

**CORONAVIRUS STATE LOCAL FISCAL RECOVERY FUNDS
AMENDMENT NO. 2 TO SUBRECIPIENT AGREEMENT**

This Amendment No. 2 to Subrecipient Agreement (Amendment No. 2) is dated January 27, 2026 and is between Habitat for Humanity Fresno, Inc., a California nonprofit 501(c)(3) corporation whose address is 4991 East McKinley Avenue, Fresno, CA 93727 (Subrecipient), and the County of Fresno (County), a political subdivision of the State of California.

Recitals

A. On March 11, 2021, the President signed into law the American Rescue Plan Act of 2021 (ARPA) which established the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) Program.

B. The Final Rule for ARPA authorizes the County to expend SLFRF for certain eligible purposes, including responding to the public health emergency or its negative economic impacts from the COVID-19 pandemic, including housing security for disproportionately impacted communities.

C. On June 7, 2022, the County and the Subrecipient entered into County agreement number 22-224 (Agreement), to offset unanticipated construction costs of seven affordable homes in the community of Firebaugh (Program).

D. On August 22, 2023, the County Board of Supervisors unanimously approved the Second Round Award List which earmarked \$573,200 in additional SLFRF funding for the Subrecipient's Program to include Backfill Retention Basin, which was to cover costs for backfilling the ponding basin, planning, site preparation and grading, materials for sanitary sewer, water distribution, storm drainage improvements, and connection to the City's water system in support of the Program, and to help the Subrecipient leverage future funding anticipated to yield an additional estimated 15 to 18 affordable homes in Subrecipient's future Phase II of the project.

E. On October 10, 2023, the County and Subrecipient entered a First Amendment (County agreement A-23-530), which codified the approved Second Round Award.

F. The Subrecipient represents that since the execution of the First Amendment, the program has encountered unanticipated construction and material cost increases, delays to complete the design and engineering for the ponding basin, which collectively is anticipated to impact the Subrecipient's ability to fully expend the grant under the existing expenditure plan. The Subrecipient represents that an

1 amendment to the expenditure plan will help reallocate funds to address cost increases, will clarify
2 descriptions for expenditure categories, and will help the Subrecipient to implement the Program.

3 G. The Subrecipient represents that the timeline to complete design and engineering has
4 experienced delays due to the Program's proximity to State Route 33, which require plan check,
5 reviews, and approvals by the City of Firebaugh and the California Department of Transportation to
6 properly entitle the land use for construction. Due to the additional reviews, the Subrecipient expects the
7 construction for the backfill ponding basin to extend beyond the June 30, 2026, deadline. While certain
8 costs related to site preparation such as design engineering would be incurred prior to June 30, 2026,
9 most of the construction and backfill costs would occur after the June 30, 2026, deadline. Accordingly,
10 the Subrecipient proposes reallocating their anticipated backfill ponding basin construction funding
11 availability to address increases to Vertical Hard Costs, while retaining sufficient funding in the Ponding
12 Basin line item to cover pre-development costs including but not limited to engineering, soils studies,
13 plan check and permit fees, and utility consulting, all of which are needed to move into construction and
14 to backfill the ponding basin.

15 H. The Subrecipient represents that the Vertical Hard Costs include costs for subcontractors,
16 construction trades, labor and materials to build the intended structures, and which can be more readily
17 accelerated to meet the expenditure deadline. Reallocating funds from the Ponding Basin to Vertical
18 Hard Costs allows for a more efficient use of awarded funds, ensures compliance with expenditure
19 requirements, supports timely completion, and stays within the scope of the approved Program.

20 I. The Subrecipient represents that a reallocation within Construction Soft Costs and Horizontal
21 Hard Costs will reflect adjustments resulting from cost increases, updated construction bids, and
22 changes in construction sequencing that were not fully known at the time the original Expenditure Plan
23 was developed.

24 J. The County and the Subrecipient desire to amend the Agreement to revise the Program's
25 Expenditure Plan and reallocate funds within the Program, and update the language in Section 1 D, 1 H,
26 Timeline, Section 13, Grant Funding/Compensation, Section 17, Hold Harmless, and Exhibit A.
27 The parties, therefore, agree as follows:

28 1. This Amendment No. 2 shall be retroactive to the Effective Date of the Agreement, June 7, 2022.

2. All references to Revised Exhibit B in the First Amendment shall be amended to refer to Revised Exhibit B-1. Revised Exhibit B-1 is attached to this Amendment No. 2 and incorporated by this reference.

