov.net>
Sent: Monday, September 22, 2025 9:12 AM
To: Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Good morning and Happy Monday to all!

I am just following up with you on the Developer Agreement and LURA.

When I last spoke with Eduardo, he indicated that you would have these documents reviewed and back to us by end of week last week. As that time has passed, please let us know your timeline for getting the agreement reviewed and back to us.

Wendi Bellows

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From: Wendi Bellows <wbellows@scgov.net>
Sent: Friday, September 5, 2025 12:24 PM
To: Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Dear Chris and Ekos at Arbor Park II Team,

Please find attached the Developer Agreement and LURA with a few comments in both documents that will need to be addressed before executing.

Please note that:

- Both the **Agreement and LURA will be executed after closing** and MHP Arbor Park II is recorded as the owner with the Property Appraiser. Otherwise, the LURA will need to be with the current owner and amended later.
- The **Subordination clause** has been added as #12 in the LURA.

Wendi Bellows

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Sarasota County

Resilient SRQ

Community Development Block Grant-Disaster Recovery

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From: Chris Shear <cshear@mcdhousing.com>

Sent: Thursday, September 4, 2025 4:01 PM

To: Steve Hyatt <shyatt@scgov.net>; Wendi Bellows <wbellows@scgov.net>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Eduardo Teran <eteran@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Steve,

Thanks for the quick reply and confirmation on the subordination provision. You and your team have been very accommodating and reasonable in handling our deal-specific requests. I also recognize that part of the delay stemmed from our shifting between a grant and loan structure before ultimately reverting to our original grant approach.

I completely understand the County's desire to stick with a grant structure in future CDBG-DR solicitations. In that context, I'd like to clarify one point for alignment going forward:

HUD's role guidance for CDBG-DR distinguishes *developers* from *subrecipients*. Developers (nonprofit or for-profit) are considered program beneficiaries (not subject to subrecipient administrative requirements) but they must comply with all project-level obligations (Duplication of Benefits, environmental review, labor standards, Section 3, etc.).

In the case of Ekos Arbor Park II, our applicant entity is the owner of the project and treated as a "Developer." If a nonprofit were to apply for CDBG-DR funding as part of a proposed development in

which they serve as a general partner, would the County classify them as a Subrecipient or as a Developer?

Thanks again for your guidance and partnership as we work through these structuring questions.

Best,
Chris

Chris Shear

President

McDowell Housing Partners

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From: Steve Hyatt <shyatt@scgov.net>

Sent: Thursday, September 4, 2025 1:24 PM

To: Chris Shear <cshear@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Eduardo Teran <eteran@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

Hi Chris,

I appreciate the update, and I believe we need to remain cognizant of the circumstances surrounding this deal and requested alterations, some of which is adjusting our legal's agreed upon templated language to meet your project's requirements. Unfortunately, when these occur or are requested, they are admittedly not as well-versed in the nuances of these deals so changes can sometimes be difficult to convey and agree to, even from my staff and myself. Factor in that we will have +10 agreements, all potentially different in some way, creates challenges for administering the funds and programs.

Underlying some of the timeliness I know is our CDBG-DR program issuance of reimbursement grants over loans, which decisions factored in the provision of this financial support for other, smaller non-LIHTC-funded projects in our community – there remains ample interest from other developers and non-profits for these funds in a reimbursement context so hopefully that is understood. You may, however, be more interested in our SHIP-loans for multi-housing development if there's interest here in Sarasota – just let me know.

Overall, as it relates to the pressing concerns before you and your lenders, we agree to and plan to incorporate the subordination provisions, which are common and understood amongst these deals. From experience, the language itself in a LURA has been enough to satisfy other deals without the follow-up subordination agreement (even though it has been acknowledged of its potential but never requested) but I also know this is common as well. You can convey this acknowledgment and acceptance (in concept) to your lenders.

Your agreement is nearly to me for a final review and issuance – this is where the subordination language was to come in so this is timely in its provision of language as we were to propose our own based on other deals. If you can share with me some dates and time this next week to discuss your project, the anticipated final developer agreement and/or LURA for execution, and any of your other concerns, please let me know and we will setup something.

Thank you.

Steve Hyatt, MBA, CPM

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Web: www.scgov.net/ARPA



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From: Chris Shear <cshear@mcdhousing.com>
Sent: Thursday, September 4, 2025 12:44 PM
To: Wendi Bellows <wbellows@scgov.net>; Steve Hyatt <shyatt@scgov.net>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Eduardo Teran <eteran@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>
Subject: RE: Ekos at Arbor Park II - Developer Agreement
Importance: High

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Steve, Wendi, and Team,

I hope you're all having a good week. I'm reaching out with an urgent request. We are ready to close the Ekos at Arbor Park II financing, but we cannot proceed until we have, at minimum, clear agreement in concept with the County on the **Developer Agreement** and **LURA**.

Timeline recap (for clarity):

- **8/11/2025:** County sent drafts of the Developer Agreement and LURA.
- **8/13/2025:** We returned comments. We were told to expect a ~2-week turn.
- We are now **over three weeks** beyond that estimate.

Our lenders and investors are otherwise prepared to close. Their primary substantive issue was whether the covenant terminates upon foreclosure. We understand from Wendi (WE spoke at the Florida Housing Coalition conference last week) that **termination will not be accepted** and that the drafts may still require multiple internal reviews (and possibly the County Attorney, which Wendi indicated could take up to month to coordinate with). We've conveyed the County's position to the senior lenders/investors. **They are comfortable proceeding** so long as the **LURA/County restrictions are expressly subordinated to the senior permanent loan (Freddie Mac)** at conversion.

To expedite, we provided **Freddie Mac's template subordination agreement** and aligned all parties on the following pragmatic path:

1. Include a concise **subordination acknowledgment** now (in the LURA and/or Developer Agreement), and
2. Execute the **full Freddie Mac subordination form** at the time of permanent loan conversion.

Below is language we have used in other CDBG-DR contexts that would satisfy lender requirements and allow us to close construction financing now:

Proposed Subordination Acknowledgment (for LURA and/or Developer Agreement)

*“County acknowledges that the Developer intends to obtain a senior **permanent** mortgage loan to be purchased or securitized by **Freddie Mac** (the “Senior Permanent Loan”). County agrees that, as a condition to the Senior Permanent Loan at the time of conversion from construction to permanent financing, the **[LURA/County Restrictive Covenant]** (together with any related affordability or regulatory restrictions) shall be **subordinated in lien priority** to the **Senior Permanent Mortgage** securing the Senior Permanent Loan, on terms **substantially consistent** with Freddie Mac’s then-standard subordination agreement. County further agrees to **reasonably cooperate and execute** a subordination agreement in a form **reasonably acceptable** to County and Freddie Mac, provided that such subordination does not expand Developer’s obligations beyond those set forth herein and does not impair County’s rights other than as necessary to effectuate lien subordination.”*

If the County prefers alternate phrasing, we’re open—our lenders simply need a clear acknowledgment that the LURA/County restrictions will be subordinated to the Freddie Mac **permanent** mortgage at conversion, with the full form to follow at that time.

Requested next steps (time-sensitive):

- Please **confirm acceptance** (in concept) of the subordination acknowledgment above; and
- Provide a **redline turn** of the Developer Agreement and LURA reflecting:
 - a) the Period of Performance clarification,
 - b) the acquisition reimbursement confirmation, and
 - c) the subordination acknowledgment.

If helpful, we can join a **15–20 minute call** with your team and Freddie Mac/Truist counsel to finalize language live. Given our closing timeline and commitments to deliver urgently needed affordable units in Sarasota County, we respectfully request your prompt attention.

Thank you very much for working with us to get this across the finish line.

Best regards,

Chris Shear

President

McDowell Housing Partners

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From: Eduardo Teran <eteran@mcdhousing.com>

Sent: Friday, August 22, 2025 3:32 PM

To: Wendi Bellows <wbellows@scgov.net>; Brian Ivy <bivy@mcdhousing.com>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

Thank you so much Wendi and Team!

I did want to follow up on our discussion we had a little earlier today about the permanent financing.

