

**HOME INVESTMENT PARTNERSHIPS PROGRAM
SECOND AMENDMENT TO CHDO AGREEMENT BETWEEN
LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
AND
THE FAYETTE COUNTY LOCAL DEVELOPMENT CORPORATION**

THIS SECOND AMENDMENT, made and entered into on this ____ day of _____ 2013, by and between the Lexington-Fayette Urban County Government, an urban county government of the Commonwealth of Kentucky, pursuant to KRS Chapter 67A, and located at 200 East Main Street, Lexington, Fayette County, Kentucky 40507 and the Fayette County Local Development Corporation (hereinafter referred to as the "CHDO"), a non-stock, nonprofit Kentucky corporation, organized pursuant to KRS Chapter 273, and whose mailing address is 148 Deweese Street, Lexington, Kentucky 40507.

WHEREAS, Participating Jurisdiction and CHDO entered into a HOME Investment Partnerships Program CHDO Agreement, dated March 14, 2012, in the amount of \$230,000 from the HOME Investment Partnerships Grant program in accordance with the Government's approved 2010 Consolidated Plan for Rental Housing Production Activities, and the amount of \$40,000 for eligible operating costs;

WHEREAS, Participating Jurisdiction and CHDO entered into an Amendment to CHDO Agreement dated June 21, 2012, providing for additional funds for development of six rental units (two duplexes and two single family units) for low-income households;

WHEREAS, CHDO has determined that it is unable to develop one duplex (two units) at 523 Chestnut Street, and is requesting that the CDDO Agreement be amended to provide for the development of one duplex and four single family units;

WHEREAS, Participating Jurisdiction has agreed to provide CHDO an additional \$28,264.50 in federal funding for the completion of six rental housing units (one duplex and four single family units);

WHEREAS, the Original HOME Agreement provided for all amendments to be in writing executed by Participating Jurisdiction and CHDO;

NOW, THEREFORE, in consideration of the foregoing and mutually agreed upon promises, conditions, and covenants hereinafter set forth, the parties hereto agree as follows:

1. Article I, Paragraph 1 "USE OF HOME FUNDS" shall be amended in its entirety to read as follows:

"The CHDO agrees to use the set-aside of \$345,451.50 for the purpose of constructing one duplex and four single family unit(s) for rent to eligible low-income households in accordance with the HOME Investment Partnerships Program regulations as stated in 24 CFR Part 92. Addresses for these units are: 517 Chestnut Street (duplex), 440, 445, 569, and 573 Chestnut Street (single family units).

The CHDO agrees that all HOME funds will be used only for eligible costs in accordance with 24 CFR Part 92.206, and in accordance with a project budget (Exhibit 1, as Amended) and a project schedule that shall receive the prior written approval of the Participating Jurisdiction.

A minimum of six residential rental units will be completed with these funds."

2. Article I, Paragraph 3 "DURATION OF THE AGREEMENT" shall be amended in its entirety to read as follows:

"The CHDO agrees to have all funds committed to HOME-eligible activities no later than June 30, 2014. The CHDO further agrees to complete all activities under this agreement no later than December 31, 2014. Project Completion is defined as all construction work being completed, and issuance of a Certificate of Occupancy by the Lexington-Fayette Urban County Government Division of Building Inspection. Completion of activities includes the rental of the units to eligible households and acceptance of completion report by the HUD Cash Management System. Rental of units shall be completed within six

months of project completion and completion report shall be submitted within six months of rent-up. The terms of this Agreement shall be in effect for the full period of affordability, which is a period of twenty (20) years, beginning on the date the HUD Cash Management System accepts and records the Completion report. "

3.. Article I, Paragraph 5 "TENANT ELIGIBILITY" shall be amended in its entirety to read as follows:

"For a period of twenty (20) years from the date on which development of the Project is completed, established as the date the HUD Cash Management System accepts and records the Completion report, one hundred percent (100%) of the units assisted with these funds will be rented to low-income and very low-income households, in accordance with HOME regulations at 24 CFR 92.203 (b) (1). Low-income households are those households with adjusted gross incomes at or below sixty percent (60%) of the median income for the community. Very low-income households are those households with adjusted gross incomes at or below fifty percent (50%) of the median income for the community. During this same twenty-year period, for projects of five or more HOME-assisted units, twenty percent (20%) of the HOME-assisted units shall be rented to very low-income households. CHDO shall use the Section 8 Program definition of annual gross income (24 CFR 5.609). "

4.. In all other respects, except as specifically modified herein, the terms of the HOME Investment Partnerships Program CHDO Agreement, dated June 8, 2010, and the HOME Investment Partnerships Program Amendment to CHDO Agreement dated June 21, 2012, shall remain in full force and effect with respect to the provisions outlined therein.

