

October 3, 2025

Ralson Reodica
Housing and Strategic Development Director, Alachua County
John Henry Thomas, M.D. Center
218 SE 24th St.
Gainesville, FL 32641

Subject: SB Friedman Proposed Scope of Work - Wild Spaces, Public Places Infrastructure Sales Tax

Dear Mr. Reodica:

Pursuant to our recent conversations, SB Friedman Development Advisors, LLC (SB Friedman) is pleased to present this letter outlining various services to advise on the use of funds from Alachua County Wild Spaces, Public Places Infrastructure Sales Surtax (WSPP) to support affordable housing development throughout the county.

Background and Understanding

It is our understanding that in 2022, Alachua County (the "County") voters approved the extension of the WSPP to increase the sales tax from half-cent to one-percent, and extend the levy for ten years. It is our understanding that 50% of the surtax revenue will continue to support Wild Spaces & Public Spaces projects such as parks and conservation with the remaining 50% dedicated to roads, fire stations (and other public facilities), and affordable housing projects throughout the county. Further, it is our understanding that the WSPP tax revenue is distributed to the County and incorporated municipalities based on population. According to the Florida Department of Revenue's Office of Tax Research, the 1% sales surtax is projected to generate nearly \$50M annually across the county.

With funds generated from WSPP, the County seeks SB Friedman's assistance with developing a program to allocate funds to affordable housing projects through low-interest loans. This scope of work contemplates that SB Friedman assist with:

1. Refining guidelines for use of WSPP revenues for affordable housing projects
2. Advising on the WSPP affordable housing program process and application
3. Conducting underwriting analysis on proposed project

Scope of Work

SB Friedman proposes the following scope of services for this engagement based on initial conversations. However, we will work with County staff to determine the best course of action.

1. REFINING GUIDELINES FOR USE OF WSPP REVENUES FOR AFFORDABLE HOUSING PROJECTS

We will coordinate with County staff to schedule a kickoff conference call. The purpose of the call will be to discuss the project scope, timeline and key deliverables, and confirm project goals and objectives.

SB Friedman will review initial guidelines and work with County staff to further refine them based on the goals and requirements of the WSPP. As part of our guideline refinement, we will identify the key components which will be considered and evaluated. Refinements may address a variety of key components including the following:

- Priority project definition
- Priority use of funds
- Priority locations
- Funding principles
- Other evaluation criteria
- Application process
- Review process
- Scoring review criteria

The purpose of this work is to clearly identify what projects would be eligible and prioritized when deploying funds. We can help prepare flyers, FAQs and other materials to clearly communicate the program.

2. ADVISING ON A PROCESS AND APPLICATION

SB Friedman can work with County staff and/or the Alachua County Housing Finance Authority (the "HFA") staff to advise on a review process to support strategic deployment of funds. We will work with County staff and/or the HFA to understand existing evaluation procedures and materials, such as the existing Alachua County Infrastructure Sales Surtax Housing Finance Application. We will identify ways we can build on existing materials and programs to create a streamlined application and review process for the deployment of WSPP funds.

We may propose a two-step process to first obtain initial information about projects before pursuing a deeper-dive into technical details of each proposal. We will work with County staff to develop applications in the desired format (e.g., live excel, editable PDF format, static pdf format). The goal of the application process is to solicit sufficient information which will allow for an informed decision regarding the best use of WSPP funds.

3. CONDUCTING UNDERWRITING ANALYSIS ON PROPOSED PROJECT

SB Friedman can conduct a financial review of a proposed project. Our anticipated scope of services will assess a project holistically, including the following:

- High-level review of estimated construction costs (does not include contractor estimate-style review);
- Review of revenue and operating expense assumptions;
- Projection of financial returns, including return on total development cost and return on investment based on the developer's pro forma, with and without financial assistance from the County; and
- Preparation of an executive summary/memo outlining our analysis and recommendations regarding County assistance.

Generally, our underwriting analyses costs approximately \$25,000-35,000 per project.