As discussed, we currently have a forward commitment from Freddie Mac to provide permanent financing once construction is complete and the property is stabilized. In order for Freddie Mac to fund that loan, they may require the Sarasota SRQ Development Agreement and related restrictions to be subordinated to their mortgage. This is a standard requirement for permanent lenders to ensure their mortgage remains in a first lien position.

To give your team full visibility into what this will entail, we are attaching a sample subordination agreement that reflects the form Freddie Mac will likely require at the time of conversion.

Please note: this agreement would not come into effect (or require execution) until we transition from the construction loan to the permanent loan. Once your team has had an opportunity to review the sample, we would be happy to coordinate a call with our permanent lender's counsel to address any questions.

Let us know if you have any questions!

Thank you,

Eduardo Teran

Director of Development

McDowell Housing Partners

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From: Wendi Bellows <wbellows@scgov.net>

Sent: Friday, August 22, 2025 3:20 PM

To: Eduardo Teran <eteran@mcdhousing.com>; Brian Ivy <bivy@mcdhousing.com>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

Eduardo,

I discussed your team's concerns with staff, and we agreed that the Period of Performance will begin with the county's notice of Environmental Clearance, which was dated March 24, 2025. This will be specified clearly in the agreement. We have also adjusted the timeframe for closing on the property to 220 calendar days of the County's issuance of the NTP based on our phone conversation.

Wendi Bellows

Multifamily Affordable Housing Coordinator | Resilient SRQ
Sarasota County Government

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Cell: (941) 218-0372
Email: wbellows@scgov.net
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From: Eduardo Teran <eteran@mcdhousing.com>
Sent: Friday, August 22, 2025 1:59 PM
To: Wendi Bellows <wbellows@scgov.net>; Brian Ivy <bivy@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Hey Wendi,

Brian and I tried calling you earlier to discuss something about the timing on the expenditure of the funds (acquisition of property) being paid for by the CBDG dollars.

In concept we are on the same page that we will close other sources prior to closing with SS SRQ on the CDBG-DR funds. In general the language in the agreement provided allows for that, however we found a clause under the "Affordability period" section that conflicts with this.

The DEVELOPER may not invoice the County for CDBG-DR funds for any work completed, or services rendered, outside of the Period of Performance.

We want to ensure that this will not pose any issues in the disbursement of funds if we proceed with Closing with other sources of financing prior to closing with CDBG.

We will have an acquisition note in place at the time we close the other financial sources that will not be paid until these documents are executed. My question is – is the repayment of the acquisition note and subsequent reimbursement going to be acceptable to the county? **I would like to get confirmation that the reimbursement for the acquisition note is an acceptable reimbursement for the CDBG-DR funds given the timing referenced above.**

Thank you,

Eduardo Teran
Director of Development
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From: Wendi Bellows <wbellows@scgov.net>
Sent: Wednesday, August 13, 2025 2:05 PM
To: Brian Ivy <bivy@mcdhousing.com>; Eduardo Teran <eteran@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Ekos Team,

We have received your comments and will get back to you after reviewing.

Wendi Bellows

Multifamily Affordable Housing Coordinator | Resilient SRQ
Sarasota County Government
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From: Brian Ivy <bivy@mcdhousing.com>
Sent: Wednesday, August 13, 2025 12:53 PM
To: Wendi Bellows <wbellows@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Hi Wendi,

Thanks so much for the updated CDBG documents. The MHP team is generally all set (we have a couple factual cleanups), but we received a few substantive comments from our investor and lender. Please see the attached documents.

As you'll see the substantive comments can be summarized as follows:

1. There's concern that the default/recapture provisions are drafted in a way that even if one unit unintentionally violates income compliance it would trigger a recapture. Our financing partners want to make sure that if a compliance mistake is made, we have a reasonable right to cure.
2. Our lenders are looking for assurance that if the property fails and is foreclosed upon, the CDBG LURA (inclusive of the affordability restrictions) will terminate. Most LURAs that we enter in to have this provision. It's standard for the industry and lenders generally rely on it to restructure the property in the unlikely event of a catastrophic failure. (As a point of context, we just closed a CDBG project in Lee County that included this language.)

And one question:

1. Why is the LURA running to Arbor Land, LLC initially and not to MHP Arbor Park II, LLC? We expect the LURA to be recorded along with all the other closing transaction documents, which occurs when MHP Arbor Park II, LLC is the new landowner.

I'll give you a call to discuss.

Thanks!

From: Wendi Bellows <wbellows@scgov.net>
Sent: Monday, August 11, 2025 11:36 AM
To: Eduardo Teran <eteran@mcdhousing.com>; Brian Ivy <bivy@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Dear Ekos at Arbor Park II Team,

Please find attached the Developer Agreement and LURA.

In addition to the comments below in my 8/5 email, please note that the LURA will be amended after closing on the acquisition to MHP Arbor Park II, LLC as the owner.

Once you have reviewed the attached documents, please let me know if you have any questions before I send a final draft without the highlights for Christopher's signature.

Wendi Bellows

Multifamily Affordable Housing Coordinator | Resilient SRQ

Sarasota County Government

301 N. Cattlemen Rd. Suite 200 Sarasota, FL 34232

Cell: (941) 218-0372

Email: wbellows@scgov.net

Web: www.resilientsrq.net

Sarasota County
Resilient SRQ

Community Development Block Grant-Disaster Recovery

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From: Wendi Bellows
Sent: Tuesday, August 5, 2025 2:43 PM
To: 'Eduardo Teran' <eteran@mcdhousing.com>; 'Brian Ivy' <bivy@mcdhousing.com>
Cc: 'Lloyd Burman' <lburman@mcdhousing.com>; 'Andrew Baker' <abaker@mcdhousing.com>; 'McKinney, Emily' <emily.mckinney@dinsmore.com>; 'Chris Shear' <cshear@mcdhousing.com>; 'Henry Phillips' <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Good afternoon,

I apologize for any inconvenience, but I sent these drafts out before we were finished making edits. Please hold off on reviewing the documents until I send a revised draft.

Wendi Bellows

Multifamily Affordable Housing Coordinator | Resilient SRQ
Sarasota County Government
301 N. Cattlemen Rd. Suite 200 Sarasota, FL 34232
Cell: (941) 218-0372
Email: wbellows@scgov.net
Web: www.resilientsrq.net



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From: Wendi Bellows <wbellows@scgov.net>
Sent: Tuesday, August 5, 2025 12:38 PM
To: Eduardo Teran <eteran@mcdhousing.com>; Brian Ivy <bivy@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Good Afternoon Ekos Team,

Please find attached the Developer Agreement and LURA. We have highlighted areas in which we have added your project and organizational information. As previously mentioned, the language is standard and non-negotiable in all of the Sarasota County CDBG-DR Developer Agreements. Any language that is very specific to the various complexities of your project will not be addressed in the Agreement or the LURA. For example, any suggested language regarding insurance, access to records, requirements for subsequent owners, transferees, or assigns, construction regulations, public records laws, disposition of property (in LURA), successors (in LURA), and subordination (in LURA) has not been approved nor included in the attached drafts.

However, we have included the statements below on earned income, with some slight modifications for the purpose of clarifying dates and nuances with wording (i.e. date of award is different than date of draws and when the funds will be earned).

Once you have reviewed the attached documents, please let me know if you have any questions before I send a final draft without the highlights for Christopher's signature.

Thank you,

Wendi Bellows

Multifamily Affordable Housing Coordinator | Resilient SRQ
Sarasota County Government
301 N. Cattlemen Rd. Suite 200 Sarasota, FL 34232
Cell: (941) 218-0372
Email: wbellows@scgov.net
Web: www.resilientsrq.net



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From: Eduardo Teran <eteran@mcdhousing.com>
Sent: Thursday, July 31, 2025 2:14 PM
To: Brian Ivy <bivy@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>
Subject: RE: Ekos at Arbor Park II - Template Subrecipient Agmnt for GrantAndrea Frate <afrate@scgov.net>

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Hey Wendi and SRQ Team,

See attached language drafted by our counsel, Dinsmore, regarding the stipulations that will allow the earned income to be received until 2026.