IN WITNESS WHEREOF, the parties executed this Amendment at Lexington, Kentucky, the day, month, and year able written.

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

By: _____
Jim Gray, Mayor

ATTEST:

Clerk of Urban County Council

FAYETTE COUNTY LOCAL DEVELOPMENT CORPORATION

BY: _____
Signature of Authorized Official

Printed Name and Title of Authorized Official

Project Estimate

Address: 440 Chestnut

Square Footage: 1,140

Specs: 3 bdrm, 2 bath, slab, 1 story

	<u>Costs</u>
Equipment Rental	\$1,500
Site Work	\$1,000
Excavate, Form & Pour Footer	\$1,500
Dumpster	\$1,200
Masonry	\$2,200
Framing	\$17,845
Concrete	\$2,500
Siding/Columns	\$3,500
Windows/ Energy Star Upgrade *	\$1,100
Electric - 2009 Code	\$4,600
Roof Shingles	\$2,200
Plumbing	\$5,500
Insulation (walls & attic)	\$2,700
HVAC	\$5,800
DryWall - hang & finish	\$6,000
Trim/Doors	\$3,363
Interior Painting	\$1,900
Gutters	\$1,500
Cabinets/Countertops/Vanities & Tops	\$2,800
Flooring - Carpet/vinyl	\$3,400
Accessories	\$900
Lighting **	\$775
Landscaping	\$3,000
Decks - 10 X 10	\$1,800
Appliances	\$2,500
Cleaning	\$200
Utilities	\$1,100
Permits & Fees	\$2,000
Street Cut	\$0
Subtotal 1	\$84,383
4% Contingency	\$3,375
Subtotal 2	\$87,758
Overhead & Profit	\$39,491
Total Building Costs	\$127,250

Project Estimate

Address: 445 Chestnut

Square Footage: 1,140

Specs: 3 bdrm, 2 bath, slab, 1 story

	<u>Costs</u>
Equipment Rental	\$1,500
Site Work	\$1,000
Excavate, Form & Pour Footer	\$1,500
Dumpster	\$1,200
Masonry	\$2,200
Framing	\$17,845
Concrete	\$2,500
Siding/Columns	\$3,500
Windows/ Energy Star Upgrade *	\$1,100
Electric - 2009 Code	\$4,600
Roof Shingles	\$2,200
Plumbing	\$5,500
Insulation (walls & attic)	\$2,700
HVAC	\$5,800
DryWall - hang & finish	\$6,000
Trim/Doors	\$3,363
Interior Painting	\$1,900
Gutters	\$1,500
Cabinets/Countertops/Vanities & Tops	\$2,800
Flooring - Carpet/vinyl	\$3,400
Accessories	\$900
Lighting **	\$775
Landscaping	\$3,000
Decks - 10 X 10	\$1,800
Appliances	\$2,500
Cleaning	\$200
Utilities	\$1,100
Permits & Fees	\$2,000
Street Cut	\$0
Subtotal 1	\$84,383
4% Contingency	\$3,375
Subtotal 2	\$87,758
Overhead & Profit	\$39,491
Total Building Costs	\$127,250

Project Estimate

Address: 517 Chestnut (Duplex)

Square Footage: 1,245 ea. / 2,470 total

Specs: 3 bdrm, 2 bath

	<u>Costs</u>
Equipment Rental	\$2,000
Site Work	\$2,000
Excavate, Form & Pour Footer	\$2,500
Dumpster	\$1,800
Masonry	\$4,800
Framing	\$35,583
Concrete	\$3,700
Siding/Columns	\$7,200
Windows/ Energy Star Upgrade *	\$1,800
Electric - 2009 Code	\$9,200
Roof Shingles	\$3,500
Plumbing	\$11,000
Insulation (walls & attic)	\$5,500
HVAC	\$9,000
DryWall - hang & finish	\$10,000
Trim/Doors	\$7,346
Interior Painting	\$3,735
Gutters	\$1,700
Cabinets/Countertops/Vanities & Tops	\$5,600
Flooring - Carpet/vinyl	\$7,000
Accessories	\$1,600
Lighting **	\$1,200
Landscaping	\$3,500
Decks - 10 X 10	\$1,500
Appliances	\$5,000
Cleaning	\$400
Utilities	\$2,000
Permits & Fees	\$3,500
Street Cut	\$0
Subtotal 1	\$153,664
4% Contingency	\$6,147
Subtotal 2	\$159,811
Overhead & Profit	\$71,915
Total Building Costs	\$231,725