3. The recital located on page 2 lines 23-28 shall be deleted in its entirety, and replaced with the following:

“WHEREAS, the Subrecipient represents that it is facilitating the process to plan, design, engineer, secure building permits, and purchase materials to construct seven affordable homes, each approximately 1,400 square-feet in size, in an existing single-family subdivision located at the northeast corner of State Route 33 / Dos Palos Road and San Joaquin Avenue in the City of Firebaugh, a Disadvantaged Community located in a census tract that has a reported average median household income of \$41,199; and”

4. The recital located on page 3 lines 4-8 shall be deleted in its entirety, and replaced with the following:

“WHEREAS, Subrecipient represents that SLFRF provided under this Agreement will assist with unanticipated construction costs of \$1,363,200, consisting of \$1,190,928 for the construction of seven affordable homes, which costs include administrative fees, engineering fees, legal fees, permitting costs, environmental review costs, and construction costs to construct the seven-affordable homes in Firebaugh, as shown on Table 1-1 of Revised Exhibit B-1, and \$172,272 for the site preparation and engineering design costs necessary for backfill construction of an existing ponding basin on a property adjacent to the 7-unit development, as described on Table 1-1 of Revised Exhibit B-1.”

5. Subsection D of Section 1, located on page 4, lines 12-16 shall be deleted in its entirety, and replaced with the following:

Subrecipient represents that it intends to use these SLFRF to assist with unanticipated construction costs of \$1,363,200, of which \$1,190,928 will be used for costs including, but not limited to: administrative fees, engineering fees, legal fees, permitting costs, environmental review costs, and construction costs as shown on Table 1-1 of Revised Exhibit B-1, attached and incorporated by this reference, for the construction of seven-affordable homes in the City of

1 Firebaugh. The remaining \$172,272 will be used for the site preparation for backfill construction
2 of an existing ponding basin on an adjacent property to the 7-unit development, as shown on
3 Table 1-1 of Revised Exhibit B-1.”

4 6. Subsection H of Section 1, located on page 6, line 12 through line 21, shall be deleted in its
5 entirety, and replaced with the following:

6 “H. Timeline. Subrecipient shall ensure that the Program is diligently undertaken and
7 completed, and all SLFRF granted under this Agreement are fully expended, no later than June
8 30, 2026. By August 31, 2024, Subrecipient shall analyze, and shall report to County in writing,
9 whether it can complete the Program or fully expend the SLFRF granted under this Agreement
10 by June 30, 2026. If Subrecipient is not capable of completing the Program or fully expending the
11 SLFRF granted under this Agreement on the Program by June 30, 2026, Subrecipient shall
12 return any previously issued SLFRF, which have not been bindingly obligated to a permissible
13 use, to County within fifteen calendar days. “

14 7. A portion of Section 13, Grant Funding/Compensation, of the Agreement located on Page 16,
15 line 19 through line 24, is deleted in its entirety, and replaced with the following:

16 “Subrecipient shall submit documentation to the County of Fresno, County Administrative Office
17 located at 2281 Tulare, Room 304, Fresno, CA 93721, or electronically, to e-mail address
18 fresnoca@fresnocountyca.gov. Payment by County shall be in arrears for services provided
19 during the preceding period of time, within forty-five (45) days from date of receipt, verification,
20 and approval of Subrecipient’s invoice and supporting documentation by County. Requests for
21 advancement of funds for anticipated eligible expenditures shall also be accompanied by a
22 written certification from the Subrecipient consistent with the amount of work scheduled to be
23 performed or materials to be purchased with the amount of funding being requested from the
24 County, and that the payment request is in accordance with the Program, Table 1-1 of Revised
25 Exhibit B-1 of this Agreement. After appropriate review and inspection of the payment request for
26 advanced funding, the County shall make the payment available to Subrecipient, less any
27 amounts outstanding from prior for which prior advanced funds have not been fully expended or
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1 accounted with supporting documentation. If Subrecipient fails to comply with any provision of
2 this Agreement, County shall be relieved of its obligations for further compensation.”