-
1. Second to last "Whereas" clause, add the underlined language: WHEREAS, on July 18, 2025, the Board of County Commissioners conditionally awarded the DEVELOPER \$1,000,000 for the Ekos at Arbor Park II Project ("Project"), **which award shall be effective and deemed earned as of January 1, 2026; and**
 2. V., Payment, add the underlined language:
It is expressly agreed and understood that the total award by the COUNTY to the DEVELOPER under this Agreement shall not exceed \$ 1,000,000. The COUNTY shall retain \$10,000.00 of the aforementioned \$1,000,000 to conduct an Environmental Review as required by 24 CFR Part 58 as further described herein. **The funds will be earned by the DEVELOPER as of January 1, 2026, provided that DEVELOPER acquires the property and is pursuing the development of the Project as described herein. No sooner than January 1, 2026, the COUNTY will pay to the DEVELOPER funds available under this Agreement based upon substantiated information submitted by the DEVELOPER, in accord with performance, and consistent with any approved budget and COUNTY policy concerning payments. All requests for payment must be for eligible expenses actually incurred by the DEVELOPER for acquisition of the Property and are not to exceed actual cash requirements. [...]**

You may note here that I have added the requirement that you are “pursuing the development.” In order for the funds to not be deemed “earned” simply as of closing (and just withheld until 1/1/2026), we should have a clearly required obligation that we need to meet (so, here, acquiring the property and starting construction, generally).

Please let us know if you have any questions on this, we look forward to hearing on next steps from you all so we can get these agreements in place. I am working on responses to the other email you sent today!

Thank you,

Eduardo Teran

Director of Development

McDowell Housing Partners

777 Brickell Avenue, Suite 1300 | Miami, FL 33131

Office: (786) 604-2797 | Cell: (202) 262-7690

www.mcdhousing.com



From: Brian Ivy <bivy@mcdhousing.com>

Sent: Tuesday, July 29, 2025 12:03 PM

To: Wendi Bellows <wbellows@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>

Subject: RE: Ekos at Arbor Park II - Template Subrecipient Agmnt for GrantAndrea Frate <afrate@scgov.net>

Hi Wendi,

Thank you for the follow up. We understand the County’s stance on the documentation and will work with you and the team for a quick finalization. Once you’ve had a chance to review the comments, it would probably be fastest if we could jump on the phone to discuss any remaining issues. Let us know.

Attached is the letter requesting a change back to the grant structure.

Please let us know if you need anything further at this time.

Thanks,

From: Wendi Bellows <wbellows@scgov.net>

Sent: Monday, July 28, 2025 8:40 AM

To: Eduardo Teran <eteran@mcdhousing.com>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Brian Ivy <bivy@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>

Nancy DeLoach <ndeloach@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Andrea Frate <afrate@scgov.net>
Subject: RE: Ekos at Arbor Park II - Template Subrecipient Agmnt for GrantAndrea Frate <afrate@scgov.net>

Good morning,

As Andrea and I mentioned during our call on Friday, the Developer Agreement and LURA templates have been approved by our legal counsel and much of the language is standard and non-negotiable. We sent these templates for you to review, and if you are agreeable to the terms, we will fill in all the highlighted areas with the correct information on our end for your signature. We understand that this is an acquisition only project, and we will take this into consideration before sending the final draft of the Developer Agreement and LURA for your signature.

However, before moving forward with this process, we have requested an official letter explaining your company's intentions for reverting back to a grant. Once we receive this letter, we will let you know the next steps.

Wendi Bellows

Multifamily Affordable Housing Coordinator | Resilient SRQ
Sarasota County Government
301 N. Cattlemen Rd. Suite 200 Sarasota, FL 34232
Cell: (941) 218-0372
Email: wbellows@scgov.net
Web: www.resilientsrq.net



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From: Eduardo Teran <eteran@mcdhousing.com>
Sent: Friday, July 25, 2025 1:48 PM
To: Wendi Bellows <wbellows@scgov.net>; Andrea Frate <afrate@scgov.net>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Brian Ivy <bivy@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; McKinney, Emily <emily.mckinney@dinsmore.com>; Chris Shear <cshear@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>
Subject: Ekos at Arbor Park II - Template Subrecipient Agmnt for Grant

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Hello Wendi and Team,

As we discussed, please find attached the developer agreement and LURA documents we have reviewed internally, we are providing clean, updated copies as well as redlined versions for your review. We appreciate your review and feedback.

Thank you,

Eduardo Teran
Director of Development

Steve Hyatt

From: Drew.Gandy@hklaw.com
Sent: Friday, January 16, 2026 3:22 PM
To: Kinsey Patel; Eduardo Teran; Wendi Bellows; Brian Ivy; Steve Hyatt; Bernard, Nathan; Chris Shear
Cc: Lloyd Burman; Andrew Baker; Henry Phillips; Nancy DeLoach; Andrea Frate; McKinney, Emily; Kump, Analise; Kew, Lauren; Christa Queen-Sutherland
Subject: RE: Ekos at Arbor Park II - Developer Agreement
Attachments: Standstill Agreement - CDBG Sarasota County (Arbor Park II)-527535692-v3.docx; Redline - v2 Subordination Standstill Agreement - CDBG Sarasota County (Arbor Park II)(527535692.2) + KP and Standstill Agreement - CDBG Sarasota County (Arbor .pdf

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Kinsey, see attached for the revised subordination agreement with a redline against your comments. There were comments from the County that neither Truist nor Freddie can accept because it impacts the financiability of the senior loan.

Let's hop on a call next week so that I can walk through Truist's position (which likely mirrors Freddie's). Please let me know some times that work for you and I'll make it work.

Thanks.

Drew Gandy | Holland & Knight

Partner

Holland & Knight LLP

1180 West Peachtree Street, NW, Suite 1800 | Atlanta, Georgia 30309

Phone +1.404.817.8518 | Mobile +1.404.550.7679

drew.gandy@hklaw.com | www.hklaw.com

[Add to address book](#) | [View professional biography](#)

From: Kinsey Patel <kpatel@scgov.net>
Sent: Thursday, December 4, 2025 10:07 AM
To: Gandy, Drew H (ATL - X48518) <Drew.Gandy@hklaw.com>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Good morning,



We have some preliminary comments and edits on the subordination agreement, but we will need additional time to finalize those terms. In the meantime, we will need you to execute the Developer Agreement and the Land Use Restriction Agreement (LURA), and to record the LURA before we are able to execute a subordination agreement. Please review the attached initial draft of the subordination agreement. We are working to provide you with the final County attorney approved edits to the Developer Agreement and LURA soon so that you can proceed with execution.

Thank you.



Kinsey Patel
Resilient SRQ Policy & Compliance Program Manager
Financial Management
c. 941-315-8253

www.scgov.net

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From: Drew.Gandy@hklaw.com <Drew.Gandy@hklaw.com>
Sent: Wednesday, December 3, 2025 4:33 PM
To: Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Hi folks, I wanted to check on the status of the CDBG subordination/standstill agreement. I was looking at some other matters on this deal and realized that this loop seemed to still be open.

Thanks.

Drew Gandy | Holland & Knight

Partner

Holland & Knight LLP

1180 West Peachtree Street, NW, Suite 1800 | Atlanta, Georgia 30309

Phone +1.404.817.8518 | Mobile +1.404.550.7679

drew.gandy@hklaw.com | www.hklaw.com

[Add to address book](#) | [View professional biography](#)

From: Kinsey Patel <kpatel@scgov.net>
Sent: Tuesday, October 21, 2025 2:30 PM
To: Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Chris

Shear <cshear@mcdhousing.com>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; Gandy, Drew H (ATL - X48518) <Drew.Gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

[External email]

Thank you for clarifying that, we will be sure to update the agreement on our end to be as follows to reflect the NTP (date in which the project received environmental clearance):

<u>Activity</u>	<u>Performance Goal</u>	<u>Timeframe for Completion of Performance Goal</u>
<u>Acquisition of Real Property</u>	<i>Close on the property</i>	<i>Within 90 180 calendar days of County's issuance of NTP</i>
	<i>Commence Construction</i>	<i>Within 90 200 calendar days of of 66 total rental units County's issuance of NTP</i>
	<i>Construction Complete</i>	<i>Within 30 months of County's issuance of NTP</i>
	<i>Certificate of Occupancy Complete</i>	<i>Within 1 month of Construction Complete</i>

We will be in touch as soon as we have information to share on the subordination agreement.