Project Budget:569 Chestnut

Square footage: 1,146

Specs: 3 bedroom, 2 bath, 1 story

Activity	Cost
Acquisition	
Demolition	
Equipment Rental	
Site Work	\$ 1,500.00
Excavate & pour footers	\$ 1,000.00
Dumpster	\$ 1,500.00
Masonary	\$ 1,200.00
Framing Material	\$ 2,200.00
Concrete	\$ 17,845.00
Siding/columns	\$ 2,500.00
Windows-Upgrade to energy star	\$ 3,500.00
Electric - 2009 code	\$ 1,100.00
Roofing Shingles	\$ 4,600.00
Plumbing	\$ 2,200.00
Insulaton (walls & attic)	\$ 5,500.00
HVAC	\$ 2,700.00
Drywall - hang & finish	\$ 5,800.00
Trim/Doors	\$ 6,000.00
Interior Paint	\$ 3,363.00
Gutters	\$ 1,900.00
Cabinets/Countertops/Vanites & Tops	\$ 1,500.00
Flooring - carpet/vinyl	\$ 2,800.00
Assessories	\$ 3,400.00
Lighting	\$ 900.00
Landscaping	\$ 775.00
Sidewalks	\$ 3,000.00
Decks - 10x10	\$ 1,800.00
Porches	
Driveways	
Appliances	\$ 2,500.00
Cleaning	\$ 600.00
Utilities	\$ 1,100.00
Permits & Fees	\$ 2,000.00
Street Cut	
Total Hard Costs	\$ 84,783.00
4% Contingency	\$ 3,391.00
Soft Costs (Interest, Insurance, Site Maintenance)	\$ 9,114.00
Subtotal Hard Cost, Contingency, Soft Costs	\$ 97,288.00
Overhead & Profit	\$ 41,141.00
Total Building Costs:	\$ 138,429.00

EXHIBIT I
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Project Budget:573 Chestnut

Square footage: 1,146

Specs: 3 bedroom, 2 bath, 1 story

Activity	Cost
Acquisition	\$ 24,000.00
Demolition	\$ 12,000.00
Equipment Rental	\$ 1,500.00
Site Work	\$ 1,000.00
Excavate & pour footers	\$ 1,500.00
Dumpster	\$ 1,200.00
Masonry	\$ 2,200.00
Framing Material	\$ 17,845.00
Concrete	\$ 2,500.00
Siding/columns	\$ 3,500.00
Windows-Upgrade to energy star	\$ 1,100.00
Electric - 2009 code	\$ 4,600.00
Roofing Shingles	\$ 2,200.00
Plumbing	\$ 5,500.00
Insulation (walls & attic)	\$ 2,700.00
HVAC	\$ 5,800.00
Drywall - hang & finish	\$ 6,000.00
Trim/Doors	\$ 3,363.00
Interior Paint	\$ 1,900.00
Gutters	\$ 1,500.00
Cabinets/Countertops/Vanites & Tops	\$ 2,800.00
Flooring - carpet/vinyl	\$ 3,400.00
Assessories	\$ 900.00
Lighting	\$ 775.00
Landscaping	\$ 3,000.00
Sidewalks	\$ 1,800.00
Decks - 10x10	\$ 1,800.00
Porches	\$ 1,800.00
Driveways	
Appliances	\$ 2,500.00
Cleaning	\$ 600.00
Utilities	\$ 1,100.00
Permits & Fees	\$ 2,000.00
Street Cut	
Total Hard Costs	\$ 96,783.00
4% Contingency	\$ 3,391.00
Soft Costs (Interest, Insurance, Site Maintenance)	\$ 9,114.00
Subtotal Hard Cost, Contingency, Soft Costs	\$ 109,288.00
Overhead & Profit	\$ 41,141.00
Total Building Costs:	\$ 174,429.00