Additional Services

EVALUATING APPLICATIONS FOR REAL ESTATE READINESS

SB Friedman can support the County and Housing Authority in evaluating applications specifically for real estate readiness. We can provide expertise reviewing project financials and considering other project metrics that influence the likelihood for the project to move forward through development and be a successful and sustainable resource to the community. We can work with staff to prepare summary materials of our review that can inform funding decisions made by the Citizen’s Oversight Board.

DEFINING AND EVALUATING KEY PERFORMANCE MEASURES

SB Friedman has experience in defining performance measures to help evaluate various public programs. We can work with the County to identify which metrics could define “success” for the program. We can pull data to understand the baseline and re-evaluate the metrics as the program is implemented.

Billing Rates

It is our understanding that the County has \$100,000 allocated for initial work. We will work with staff to determine the best course of action. We will coordinate with Alachua County during the contract period and throughout the project to make any adjustments needed to the level of effort or scope of services.

Professional fees for services will be based on the time required at the then-current hourly billing rates of the staff involved. Our current hourly rates for this assignment are:

Partner/Senior Vice President	\$325	Senior Associate	\$220
Vice President	\$275	Associate	\$195
Senior Project Manager	\$270	Marketing Coordinator	\$140
Project Manager	\$265		

These rates are subject to adjustment by no more than 5% on March 1, 2026.

Publications, maps, outside data, use of owned or licensed databases, deliverable production, and other out-of-pocket expenses are included in this estimate and will be billed in addition to professional fees as incurred (without markup).

Invoices will be rendered no more frequently than monthly as our work progresses for services and costs incurred. Invoices are payable within 30 days. If at any time the decision is made to discontinue our services, our fee will be based upon the actual time expended and out-of-pocket costs incurred to that date.

The attached Limitations of Engagement apply to this project.

Acceptance Procedures

We appreciate the opportunity to assist Alachua County with this impactful work.

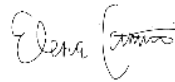
The County and SB Friedman agree to enter into an agreement ("Agreement") to piggyback on the General Planning Contract between Pinellas County and SB Friedman Development Advisors dated February 20, 2024, Contract Number 23-0749-RFP ("Piggyback Contract"). The term of this Agreement will not extend beyond the contract term of the Piggyback Contract. The Agreement will following the terms and conditions set forth in the Piggyback Contract.

Sincerely,

SB Friedman Development Advisors



Caitlin Johnson, AICP
Senior Vice President
cjohnson@sbfriedman.com



Elena Caminer
Senior Project Manager
ecaminer@sbfriedman.com

Limitations of Engagement

Our deliverables will be based on estimates, assumptions and other information developed from application materials, project interviews, research of the market, knowledge of the industry, and meetings with Alachua County during which we will obtain certain information. The sources of information and bases of the assumptions will be stated in the deliverable.

The terms of this engagement are such that we have no obligation to revise analyses or the deliverables to reflect events or conditions which occur subsequent to the date of the deliverables. These events or conditions include, without limitation, economic growth trends, governmental actions, changes in assessment practices, changes in applicable statutes, additional competitive developments, interest rates and other market factors. However, we will be available to discuss the necessity for revision in view of changes in the economic or market factors affecting the projects.

Our work will not ascertain the legal and regulatory requirements applicable to projects, including zoning, other state and local government regulations, permits and licenses. No effort will be made to determine the possible effect on these projects of present or future federal, state or local legislation, including any environmental or ecological matters. Further, we will not evaluate management's effectiveness, nor are we responsible for future marketing efforts and other management actions upon which actual results will depend.

Our deliverables will be intended solely for Alachua County's information for purposes of considering funding potential projects. The deliverables will not be a recommendation to issue bonds or other securities. The deliverables should not be relied upon by any other person, firm or corporation, or for any other purposes. Our deliverables are not intended to constitute advice for the client to issue (or refrain from issuing) specific municipal securities.

We acknowledge that upon submission to Alachua County, the report may become a public document within the meaning of the Freedom of Information Act. Nothing in these limitations is intended to block the disclosure of the documents under such Act.