Kinsey Patel
Resilient SRQ Policy & Compliance Program Manager
Financial Management
c. 941-315-8253
301 N Cattlemen Road, Sarasota, Florida 34232
www.scgov.net

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From: Eduardo Teran <eteran@mcdhousing.com>

Sent: Tuesday, October 21, 2025 2:03 PM

To: Kinsey Patel <kpatel@scgov.net>; Wendi Bellows <wbellows@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Chris Shear <cshear@mcdhousing.com>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Thank you, Kinsley, we will be on the lookout! Regarding your question below, yes, the Commence construction date should have been tied to NTP, not the execution of the agreement.

Thanks,

Eduardo Teran

Director of Development

McDowell Housing Partners

777 Brickell Avenue, Suite 1300 | Miami, FL 33131

Office: (786) 604-2797 | Cell: (202) 262-7690

www.mcdhousing.com



From: Kinsey Patel <kpatel@scgov.net>
Sent: Tuesday, October 21, 2025 1:49 PM
To: Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Good afternoon,

It is with our attorney for review. We will provide an update and feedback once reviewed. In the meantime, can you please explain the increase in the project schedule to commence construction or does the schedule need to reflect NTP instead of execution of this agreement as noted in the table below? Thank you.

MCD revisions in red, provided on 10/8:

<u>Activity</u>	<u>Performance Goal</u>	<u>Timeframe for Completion of Performance Goal</u>
<u>Acquisition of Real Property</u>	<i>Close on the property</i>	<i>Within 90 180 calendar days of County's issuance of NTP</i>
	<i>Commence Construction of 66 total rental units</i>	<i>Within 90 200 calendar days of execution of this Agreement</i>

Construction Complete *Within 30 months of execution of this Agreement*

Certificate of Occupancy *Within 1 month of Construction Complete*



Kinsey Patel
Resilient SRQ Policy & Compliance Program Manager
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www.scgov.net

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From: Eduardo Teran <eteran@mcdhousing.com>
Sent: Tuesday, October 21, 2025 12:23 PM
To: Wendi Bellows <wbellows@scgov.net>; Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Kinsey Patel <kpatel@scgov.net>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Hello Wendi,

I hope you're doing well! I wanted to see if there was any updates on the below referenced Subordination agreement?

Thank you,

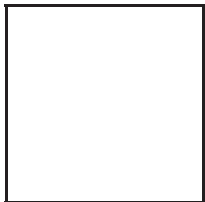
Eduardo Teran
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Office: (786) 604-2797 | Cell: (202) 262-7690
www.mcdhousing.com



From: Wendi Bellows <wbellows@scgov.net>
Sent: Thursday, October 9, 2025 9:03 AM
To: Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

The subordination agreement is currently being reviewed by our legal department.

We will send it over as soon as it is ready.



Wendi Bellows
Resilient SRQ / Multifamily Affordable Housing Coordinator
Financial Management
o. 941-861-5533
301 N Cattlemen Road., Sarasota, Florida 34232
www.scgov.net

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From: Brian Ivy <bivy@mcdhousing.com>
Sent: Wednesday, October 8, 2025 2:54 PM
To: Wendi Bellows <wbellows@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Hi Wendi.

Sounds good, but we do need to figure out the Subordination Agreement before we're fully authorized to sign the docs. Kindly send that over when you get a chance.

See below for suggested edits so that it matches the timeline of how things have transpired.

Brian Ivy
Executive Vice President of Development

McDowell Housing Partners

777 Brickell Avenue, Suite 1300 | Miami, FL 33131

Office: (786) 600-3690 | Email: bivy@mcdhousing.com

www.mcdhousing.com



From: Wendi Bellows <wbellows@scgov.net>

Sent: Wednesday, October 8, 2025 2:36 PM

To: Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Chris Shear <cshear@mcdhousing.com>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

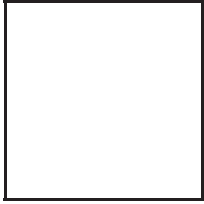
Brian,

Great news! I will be sending the final agreement and LURA over shortly for signature.

Before doing so, we will need an updated timeline. The NTP was issued on 3/24/25 when you received the AUGF from HUD, so the timeline in the agreement (below) does not align.

<u>Activity</u>	<u>Performance Goal</u>	<u>Timeframe for Completion of Performance Goal</u>
<u>Acquisition of Real Property</u>	<i>Close on the property</i>	<i>Within 90 180 calendar days of County's issuance of NTP</i>
	<i>Commence Construction of 66 total rental units</i>	<i>Within 90 200 calendar days of execution of this Agreement</i>
	<i>Construction Complete</i>	<i>Within 30 months of execution of this Agreement</i>
	<i>Certificate of Occupancy</i>	<i>Within 1 month of Construction Complete</i>

Wendi Bellows
 Resilient SRQ / Multifamily Affordable Housing Coordinator
 Financial Management
 o. 941-861-5533



301 N Cattlemen Road., Sarasota, Florida 34232
www.scgov.net

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From: Brian Ivy <bivy@mcdhousing.com>
Sent: Wednesday, October 8, 2025 2:27 PM
To: Wendi Bellows <wbellows@scgov.net>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Hi Wendi,

Thanks for following up. Good timing. We've been actively working with Truist over the last week to find a path forward and we just figured it out. We'll be able to execute the CDBG docs as written. To finalize we just need:

1. The Dev Agreement and LURA updated with the requested correction to the recitals. The recitals currently state that MHP Arbor Park II is wholly owned by McDowell. MHP Arbor Park II is in fact managed and partially owned by a GP entity that is an affiliate of McDowell. We provided some suggested language for this in the last comments.
2. The County's comments to the Subordination Agreement requested by the construction lender (and the construction lender's approval to them). Kindly send the comments as soon as their available.

Let me know if you have any questions. We're almost there.

Thanks!

Brian Ivy

Executive Vice President of Development

McDowell Housing Partners

777 Brickell Avenue, Suite 1300 | Miami, FL 33131

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www.mcdhousing.com

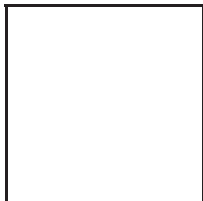


From: Wendi Bellows <wbellows@scgov.net>
Sent: Wednesday, October 8, 2025 2:10 PM
To: Brian Ivy <bivy@mcdhousing.com>; Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

Good afternoon,

Kinsey had respectfully requested on 9/29 that we receive your decision regarding whether you are signing the agreement as it stands by the end of last week. We have not yet heard back from your team. Please let us know what you have decided.

Thank you,



Wendi Bellows
Resilient SRQ / Multifamily Affordable Housing Coordinator
Financial Management
o. 941-861-5533
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From: Brian Ivy <bivy@mcdhousing.com>
Sent: Wednesday, October 1, 2025 9:54 AM
To: Steve Hyatt <shyatt@scgov.net>; Bernard, Nathan <nbernard@nixonpeabody.com>; Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Hi Steve,

Thank you for your feedback. We'll circle up with the Truist team and see if we can find an alternative solution. We'll be on the lookout for the comments to the subordination agreement.

Hi Nate,

Thanks for your continued work on this issue. We'll give you and Lauren a call to discuss.

All, we'll try and get this wrapped up as quickly as possible.

From: Steve Hyatt <shyatt@scgov.net>

Sent: Wednesday, October 1, 2025 9:12 AM

To: Bernard, Nathan <nbernard@nixonpeabody.com>; Brian Ivy <bivy@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>; Christa Queen-Sutherland <csutherland@scgov.net>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

Hi Nathan,

We understand your position in the project; however, we will not be altering this language. Many of these points we've addressed at least once or more before – some are a wholesale change to county standard contract language which is at its core, is not going to be accepted by staff nor our Office of the County Attorney. Besides being months into this process with this language and it was my understanding from Chris that we navigated the major obstacles, I think we need to acknowledge the limited exposure on all parties with a \$1M grant for strictly property acquisition.

