

## AMENDMENT TO AGREEMENT

THIS AMENDMENT, made and entered into on this \_\_\_\_ day of \_\_\_\_\_, 2013, by and between LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, an urban county government pursuant to KRS Chapter 67A, and located at 200 East Main Street, Lexington, Fayette County, Kentucky 40507 (hereinafter referred to as "GOVERNMENT"), and REACH INC. (hereinafter referred to as "CHDO"), a non-stocks, nonprofit Kentucky corporation, organized pursuant to KRS Chapter 273, and whose mailing address is 733 Red Mile Road, Lexington, Kentucky 40504.

WHEREAS, Government and CHDO entered into a CHDO Agreement dated September 12, 2011, in the amount of \$62,000 in HOME Investment Partnerships Program funds for the purpose of purchasing property located at 442 Georgetown Street, Lexington, Kentucky, demolishing existing structure, and constructing new single family housing unit for eligible first-time homebuyer, in accordance with the HOME Investment Partnerships Program regulations as stated in 24 CFR Part 92, and in accordance with the HOME First-Time Homebuyer Assistance Guidelines, dated April 2011;

WHEREAS, CHDO has determined that it is unable to complete this project as originally proposed and has agreed to amend the project providing for a pass-through of all property and funds to the Fayette County Local Development Corporation, a CHDO designated by the GOVERNMENT, for development of one residential rental unit;

WHEREAS, the Agreement provides for all amendments to be in writing executed by Government 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 enter into an Agreement with Fayette County Local Development Corporation, transferring property located at 442 Georgetown Street, Lexington, Kentucky and providing all additional HOME Investment Partnerships funds in the amount of \$50,475 to Fayette County Local Development Corporation, for construction of one housing unit for rent to eligible low-income household in accordance with the HOME Investment Partnerships Program regulations as stated in 24 CFR Part 92.

CHDO'S pass-through Agreement with Fayette County Local Development Corporation shall be submitted to the Lexington-Fayette Urban County Government's Division of Grants and Special Programs for its approval prior to execution.

The CHDO agrees that all HOME funds shall be used only for eligible costs in accordance with CFR Part 92.206, and in accordance with the approved project budget and a project schedule."

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

"The CHDO agrees to execute pass-through agreement with Fayette County Local Development Corporation no later than March 15, 2013, shall transfer property located at 442 Georgetown Street to the Fayette County Local Development Corporation no later than March 31, 2013, and shall require that Fayette County Local Development Corporation complete all activities no later than August 31, 2013. 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 unit to an eligible household and acceptance of completion report by the HUD Cash Management System. Rental of unit shall be completed within six months of project completion and completion report shall be submitted within six months of rent-up. "

3. Article I, Paragraph 4 entitled "PROPERTY STANDARDS" of the Agreement shall be amended in its entirety to read as follows:

"The CHDO agrees to comply with the Kentucky Building Code, as applicable. The CHDO agrees to comply with all local and state laws regarding the submission of plans and specifications to, and approval by, the appropriate Building Official prior to the start of

construction. In the construction of new units, the CHDO agrees to meet Energy Star Standards. CHDO further agrees to maintain all units receiving a HOME subsidy in good condition and repair in accordance with Section 12-1, Code of Ordinances, Lexington-Fayette Urban County Government, as amended, for the full 20-year Period of Affordability. Upon written notification of violations of maintenance requirements, CHDO shall make corrections within 60 days. Code of Ordinances Section 12-1 is available at [www.lfueg.com/council\\_clerk/index.asp](http://www.lfueg.com/council_clerk/index.asp)."

4. Article I, Paragraph 9 entitled "REQUEST FOR DISBURSEMENT OF FUNDS" of the Agreement shall be amended in its entirety to read as follows:

"The CHDO agrees that it shall not request disbursement of funds from the Participating Jurisdiction until the funds are needed for payment of eligible costs and shall request only the amount of funds needed. The CHDO further agrees that any federal funds received and not used by the CHDO within fifteen days of receipt will be returned to the government immediately.

For Acquisition Request: The request for disbursement of funds shall include a draw request for the HOME funds, project address, anticipated date of closing, environmental review, purchase contract, property inspection, work write up, and appraisal.

For Construction Request: The request for disbursement of funds shall include a draw request for the HOME funds, project address, all the required documents for Transfer of Property if not previously submitted,"

5. Article III, "OBLIGATIONS OF THE PARTICIPATING JURISDICTION" Paragraph 1 shall be amended in its entirety as follows:

"In accordance with 24 CFR 92.300-301, the Participating Jurisdiction agrees to reserve \$12,000 of its FY 2007 HOME allocation, \$50,000 in its FY 2009 HOME allocation, and \$12,789 in its FY 2012 HOME allocation for use by the CHDO for eligible HOME projects."

6. The GOVERNMENT agrees to be responsible for inspection of the construction of the rental unit and shall be fully responsible for monitoring the activities of the Fayette County Local Development Corporation with respect to this agreement throughout the period of affordability.

In all other respects, except as specifically modified herein, the terms of the Agreement dated September 12, 2011, 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 above written.


LEXINGTON-FAYETTE URBAN COUNTY  
GOVERNMENT

Jim Gray, Mayor

ATTEST:

Clerk of Urban County Council

REACH, INC.

BY:   
Signature of Authorized Official

Tina Burns, Acting Director  
Printed Name and Title of Authorized Official