

MEMORANDUM OF AGREEMENT

THIS MEMORANDUM OF AGREEMENT (hereinafter the "MOA") is made and entered into as of the 10th day of September, 2015, by and between the **BLUE GRASS COMMUNITY FOUNDATION**, a Kentucky non-profit corporation located at 499 East High Street, Suite 112, Lexington, Kentucky 40507 (hereinafter "Foundation") and the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky pursuant to Chapter 67A of the Kentucky Revised Statutes, 200 East Main Street, Lexington, Kentucky 40507 (hereinafter "Lexington").

W I T N E S S E T H:

WHEREAS, the Foundation is committed to raise private funding for the Town Branch Commons Project (the "Project"); and

WHEREAS, Lexington finds that the Project and the services to be provided by the Foundation as further described in Exhibit "A", which is attached hereto and incorporated herein by reference, fulfill a public purpose and is desirous of providing funding in the amount of \$180,000.00 in Fiscal Year 2016 to be utilized in connection with the Project; and

WHEREAS, the Foundation is agreeable to accepting the funding and ensuring that any requirements connected to the funding are followed.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the receipt and sufficiency of which are acknowledged, the parties hereby agree as follows:

1. That in exchange for Lexington providing the Foundation with One Hundred Eighty Thousand Dollars (\$180,000.00) in funding (the payment schedule for which shall be mutually agreed upon between the parties), the Foundation agrees as follows: (1) that all funds must be expended for the purposes of providing the services related to the Project, as further generally described in Exhibit "A", which is attached hereto and which is incorporated herein by reference as if fully stated; (2) that if there is formal recognition of contributors to improvements to the Project, the Lexington-Fayette Urban County Government will be recognized in like manner to similar contributors; and (3) that it will provide to

Lexington, upon request, sufficient documentation of the appropriate expenditure of the funds, which shall include, at a minimum a written summary report of all of the expenditures made towards the services and Project as of January 31, 2016, and as of June 30, 2016 as well as a necessary final report.

2. This MOA shall remain in effect until the Foundation has fully complied with the requirements of this MOA and the Project is completed, unless terminated by Lexington in writing for nonperformance at an earlier time.

3. Foundation shall perform (or ensure that) all duties and services included in the Work faithfully and satisfactorily at the time, place and for the duration prescribed herein. Foundation shall keep itself fully informed of all national and state laws and all municipal ordinances and regulations in any manner affecting the work or performance of this MOA, and shall at all times observe and comply with such laws, ordinances and regulations, whether or not such laws, ordinances or regulations are mentioned herein, and shall indemnify Lexington, its officers, agents and employees against any claim or liability arising from and based on Foundation's violation of any such laws, ordinances or regulations. In the event of termination of this MOA by Lexington, Foundation shall be entitled to that portion of total compensation due under this MOA as the Work or services rendered bears to that required hereunder.

4. Each party agrees that it shall be responsible for any claims or damages that are based upon its respective performance of this MOA, or that are based upon the actions or inactions of its respective employees or agents.

5. The Foundation shall keep and make available to Lexington any records related to this MOA such as are necessary to support its performance of this MOA. Books of accounts shall be kept by the Foundation and entries shall be made therein of all money, goods, effects, debts, sales, purchases, receipts, payments and any other transactions of the Foundation related to this MOA and shall be made available to Lexington upon request.

6. The Foundation shall allow Lexington the necessary access to perform the services herein and to monitor Foundation's performance under this MOA.

7. In no event shall the parties be construed, held or become in any way for any purpose the

employee of the other party, or partners, associates or joint ventures in the conduct of their respective endeavors or otherwise.

8. The Foundation shall provide equal opportunity in employment for all qualified persons, shall prohibit discrimination in employment because of race, color, creed, national origin, sex, age, sexual orientation or gender identity, or handicap, shall promote equal employment through a positive, continuing program of equal employment, and shall cause any agency receiving funds provided pursuant to this MOA to do so. This program of equal employment opportunity shall apply to every aspect of its employment policies and practices.

9. Neither party may assign any of its rights and duties under this MOA without the prior written consent of the other party. Notwithstanding the foregoing, Lexington understands that the Work will ultimately be performed by persons or entities other than the Foundation.

10. This MOA does not create a contractual relationship with or right of action in favor of a third party against either the Foundation or Lexington.