Brian / Chris,

You need to work these matters out with your partners. We have many other developers and their investors having already agreed to this language and signed our agreements for a much larger sum and exposure than this. They and McDowell itself are already on record of accepting this language in other deals and projects so I am hard pressed to understand the continued concerns here, particularly when we will not alter this language. Staff will send back the subordination agreement for your all's review.

Thank you.

Steve Hyatt, MBA, CPM

Division Manager, Program Management Division

Office of Financial Management (OFM)

301 N. Cattlemen Road, Suite 200, Sarasota, FL 34232

Cell: 941-315-5187

Email: shyatt@scgov.net

Web: www.scgov.net/ResilientSRQ

Web: www.scgov.net/ARPA



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From: Bernard, Nathan <nbernard@nixonpeabody.com>

Sent: Tuesday, September 30, 2025 5:41 PM

To: Brian Ivy <bivy@mcdhousing.com>; Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Steve Hyatt <shyatt@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>; Kew, Lauren <Lauren.Kew@truist.com>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Thanks Brian. Kinsey – to give some context for our comments – we represent Truist Community Capital as the equity investor in Arbor. As an equity investor, we are contributing significant capital to the transaction on an unsecured basis so we need to negotiate certain provisions into the financing documents to make sure we are protected since the greatest risk to our tax benefits would be a foreclosure/acceleration of debt. As of now, Truist has contributed \$4.2 million and will have a total equity investment of over \$17 million, all put in to the transaction in advance of receiving its expected tax benefits.

I've provided context for each of our comments below in bold. Additionally, these are all provisions that we request and routinely receive from conventional lenders and other municipalities utilizing federal funding. Happy to discuss in more detail.

Thanks,

Nate

Nathan A. Bernard

Partner

nbernard@nixonpeabody.com

T 617-345-1236 | F 866-908-2713

Nixon Peabody LLP | Exchange Place | 53 State Street | Boston, MA 02109-2835

nixonpeabody.com | [@NixonPeabodyLLP](https://twitter.com/NixonPeabodyLLP)

From: Brian Ivy <bivy@mcdhousing.com>

Sent: Monday, September 29, 2025 4:21 PM

To: Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>

Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Steve Hyatt <shyatt@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>; Bernard, Nathan <nbernard@nixonpeabody.com>; Kump, Analise <akump@nixonpeabody.com>; 'Drew.Gandy@hklaw.com' <drew.gandy@hklaw.com>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

[EXTERNAL E-MAIL]

Be Aware of Links and Attachments

Hi Kinsey,

Thank you for the quick review. Were you also able to look at the Subordination and Standstill Agreement requested by the construction lender? I've reattached it for convenience.

I'm looping in Nate Bernard and Analise Kump from Nixon Peabody who are the investor's counsel to review the responses below in **RED**. Nate and Analise, can you kindly provide your feedback on the County's concerns? Please feel free to reach to Kinsey directly if you need to discuss. I'm also happy to arrange a call if the parties feel that would be beneficial.

Looping in Drew Gandy at Holland & Knight who is construction lender counsel into the conversation as well.

Thanks,

Brian Ivy

Executive Vice President of Development

McDowell Housing Partners

777 Brickell Avenue, Suite 1300 | Miami, FL 33131

Office: (786) 600-3690 | Email: bivy@mcdhousing.com

www.mcdhousing.com



From: Kinsey Patel <kpatel@scgov.net>

Sent: Monday, September 29, 2025 2:42 PM

To: Brian Ivy <bivy@mcdhousing.com>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>

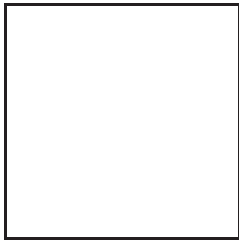
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Steve Hyatt <shyatt@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>

Subject: RE: Ekos at Arbor Park II - Developer Agreement

Good afternoon Brian,

Thank you for sharing your feedback. Many of the comments provided are ones we have previously reviewed, and as stated, we are not able to modify the agreement language in those areas. I have included responses to your specific comments below in red for your reference. Please note that the agreement sent on 9/5 reflects the County's extensive efforts to accommodate modifications where feasible. However, we are unable to accept the requested changes. The agreement language has been reviewed by the Office of the County Attorney, is consistent with terms used in other grant agreements with Developers, and aligns with HUD requirements. Accepting the requested revisions would place the

County at risk and jeopardize federal funding. We respectfully request your decision on execution of this agreement within this week.

	<p>Kinsey Patel Resilient SRQ Policy and Compliance Program Manager Financial Management 941-315- 8253 301 N. Cattlemen Rd. Suite 200 Sarasota, FL 34232 www.resilientsrq.net</p>
--	--

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From: Brian Ivy <bivy@mcdhousing.com>
Sent: Thursday, September 25, 2025 2:42 PM
To: Kinsey Patel <kpatel@scgov.net>; Eduardo Teran <eteran@mcdhousing.com>; Wendi Bellows <wbellows@scgov.net>; Chris Shear <cshear@mcdhousing.com>
Cc: Lloyd Burman <lburman@mcdhousing.com>; Andrew Baker <abaker@mcdhousing.com>; Henry Phillips <HPhillips@mcdhousing.com>; Nancy DeLoach <ndeloach@scgov.net>; Andrea Frate <afrate@scgov.net>; Steve Hyatt <shyatt@scgov.net>; McKinney, Emily <emily.mckinney@dinsmore.com>
Subject: RE: Ekos at Arbor Park II - Developer Agreement

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Hi Kinsey and Wendi,

We were able to track down responses from investor and construction lender counsel. Below are the investor's comments. I went ahead and dropped them into the attached agreements as tracked changes so you can see them incorporated into the drafts. Please note that the comments are basically the same as previously provided. The investor is generally concerned with cure rights and notice as you can see:

Development Agreement:

- MHP Arbor Park II is not wholly owned by McDowell. This needs to be updated globally. **Acknowledged.**
- Article VI, A: The language currently reads that the County can require repayment for "events that may include, but not be limited to the following:" This essentially reads that the County could require repayment of the Grant for any reason. We need this narrowed down to a specified list of default events. **Not able to modify. The Investor needs to know what potential defaults are for a funding source, otherwise, the County could choose to recapture these funds for any reason. If the concern is HUD requirements we would be fine with a default provision for any failure of the Project to comply with HUD requirements, but if we do not know what the potential defaults are we can not assess the risk of the financing and have comfort that the funds will be in place through the tax credit compliance period.**

- Article VII: Please delete “(but are not limited to)” . As noted above, we need to know what the possible default scenarios are. **Not able to modify. Note: The agreement with Lee County for \$17M has similar language and includes “(but are not limited to)” . Same as above.**
- Article VII.C, viii: Please delete or limit to the general partner entity. The Investor cannot agree to be jointly and severally liable with the General Partner. **Not able to modify. The Investor is a limited partner in this transaction and as such is expected to have limited liability. We cannot enter into any funding documents which require us to be jointly and severally liable with the General Partner. Your recourse in the event of a default is through the Partnership and the General Partner.**
- Article XI: Please provide notices to the Investor. The Investor has significantly capital in the transaction and needs to be made aware of potential defaults that could jeopardize its investment. **Not able to modify. Should any notices be sent, the Developer should inform their lenders of such notices. We are not lender. We do not have the benefit of a subordination agreement and need some assurance that the lender will provide notices and permit the Investor to cure defaults. I am fine if notices are done on a best efforts basis, but we would request our address be listed and their be some endeavor to provide copies to the Investor. This is standard in tax credit transactions.**

CDBG LURC:

- MHP Arbor II is not wholly owned by McDowell. Please update. **Acknowledged.**
- Section 14: The Investor needs to have notice and cure rights to protect its Investment in the Project. As a reminder the Investor is contributing significantly more capital then the County and is not benefiting from the subordination agreement that the lenders receive. **The Investor is not a party to this agreement The investor is a partner in the party that owns the transaction and needs the ability to step in and cure a default to protect its investment. Since we are not a secured lender this is critically important for the equity investor.**
- Section 15: This section reads that if any unit has a tenant which over income the full amount of the CDBG funds can be recaptured. There needs to be some mechanism to cure this via the next available unit rule or a minimum unit percentage below 100%. **In the event this were to occur, the county would work with the developer but we are not open to modifying this language.** As noted above, we need to understand what the risk of default would be. We would ask that this track LIHTC requirements.