3 8. A portion of Section 17, HOLD HARMLESS, of the Agreement, located on page 18, lines 12
4 through 20, is deleted and replaced with the following:

5 “The Subrecipient shall indemnify and hold harmless and defend the County (including its
6 officers, agents, employees, and volunteers) against all claims, demands, injuries, damages,
7 costs, expenses (including attorney fees and costs), fines, penalties, and liabilities of any kind to
8 the County, the Subrecipient, or any third party that arise from or relate to the performance or
9 failure to perform by the Subrecipient (or any of its officers, agents, subcontractors, or
10 employees) under this Agreement. The County may conduct or participate in its own defense
11 without affecting the Subrecipient’s obligation to indemnify and hold harmless or defend the
12 County.”

13 9. The description of the Program provided on Exhibit A is deleted in its entirety, and replaced with
14 the following:

15 “Subrecipient represents that it is facilitating the process to build seven affordable homes, each
16 approximately 1,400 square-feet in size, in an existing single-family subdivision located at the
17 northeast corner of State Route 33/Dos Palos Road and San Joaquin Avenue in the City of
18 Firebaugh, a Disadvantaged Community located in a census tract that has a reported average
19 median household income of \$41,199.

20 Subrecipient targets, through its self-help program, rural families that meet the eligibility
21 requirements of the Home Investment Partnerships Program (HOME), which restricts the
22 eligibility of potential buyers to those who are at or below eighty percent (80%) of the AMI for
23 Fresno County, as reported by HUD, and who have a willingness to invest volunteer hours of
24 labor to construct their own future home. Subrecipient targets, through its self-help program,
25 rural families that meet the eligibility requirements of the Subrecipient’s housing program, which
26 restricts the eligibility of potential buyers to those who are at or below eighty percent (80%) of the
27 AMI for Fresno County, as reported by HUD, and who have a willingness to invest volunteer
28 hours of labor to construct their future home. Subrecipient represents that SLFRF provided under

1 this Agreement will assist with unanticipated construction costs in the amount of \$1,190,928
2 including rough trade costs and foundation construction of which costs shall include
3 administrative fees, engineering fees, legal fees, permitting costs, environmental review costs,
4 and construction costs, as shown on Table 1-1 of Revised Exhibit B-1, to construct the seven-
5 affordable homes in Firebaugh, and \$172,272 for, including but not limited to, construction,
6 engineering, permitting, and other costs necessary for site preparation to backfill an existing
7 ponding basin on a property adjacent to the 7-unit development, as shown on Table 1-1 of
8 Revised Exhibit B-1, which will help the Subrecipient leverage future funding anticipated to yield
9 an additional estimated 15 to 18 affordable homes in Subrecipient's Phase II of the project.
10 Construction of the affordable homes will improve access to stable, affordable housing, including
11 the supply of high-quality living units, and will increase long-term housing security and support
12 durable and sustainable homeownership for low and moderate-income working families in the
13 County."

14 10. When both parties have signed this Amendment No. 2, the Agreement, Amendment No.1, and
15 this Amendment No. 2 together constitute the Agreement.

16 11. The Subrecipient represents and warrants to the County that:

- 17 a. The Subrecipient is duly authorized and empowered to sign and perform its obligations under
18 this Amendment No. 2.
- 19 b. The individual signing this Amendment No. 2 on behalf of the Subrecipient is duly authorized
20 to do so and his or her signature on this Amendment No. 2 legally binds the Subrecipient to
21 the terms of this Amendment No. 2.

22 12. The parties agree that this Amendment No. 2 may be executed by electronic signature as
23 provided in this section.

- 24 a. An "electronic signature" means any symbol or process intended by an individual signing this
25 Amendment No. 2 to represent their signature, including but not limited to (1) a digital
26 signature; (2) a faxed version of an original handwritten signature; or (3) an electronically
27 scanned and transmitted (for example by PDF document) version of an original handwritten
28 signature.

- 1 b. Each electronic signature affixed or attached to this Amendment No. 2 is deemed equivalent
2 to a valid original handwritten signature of the person signing this Amendment No. 2 for all
3 purposes, including but not limited to evidentiary proof in any administrative or judicial
4 proceeding, and (2) has the same force and effect as the valid original handwritten signature
5 of that person.
- 6 c. The provisions of this section satisfy the requirements of Civil Code section 1633.5,
7 subdivision (b), in the Uniform Electronic Transaction Act (Civil Code, Division 3, Part 2, Title
8 2.5, beginning with section 1633.1).
- 9 d. Each party using a digital signature represents that it has undertaken and satisfied the
10 requirements of Government Code section 16.5, subdivision (a), paragraphs (1) through (5),
11 and agrees that each other party may rely upon that representation.
- 12 e. This Amendment No. 2 is not conditioned upon the parties conducting the transactions under
13 it by electronic means and either party may sign this Amendment No. 2 with an original
14 handwritten signature.