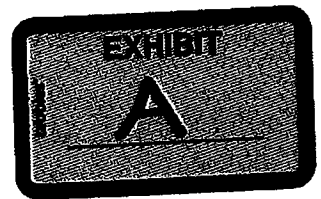
11. If any term or provision of this MOA shall be found to be illegal or unenforceable, this MOA shall remain in full force and such term or provision shall be deemed stricken.

12. This MOA shall be governed in all respects by the laws of the Commonwealth of Kentucky and venue for all actions shall lie in Fayette County, Kentucky.

13. By mutual agreement, the parties to this MOA may, from time to time, make written changes to any provision hereof. Foundation acknowledges that Lexington may make such changes only upon approval of its legislative authority, the Lexington-Fayette Urban County Council, and the signature of its Mayor.

14. This MOA shall constitute the entire agreement between the parties and no representations, inducements, promises or agreements, oral or otherwise, which are not embodied herein shall be effective for any purpose. This MOA shall replace any previous agreement between the parties on the same subject matter.

15. The waiver by either party of any breach of any provision of this MOA shall not



About Blue Grass Community Foundation

Established in 1967, Blue Grass Community Foundation, a 501(c)(3) nonprofit organization, is Kentucky's oldest community foundation, whose mission is to grow charitable giving and support activist philanthropy. With \$75 million in charitable assets and 450 charitable funds, the Community Foundation aspires to build a better Lexington and region by harnessing the collective impact of philanthropic investments through innovative grantmaking and strategic community leadership.

The Community Foundation has a staff of dedicated professionals, including 3 attorneys, 2 CPAs and specialist in fund development, donor stewardship, board governance, nonprofit services and administration, communications and community engagement. Blue Grass Community Foundation is nationally certified by Council of Foundations.

Town Branch Commons Project Overview

The Community Foundation will serve Lexington by working to achieve the goals of the Town Branch Commons Project related to private philanthropic investment. The work will be accomplished with active participation and guidance of a Town Branch Commons Steering Committee and the expertise of the Community Foundation's professional staff and consultants.

The work of the Community foundation will initially be spent developing a robust fundraising effort and then managing the implementation. The Community Foundation will engage the community in these activities at the appropriate stage of development. After the fundraising effort is implemented, the Community Foundation will finalize a plan for governance, sustainable fundraising infrastructure and strategies, and maintenance and operation of the Commons, while broadening the effort by engaging the public in on-going fundraising efforts. The Community Foundations work will be aimed at assisting in the development of a significant capital improvement, a sustainable infrastructure for Town Branch Commons and a new model for collaborative fundraising.

Year One Activities

- Articulate a vision, mission and strategy for the philanthropic leadership of Town Branch Commons
- Identify philanthropic role models and recruit Steering Committee members through intentional prospect qualification and management
- Build Steering Committee "ownership" of the Project and its fund development goals

- Capture and maintain 100% giving participation for all Steering Committee members
- Develop Steering Committee member benchmarks to include peer solicitation and other fund development goals
- Train and manage Steering Committee
- Conduct regular donor prospect review and strategy meetings, focusing attention on high affinity prospects
- Facilitate one-on-one meetings with Steering Committee members and donor prospects to cultivate and solicit financial gifts
- Generate gift proposals, as required, and assist in completing gifts
- Build a system for the on-going stewardship of all donors, involving communications, events and personal attention
- Create a platform to recognize significant philanthropic gifts (i.e. giving society and naming opportunities)
- Provide accessible advice and counsel on an on-going basis, with experienced guidance based on real world application and best practices in the field
- Communicate regularly with LFUCG on progress toward goals

Note: Many of the deliverables listed above will begin, but not necessarily conclude, in year one.

Proposal for Professional Engagement

Total fee FY16: \$180,000, which includes the following:

- 4 hours per week, Lisa Adkins, CEO/Blue Grass Community Foundation
- 10 hours per week, Allison Lankford, Sr. VP of Advancement/General Counsel
- 15 hours per week, BGCF Advancement and Legal staffing
- 15 hours per week, BGCF Board Stewardship and Governance/Administrative staffing
- 8 hours per week, Outside Fund Development Consultant

Conclusion

The transformative aspects of Town Branch Commons are significant: First, physical transformation, as the project comes to fruition and is enjoyed as a legacy project, forever changing the face of downtown Lexington and the way residents, downtown employees, students, young professionals and visitors engage with its built environment; second, systemic change in how Lexington and the Region engages in collaborative philanthropy to achieve a bold vision.