The construction lender requested that the County enter into the attached Subordination and Standstill Agreement. It is based on the standard Freddie Mac form used for governmental lenders.

If there’s any comments or documents that you cannot accept, please provide your availability for a call. It would be best to hash out these remaining items with a discussion.

Thanks!

Brian Ivy

Executive Vice President of Development

McDowell Housing Partners

777 Brickell Avenue, Suite 1300 | Miami, FL 33131

Office: (786) 600-3690 | Email: bivy@mcdhousing.com

www.mcdhousing.com



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From: [Chris Shear](#)
To: [Mark Smith](#); [commissioners@scgov.net](#); [tmast@scgov.net](#); [tknight@scgov.net](#); [jneunder@scgov.net](#); [rcutsinger@scgov.net](#)
Cc: [Patrick McDowell](#); [Brian Ivy](#); [Eduardo Teran](#)
Subject: BCC Item # 42.B "Ekos Arbor Park II CDBG-DR Funding"
Date: Monday, March 2, 2026 7:30:28 AM
Attachments: [image001.png](#)
[image002.png](#)
Importance: High

Dear Commissioners,

Foremost, thank you for your continued support and stewardship of the federal CDBG-DR funding that helps bring high-quality affordable housing to Sarasota County. **I want to respond directly to the staff update (snipped below) regarding Ekos at Arbor Park II** and to assure you that McDowell Housing Partners remains fully committed to closing this award as quickly as possible.

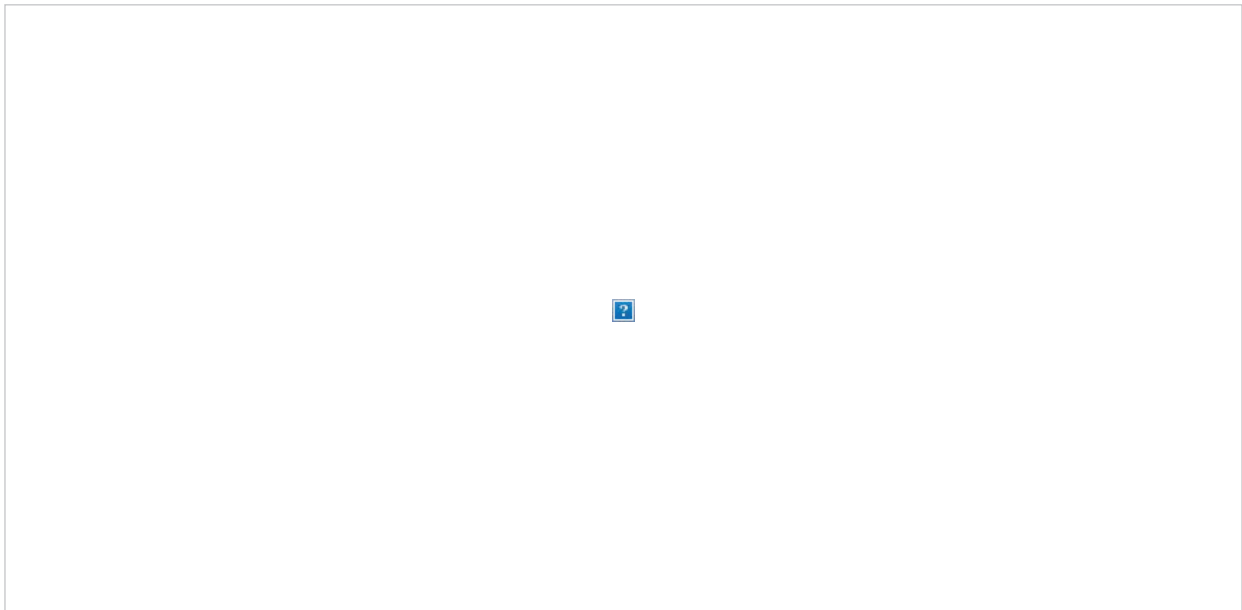
I am pleased to report that, **as of Friday, February 27, the last outstanding issue has been resolved.** Truist Community Capital, our senior construction lender, agreed to waive the subordination requirement for the CDBG-DR LURA. Effectively, this means that even in the event of foreclosure, the affordability requirements, which restrict one hundred percent of the units to households at or below eighty percent AMI, will remain in place. I want to be clear that McDowell has never had any issue whatsoever with affordability surviving. In fact, it is our strong preference. The challenge has been that lenders are highly sensitive to this point because, in the rare case of foreclosure, it affects their ability to recover their material investment in the asset.

The other material grant document is the CDBG-DR grant Development Agreement. **As far as MHP is concerned, the Development Agreement is in final form and ready to be executed, as we stated back in September 2025.** However, in early January the County attorney indicated there may be further changes. We have not received any revised language to date. Regardless, we stand ready to respond immediately should additional comments be issued.

I want to emphasize that McDowell Housing Partners has worked diligently and in good faith throughout this process. We have consistently responded quickly to the County's requests and turned document drafts promptly. I can provide a full chronology of submissions and response times if the Board would find it helpful.

As it relates to good faith, the Board should be aware that the CDBG-DR commitment required us to close all other project financing by the end of 2025. **We met that obligation only because McDowell contributed \$1 million dollars of our own equity to bridge the funding gap until the CDBG-DR grant closes.** This is why resolving the remaining items and closing the CDBG-DR grant is now essential not only for McDowell but for the project itself.

Now that all open issues have been resolved, we are eager to finalize this award and bring the project forward without further delay. **We respectfully request that staff prioritize the remaining items with MHP so the CDBG-DR grant can close and fund before the end of March.**



**EXHIBIT
M**

Respectfully,

Chris

Chris Shear

President

McDowell Housing Partners

777 Brickell Ave, Suite 1300, Miami, FL 33131

Direct (786)577-9837 | Cell (773)981-1817

www.mcdhousing.com



Project #9: Ekos at Arbor Park II
McDowell Housing Partners (Priority 2 of 2)
1191 W. Price Blvd, North Port, FL 34288

1. Brief Project Description:

- McDowell is a “full-service” vertically-integrated team of in-house finance, development, construction management, legal, accounting, and asset management professionals with headquarters in Addison, TX and active offices in Miami, New York, Denver, Raleigh, and San Francisco. Principals and executives have completed the development of over 15,000 affordable/workforce units utilizing low-income housing tax credits. 10 projects with 1541 units are currently under construction or have been completed in Florida.
- Proposes construction of three 3-story garden style buildings with 66 units on 4.5 acres.
 - One building will be mixed-use with ground floor retail and residential units on the upper floors.
 - The property is located adjacent to a Publix anchored shopping center and in close proximity to other residential services such as Walgreens, Aldi’s, and schools.

Total Units	% Affordable Housing	Affordable Units				Workforce Units	Market Rate Units	Affordability Period	Minimum Occupancy
		1bd	2bd	3bd	Total				
66	100%	32	25	9	66	0	0	40+ yrs	109

2. Projected Completion Date: December 2025

3. Staff Average Score: 107.3

4. Budget:

- **Total Project Budget:** \$10,359,877
- **CDBG-DR Funds Requested:** \$1,000,000
- **% of CDBG-DR Funds Requested:** 4%
- **Other Sources of Funds:** \$22,590,226
 - **Received:** 9% LIHTC - \$17,203,279 (LOI)
 - **Expected:** Permanent Loan - \$4,367,000; Deferred Developer Fee - \$1,019,947

5. Process and Timeline for Securing Funds:

“McDowell Housing Partners ("MHP") has secured sufficient sources to fully fund the development if allocated CDBG-DR funds. The project was awarded 9% Low Income Housing Tax Credits ("LIHTC") in December 2023. Debt and equity are negotiated and underwritten with a senior lender and equity investor, which MHP maintains an extensive relationship. MHP has leveraged our experience to underwrite realistic/current construction cost (including davis-bacon wages). Underwritten operating expenses at a conservative level based on our existing portfolio in the market, including expenses subject to recent inflation (insurance, payroll, etc .) Lastly, MHP is committed to defer their developer fee to any extent necessary to balance the final sources and uses.”

