

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

1. Project Budget

The preliminary projected budget (“Budget”) as referenced in this Exhibit contains the cost items for the design, development, and construction of the approved Capital Improvement Project, including the sources and uses of funds (“Sources and Uses”). The financial information for the foregoing Budget is contained in Exhibit E under Provision B-E.1 in a table entitled “PROJECT BUDGET.”

2. Contract Amount

- A. For the purpose of performing the Work, the Department agrees to provide the amount identified on page one, Section 3, of this Agreement (STD Form 213) in the form of a grant for the uses identified in the Budget. In no instance shall the Department be liable for any costs for the Work in excess of this amount, or for any unauthorized or ineligible costs. Nor shall the Department have any obligation to pay for cost overruns or increases which result in a total cost for the Capital Improvement Project in excess of that set forth in the Budget.
- B. The Department may approve a request from the Recipient to reallocate funds between authorized activities and itemized amounts stated in the Budget. Changes in aggregate of ten percent (10%) or less of the total grant amount between activity categories during the term of this Agreement, and expenditures pursuant thereto, may be made only after the Department’s express written approval, but do not require a written amendment to this Agreement.

3. Other Funding Sources

- A. To the extent that the Sources and Uses include funds other than Program funds, those funds shall be expended and applied to Project costs as provided in the Budget. Recipient agrees that it will make best efforts to ensure that such other funds specified in the Budget are available for disbursement as provided in this Agreement, and approved for the use specified in the Budget, or as provided for in the Disbursement Agreement described below to the extent the Budget and the Sources and Uses are

Infill Infrastructure Grant Program – Catalytic Qualifying Infill Area (IIGC)

Phase I Concept Proposal: 11/30/2022

Phase II Application Solicitation: 03/15/2023, Amended 03/22/2023

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updated and modified by the Disbursement Agreement. The Recipient shall provide evidence and assurance of the commitment and availability of such other sources of funding identified in the Sources and Uses as provided in the Disbursement Agreement. The terms and conditions of all construction financing to be used in conjunction with the Program funds shall be subject to the Department's review and approval.

- B. The Department may require the Recipient to provide an Estoppel Letter, acceptable to the Department, as assurance to the Department that the amount of owner equity or developer funds proposed by the Recipient at application stage and relied upon by the Department in reviewing the financial feasibility of the project, continues to be committed to the project.

4. Completion Dates

- A. All Program funds must be disbursed no later than the date set forth in Exhibit E under Provision B-E.2 (the "Disbursement Deadline"). Funds which have not been disbursed as of the Disbursement Deadline, will no longer be available for this Project. All invoices for payment must be submitted to the Department no later than three (3) months prior to the Disbursement Deadline to ensure payment processing.
- B. This Agreement shall expire on the date set forth in Section 2 of the STD 213 of this Agreement.

5. Method of Payment

- A. Payment shall be made as progress payments as set forth in the Disbursement Agreement. Recipient shall request payment for Work completed on forms provided by the Department and subject to such documentation as the Department may require.
- B. The Department shall not authorize payments unless it determines that the Program funds shall be expended in compliance with the terms and provisions of the Phase II Solicitation, this Agreement, and the Disbursement Agreement.

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- C. The Department shall not authorize payment(s) for pre-development and/or soft costs until the Department has received from the Recipient:
- i. An executed construction contract; and
 - ii. Evidence, acceptable to the Department, demonstrating that construction period funding sources have been secured, or will be, or have been, converted to permanent funding sources.

6. Disbursement Agreement

- A. The Recipient, the Department and such other parties as may be reasonably required by the Department, shall enter into a Disbursement Agreement in a form provided by the Department. The Disbursement Agreement shall contain a specific description of the Capital Improvement Project and an updated Budget, including an updated table of Sources and Uses, and the specific terms and conditions for the disbursement of Program funds.
- B. The Disbursement Agreement must be executed by the date set forth in in Exhibit E under Provision B-E.3.

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