15 13. This Amendment No. 2 may be signed in counterparts, each of which is an original, and all of
16 which together constitute this Amendment No. 2.

17 14. The Agreement as amended by this Amendment No. 2 is ratified and continued. All provisions of
18 the Agreement and Amendment No. 1 not amended by this Amendment No. 2 remain in full force and
19 effect.

20 [SIGNATURE PAGE FOLLOWS]
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The parties are signing this Amendment No. 2 on the date stated in the introductory clause.

Subrecipient

County of Fresno

Ashley Hedemann
Ashley Hedemann, Chief Executive Officer
Habitat for Humanity Fresno, Inc.

Garry Bredefeld
Garry Bredefeld, Chairman of the Board of
Supervisors of the County of Fresno

Mailing Address:
Habitat for Humanity Fresno, Inc.
4991 E. McKinley Avenue,
Fresno, CA 93727

Attest:
Bernice E. Seidel
Clerk of the Board of Supervisors
County of Fresno, State of California

By: Alexander Vinn
Deputy

For accounting use only:
Org: 1033
Fund: 0026
Subclass: 91021
Account: 7845

Revised Exhibit B-1

Expenditure Plan

SLFRF to be granted by the County to Subrecipient for the Program shall not exceed \$1,363,200 to help fund construction costs for two separate developments in Firebaugh, both of which comprise the Program being funded, and both of which will provide opportunity for affordable home ownership to low income working families in the community of Firebaugh.

Subrecipient shall submit written drawdown requests to the County for the payment of eligible necessary expenses in support of the Program. Drawdown requests for the County to make such payments shall be in accordance with the sample Drawdown Request Form in this Revised Exhibit B-1. All drawdown requests shall clearly indicate whether funds were or will be used for the seven unit development or the site preparation, material costs or backfill of an existing ponding basin adjacent to the subject property and shall provide all appropriate supporting documentation including copies of purchase orders, receipts, and reimbursement requests, detailing estimates or invoices payable or already paid, and expenses incurred or anticipated to be incurred in support of the Program for eligible items listed in Table 1-1 of this Revised Exhibit B-1.

Revised Exhibit B-1 (continued)

Revised Table 1-1

Line Item	Cost Estimates	Narrative
Construction Soft Costs		
Planning (BDY/Topo/Survey/TTM)	\$350,407	Will fund soft expenses in support of the project, including but not limited to; site planning, environmental, civil engineering, surveying, legal expenses, utilities planning, consulting studies, project permits, city impact fees, school fees, transportation fees, plans, architecture, water conservation efforts, insurance cost, and expenses related to sale of the affordable homes.
Environmental Assessment		
Civil Engineering Plans, Maps, Improvement Plans		
Legal		
Geotechnical & Soils Study		
Utilities Consultant		
Administrative Title Service Fees		
Development Consultants		
Impact		
Regional Transportation Mitigation Fee (RTMF)		
School		
Horizontal Permits		
Site Plan/Engineering/Architecture		
Building Plan Check		
Building Permits		
Model Water Efficient Landscape Ordinance (MWELO) Plans/Permits		
Escrow Fees		
Insurance		
Miscellaneous Vertical Soft Costs		
Horizontal Hard Costs		
Clearing, Maintenance, Demo	\$227,088	Will fund horizontal hard costs related to site preparation work, demo, grading, rights-of-way, utilities, site safety and security such as fencing, walls, and work related to the storm water pollution prevention work.
Grading/Staking		
Electric		
Streets		
Walls/Fencing/Repairs (Subdivision, Retaining Walls)		
Storm Water Pollution Prevention Plan (SWPPP) Work		
Vertical Hard Costs		
Rough Trades, Plumbing and Foundation	\$569,334	Will fund direct construction cost included but not limited to rough trades such as plumbing, foundation, framing, trusses, HVAC, windows, roofing, and similar costs in support of the affordable homes.
Ponding Basin		
Ponding Basin Engineering and Site Preparation	\$172,272	Will fund costs for the ponding basin, including but not limited to plan/map costs, permit fees, engineering services, soils studies, utility consultants, legal, site maintenance, tree removal, and any other entitlement costs.
Project Administration		
Project Contingency Line Item	\$44,099	Will account for unanticipated expenses that may have not been accounted for in line-item estimates.
Grant Total	\$1,363,200	