EXHIBIT
N

Title	Ekos at Arbor Park II	05/01/2024
	by Sean Smith in Multifamily Affordable Housing	id. 46405040
	ssmith@mcdhousing.com	

Original Submission	05/01/2024
----------------------------	------------

Score	n/a
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Applicant Information

Is this your first multifamily affordable housing project submission to Resilient SRQ?	Yes
--	-----

Employer Identification Number (EIN) #	93-4940514
--	------------

Unique Entity Identifier (UEI) #	WQHJZD7M2AF4
----------------------------------	--------------

Organization Address	777 Brickell Ave Ste 1300 Miami FL 33131 US 25.76651 -80.19015
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Primary Point of Contact	Sean Smith
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Primary Point of Contact Email	ssmith@mcdhousing.com
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Primary Point of Contact Phone Number	+17866040475
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Alternate Point of Contact	Kenny Bowron
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Alternate Point of Contact Email	kbowron@mcdhousing.com
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Alternate Point of Contact Phone Number +17866042879

Project Information

1. Project Name Ekos at Arbor Park II

2. What is the type of eligible activity? New Construction

3. Does the project have a physical address? No, Parcel ID only

3.a. Parcel ID Number(s) 0984030010

4. Is the project site leased? No, the organization owns it.

5. Does this project involve the future acquisition of real property? No

6. Is the site consistent with the Comprehensive Plan? Yes

7. Project Description

Arbor Park II will comprise a new 66-unit affordable housing community located along W. Price Blvd in North Port. The site is approximately 4.5-acres and will be developed with two (2), three-story walk-up concrete block garden style buildings and one, three-story mixed-use building with ground floor retail and residential units on the upper floors. The property will comprise of one, two, and three bedroom units. Rents will range from 30% Area Median Income to 70% Area Median Income. The development will be built to National Green Building Standards and each unit will be equipped with energy efficient stainless-steel appliances such as a microwave, refrigerator, and stove reducing energy consumption allowing for lower utility bills contributing to improved affordability. In addition, all units will come with granite counter tops, luxury vinyl flooring, in unit washer and dryers and high-speed internet availability. On-Site amenities will include a clubhouse which will offer social gatherings and events, a resort style pool area, fitness center, children activity room, computer lab, playground, dog park, walking trails, and BBQ picnic areas. We will also offer residents programs which include Health and nutrition classes, an employment program and a financial management class.

The property is located adjacent to a Publix anchored shopping center and in close proximity to other residential services such as Walgreens, Aldi's, Toledo Blade Elementary and John's Hopkins Elementary School.

In summary, Ekos on Arbor Park II will be a much-needed affordable housing option for the residents of North Port. Its design, unit features and community amenities provide a market rate style development at an affordable price.

8. Provide the month and year of the estimated completion date of the project.

We anticipate a December 2025 completion date for Construction. Financial closing will take place in December 2024 followed by an 12-month construction period. Pre-Leasing is set to start 60 days prior to issuance of CO's, aligning with the final stages of construction. We do not anticipate any roadblocks that would impede construction completion within five years. The site has undergone due diligence indicating it is properly zoned, utilities are available to the site and no environmental issues (per the uploaded phase 1) that would alter our proposed timeline. We have included these items in the project specific documentation upload box below.

9. Does the proposed project displace current occupants or businesses?

No

10. Describe the steps that will be taken to ensure disadvantaged, underserved communities, and/or vulnerable populations are not negatively affected.

There will be no displacement of existing residents. The Applicant commits to Section 3 local hiring and will provide a detailed Section 3 plan. The development will be accessible under Section 504 of the Rehabilitation Act of 1973 and offer WBE/MBE job opportunities to local vendors. The applicant commits to hosting neighborhood information meetings to workshop the development plan and address any concerns of residents in the area before commencing construction. Applicant will also implement policies to ensure access to affordable housing opportunities and to provide access to community resources and supportive services.

11. Describe how your organization intends to ensure equitable access to support fair housing and non-discrimination.

The applicant commits to provide an Affirmative Fair Housing Marketing Plan and Tenant Selection Plan to ensure equitable access and adherence to all requirements of the Fair Housing Act. Our organization will provide the following written in-place policies:

- Affirmative Action/ Equal Opportunity Policy
- Conflicts of Interest Policy
- Sexual Harassment Policy
- Section 504 of the Rehabilitation Act of 1973/ADA Policy
- Drug-Free Workplace Policy
- Statutes and Regulations Prohibiting Discrimination Policy, et al.

Furthermore, please see attachment in the project description documentation section from our property management company, Asset Living, with regards to their policies and procedures to ensure equitable fair housing and non-discrimination.

12. Does the proposed project plan to provide permanent supportive housing for qualified tenants?

Yes

13. Project Budget
[Project Budget.xlsx](#)

14. Have funds been received or is there an expectation of receiving funds for the project?

Yes

14.a. Other Source of Funds
[source of funds excel.xlsx](#)

14.b. For funds that have not been received, explain the process and timeline for securing funds.

All funds have been accounted for.

14.c. Documents to support other sources of funding. (i.e. award letters)

[Ekos_at_Arbor_Park_II_-_CREA_App_Letter_-_04.29.24_Executed.pdf](#)

15. Cost Benefit Analysis Provide a cost benefit analysis that details the project costs and number of persons served using the methodology provided below. Please explain the data sources used to determine the number of beneficiaries. Methodology: The cost per person ratio is determined by dividing the CDBG-DR project application amount by the minimum occupancy.

Cost Benefit Analysis

Number of Units and Cost Benefit Analysis.xlsx

The rent does not exceed 30 percent of the annual income of a household whose income equals 80 percent or below the median income for the area or does not exceed the high HOME rent limits, whichever is lower, as determined by HUD, with adjustments for smaller and larger families. HUD provides the HOME rent limits which include average occupancy per unit and adjusted income assumptions. To determine HUD HOME rates, visit HUD Exchange.

16. Which Green Building Standard(s) does the proposed project anticipate following? (select all that apply) ICC- 700 National Green Building Standards

17. Which minimum energy efficiency standard(s) does the proposed project anticipate including? (select all that apply) Energy STAR (Certified Homes or Multifamily High-Risk) EarthCraft House, EarthCraft Multifamily

18. In addition to incorporating resilient construction standards, what other mitigation measures will be used on the project (select all that apply) Using resilient building materials and technology Integration of open space or use of nature to manage flooding Elevating structures above the Base Flood Elevation (BFE)

19. Resilience performance metrics that will be used on the project (select all that apply) Number of acres no longer vulnerable to flood events Number of floodplain design standards updated Number of properties with access above 100 year or 500-year flood level Number of multifamily units constructed or reconstructed Number of residents protected from future flooding

20. What is the anticipated period of affordability for the proposed project? 40 + years

21. Are there any known or potential environmental/historic concerns associated with the project site? (select all that apply)

None

22. Have there been any environmental studies or assessments completed?

Yes

22.a. Upload completed environmental studies or assessments

[HA22-6152_Phase_I_Arbor_Park_Phase_II_1191_W_Price_BLVD.R.pdf](#)

[Arbor_Park_Phase_II_Geo_Report.pdf](#)

23. Are there any existing contracts related to this project?

No

24. Has any construction work started for this project?

No

25. Describe the plan to maintain the property for the duration of the affordability period.

The project will have onsite property management with significant experience with tax credit and federally funded projects. Onsite full-time staff will include trained maintenance staff. The MHP asset management team will visit the development once per month to ensure property is kept up at the level of integrity throughout the affordability period. Management and ownership will conduct routine inspections of the property including all units and provide capital improvements to enhance the property and energy efficiency. Management/Ownership will implement security measures to maintain a safe living environment for all residents and have an open communication between property management and all tenants. Ownership will also make sure regular maintenance helps meet compliance requirement.

26. Describe the financial feasibility for the proposed project.

McDowell Housing Partners ("MHP") has secured sufficient sources to fully fund the development if allocated CDBG-DR funds . The project was awarded 9% Low Income Housing Tax Credits ("LIHTC") in December 2023. Debt and equity are negotiated and underwritten with a senior lender and equity investor which MHP maintains an extensive relationship. MHP has leveraged our experience to underwrite realistic/current construction cost (including davis-bacon wages). Underwritten operating expenses at a conservative level based on our existing portfolio in the market, including expenses subject to recent inflation(insurance, payroll, etc .) Lastly, MHP is committed to defer their developer fee to any extent necessary to balance the final sources and uses

27. If available, provide any additional information such as a pro forma, financial plan, feasibility study, completed underwriting, etc.

[Arbor_Park_II_-_9_-_Family_-_CDBG_APP.pdf](#)

Pre-Award Assessment

28. Has the organization received grant funding from Sarasota County in the last 5 years?

No

29. Has the organization previously been awarded any funding from HUD?

Yes

29.a. Describe the type of funding awarded and when the funds were awarded.

Arbor Park Phase 1 in North Port, Florida received \$653,873 in NHTF funds in June of 2021.
Ekos on Santa Barbara in Collier County, FL received \$7,800,000 in CDBG funds and \$893,826 in SLFR funds in April of 2024
Jordan Bayou received \$4,998,000 in HOME funds in June of 2019
Ekos Pembroke Park in Broward County received \$9,749,850 in HOME funds in October of 2023
Douglas Gardens Senior Housing received \$9,000,000 in ARP funds in March of 2022

29.b. Has the organization been on any corrective action plans? If yes, describe.

No

30. Has the organization received an other federal grant(s) in the last 5 years?

Yes

30.a. Provide award amount, funding source, and purpose.

Arbor Park Phase 1 in North Port, Florida received \$653,873 in NHTF funds in June of 2021.
Ekos on Santa Barbara in Collier County, FL received \$7,800,000 in CDBG funds and \$893,826 in SLFR funds in April of 2024
Jordan Bayou received \$4,998,000 in HOME funds in June of 2019
Ekos Pembroke Park in Broward County received \$9,749,850 in HOME funds in October of 2023
Douglas Gardens Senior Housing received \$9,000,000 in ARP funds in March of 2022

The purpose of all the funds were to construct new affordable housing.

30.b. Has the organization ever been on any corrective action plans? If yes, describe.	No
31. Has the organization ever undertaken the proposed activity before?	Yes
31.a. What was the result?	<p>Yes, MHP is a leading developer of affordable/workforce housing and is recognized as a top 50 Affordable Housing Developer in the country. MHP is currently under construction on a 136-unit affordable elderly development in North Port, Florida, with an additional a 66-unit Family Development and 8,200 sq ft of commercial space (Applicant project) set to start construction at the end of 2024.</p> <p>MHP has broken ground on 1,700 units of affordable housing in the past four years.</p>
32. Briefly describe the qualifications/credentials and experience of key staff responsible for this project.	<p>McDowell Housing Partners ("MHP") is a "full-service" vertically integrated team of in-house finance, development, construction management, legal, accounting, and asset management Affordable Housing Provider. MHP principals and executives have completed over 15,000 affordable/workforce housing units. Currently MHP has over 1700 units either completed or under construction in both Florida and Texas. MHP is recognized as a top 50 Affordable Housing Developer.</p> <p>Key Staff:</p> <p>Patrick McDowell- CEO - Has 48 years of experience in the real estate industry. Mr. McDowell has purchased over 40,000 rental units valued at over \$3.0 billion and has made investments in subordinate, commercial mortgage-backed securities representing \$16.0 billion of multifamily loans secured by over 232,000 units. Mr. McDowell leads the senior team in all aspects of the firm's business.</p> <p>Christopher Shear- COO - Has over 15 years of experience in affordable/workforce housing. Over the course of his career Mr. Shear has been responsible for the development of approximate 3,000 units of affordable/workforce housing with an array of complex financial and partnership structures.</p> <p>*Please see company overview in Project Specific Documentation</p>

33. Has there been a No
change in senior
level management
(e.g. Executive
Director/CEO,
Finance
Director/CFO) within
the past twelve (12)
months?

34. Describe how
and who will monitor
progress in
implementing the
project including any
data collection tools
that will be used to
verify achievement
of project goals and
objectives

As a professional multifamily development company, we utilize a number of advanced technologies within our organization to underwrite and manage developments from feasibility through stabilization and during the operational phase. These include Northspyre, Smartsheet's, Procore, Yardi, and RealPage to name a few. These tools allow us to manage timelines and budgets at the highest level to ensure we meet goals and objectives while also providing data and analysis on areas of concern.

Required Documents

Declaration and Certification Form

[Declaration_and_Certification_Form_-_signed.pdf](#)

Lobbying Certification Form

[Lobbying_Certification_Form_-_signed.pdf](#)

Debarment and Suspension Form

[Debarment_and_Suspension_Form_-_signed.pdf](#)

Foreign Country of Concern Attestation Form

[Foreign_Country_of_Concern_Attestation_-_signed.pdf](#)

Optional Documents

Project Specific Documentation

[Arbor_project_docs_description_Optimized.pdf](#)

Letter of Prioritization (Optional)

[Priority_Letter_CDBG_funds_1.docx](#)

Description	Budget Amount	CDBG-DR Amount		Notes
			Requested	
Environmental Review Allowance	\$ 10,000.00	\$ 10,000.00		Do not change this amount. County will hire a consultant to perform environmental reviews.
Administrative/legal fees	\$ 320,000.00			
Acquisition	\$ 1,500,000.00			
Permitting	\$ 809,936.00			
Engineering/Architectural Services	\$ 635,300.00			Green Building standard required. If applicable
Force Account Labor				If applicable
Force Account Materials				If applicable
Construction	\$ 14,519,295.00	\$ 990,000.00		
Davis Bacon & Section 3 Compliance				Included in Construction line item
List other below				
Developer Fee	\$ 3,020,510.00			
Professional Services & Reports	\$ 402,675.00			
Financing Fees	\$ 2,372,510.00			
Total	\$ 23,590,226.00	\$ 1,000,000.00		

Status: Plan to Request Anticipated
 | Requested | Awarded | Date to
 Received Request

Name of Source	Amount
State Apartment Incentive Loan (SAIL) <small>State Housing Initiatives Partnership (SHIP)</small>	
4% Low-Income Housing Tax Credit (LIHTC)	
9% Low-Income Housing Tax Credit (LIHTC)	17203279
List all other here (Federal, State, Local or Private)	
Perm Loan	4367000
Deferred Developer Fee	1019947
	\$ 22,590,226.00

Total number of units created by the proposed project

Intentionally left blank

Intentionally left blank

Intentionally left blank

	Minimum # of Units	Percent (%)
Total # of Affordable Housing Units	66	100.0
Total # of Workforce Housing Units	0	0.0
Total # of Market Rate Units	0	0.0
Total # of Project Units	66	<i>Intentionally left blank</i>

Intentionally left blank

Intentionally left blank

Intentionally left blank

Total number of ADA-assessible units created by proposed project

Total # of ADA-accessible (Minimum of 5% is required)

Intentionally left blank

Intentionally left blank

Total # of affordable ADA-accessible units	4	6.1
Total # of vision and hearing impaired units (Minimum of 2% is required)	4	6.1
Total # of affordable vision and hearing impaired units	2	3.0
	2	3.0

Intentionally left blank

Intentionally left blank

Intentionally left blank

Occupancy capacity of affordable housing units

of Bedrooms (affordable)

Intentionally left blank

Intentionally left blank

	Minimum # of Units	Minimum Occupancy
Efficiency	0	0
1 bedroom	32	32
2 bedrooms	25	50
3 bedrooms	9	27
4 bedrooms	0	0
5 bedrooms	0	0

Intentionally left blank

Minimum # of Units

Total Minimum Occupancy

Should match the "Total # of Affordable Housing Units"

66 109

Cost Benefit Analysis

Intentionally left blank

Intentionally left blank

CDBG-DR Funds Requested (Insert below)	Total Minimum Occupancy	Per Person Benefit (\$)
\$ 1,000,000.00	109	\$ 9,174.31