

**MEMORANDUM OF AGREEMENT  
BETWEEN LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT  
AND GREENHOUSE17, INC.**

**THIS MEMORANDUM OF AGREEMENT** (the “Agreement”), is made and entered into on the \_\_\_\_\_ day of \_\_\_\_\_, 2025 (the “Execution Date”), by and between the Lexington-Fayette Urban County Government, an urban county government of the Commonwealth of Kentucky created pursuant to KRS Chapter 67A (“LFUCG”), and GREENHOUSE17, INC. (“Organization”), for the purpose of setting out the parties’ mutual understanding as to the use of Funds provided by LFUCG to the Organization.

**RECITALS**

**WHEREAS**, Organization is in need of funds to address emergency facility repairs, specifically the replacement of the main line of the fire sprinkler system, at Organization’s emergency shelter located at 4400 Briar Hill Road, Lexington, Kentucky.

**WHEREAS**, LFUCG seeks to provide Funds to Organization to aid in the repair of said sprinkler system, subject to the terms and conditions of this Agreement.

**STATEMENT OF AGREEMENT**

**NOW, THEREFORE**, and in consideration of the foregoing and the mutual covenants set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties understand and agree as follows:

1. Proposal. Organization’s request for Funds, as approved by LFUCG (the “Proposal”), is attached hereto as Exhibit “A” and incorporated by reference as if fully set forth herein. Organization agrees that it will use the Funds provided under this Agreement in a manner that is substantially consistent with the Proposal.
2. Term. This Agreement shall be in effect from July 9, 2025 (the “Effective Date”) until completion of the project as set forth in the Proposal (the “Term”), but Organization’s obligations set forth in Sections 3, 4, 6, and 8 below shall continue for a period of five (5) years beyond the expiration or termination of this Agreement.
3. Project Funds. LFUCG shall pay to Organization a total amount not to exceed **Sixty Thousand Dollars and 00/100 Cents (\$60,000.00)** (the “Funds”) to support the Proposal. Payments shall be made monthly for expenditures the organization actually incurred, only after receipt of monthly invoices. The Funds are limited to the expenditures set forth in the Proposal and may not be spent by the Organization for any other purpose without the prior written consent of LFUCG. Absent any additional written agreement stating otherwise any travel or other expenses are included in the above payment.

LFUCG shall make payment under this Agreement upon timely submission of an invoice(s) from Organization accompanied by data satisfactory to LFUCG to document entitlement to payment. LFUCG shall have thirty (30) days from the date of receipt of the invoice to pay the invoice amount. LFUCG reserves the right to refuse payment if it is determined by LFUCG that the work performed or materials provided for the work are inadequate or defective.

LFUCG also reserves the right to reject any invoice submitted for work related to the Proposal more than sixty (60) days after the work was rendered.

Organization further acknowledges that the Funds awarded under this Agreement are public funds subject to all applicable state and local laws and regulations pertaining to the use of public funds. In any written or oral communications, Organization shall identify LFUCG as the source of the Funds; however, Organization shall not identify individual Urban County Councilmember(s) as being responsible for the Funds.

4. Disposition and/or Change in Usage of Property Purchased with the Funds. Organization agrees that it shall only use the Funds for the expenditures set forth in the Proposal. Organization shall not:
  - a. spend the Funds on any other expenses or costs without first obtaining the written consent of LFUCG;
  - b. transfer, sell, abandon, destroy, or otherwise dispose, or enter into any contract or agreement to see or otherwise transfer, any of the property or assets purchased with the Funds without first obtaining the written consent of LFUCG; and/or
  - c. use the property or assets purchased with the Funds to promote a private purpose.
5. Termination; Breach and Cure; Recovery of Funds. LFUCG, through the Mayor or the Mayor's designee, may terminate this Agreement for any reason whatsoever by providing Organization with at least thirty (30) days advance written notice. Organization shall be entitled for payment of all work performed up to that period of time, calculated on a reasonable basis. In the event of termination based upon a material condition of non-performance or default by Organization, LFUCG shall provide Organization with advance written notice specifying the nature of such breach. Organization shall have ten (10) days from the receipt of such notice to cure such breach. If more time is reasonably required for Organization's performance or ability to cure such breach, then Organization shall notify LFUCG in writing of its proposed schedule for performance and commence performance within such ten (10) day period; thereafter, Organization shall diligently proceed to completion. If Organization fails to cure or to commence cure within such ten (10) day period, then LFUCG shall have the right to terminate this Agreement immediately by serving Organization with written notice of termination. In the event that this Agreement is terminated, LFUCG shall be entitled to recover all funds advanced to Organization for which it has not yet expended on the Proposal in accordance with this Agreement.
6. Record Retention; Reporting; Access. Organization shall create, maintain, and preserve sufficient records of its expenditures to demonstrate compliance with the requirements of this Agreement. Organization shall provide such records to LFUCG promptly upon written request. Such records shall be maintained not less than five (5) years after the expiration or termination of this Agreement. Upon request, Organization shall provide LFUCG with all necessary access and/or documentation to verify its compliance with any provision of this Agreement and the Exhibits attached hereto. Organization shall provide LFUCG with timely reports and updates related to the Proposal in the form and manner reasonably specified by LFUCG.
7. Registration; Compliance; Authority to Sign. Organization shall be lawfully registered or authorized to do business in the Commonwealth of Kentucky and Lexington-Fayette County and shall at all times comply with any and all applicable federal, state, and local laws, ordinances, and regulations. LFUCG may request proof that Organization has timely filed federal, state, or local tax forms which shall be provided by Organization on a timely

basis. The person signing this Agreement on behalf of Organization is fully authorized to do so.

8. Indemnity. Organization shall defend, indemnify and hold harmless LFUCG and/or its officers, agents, employees, representatives, assignees, and/or designees from any and all liability, actions, claims, demands, or suits, and all related costs, attorney fees, and expenses arising out of or resulting from this Agreement. Organization understands that LFUCG is a political subdivision of the Commonwealth of Kentucky and acknowledges and agrees that LFUCG is unable to provide indemnity or otherwise save, hold harmless, or defend the Organization in any manner associated with the use of the Funds.
9. Open Records. Organization understands and agrees that this Agreement and any related documents may be subject to disclosure under the Kentucky Open Records Act and will comply with any reasonable request by LFUCG to provide assistance with such a request.
10. Independent Contractors. 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 in the performance of this Agreement.
11. Equal Opportunity; Fairness Ordinance. Organization shall provide equal opportunity in employment for all qualified persons, and shall (a) prohibit discrimination in employment because of race, color, creed, national origin, sex, age, sexual orientation, gender identity, or handicap, (b) promote equal employment through a positive, continuing program of equal employment, and (c) cause any subcontractor or agency receiving funds provided pursuant to this Agreement to do so. This program of equal employment opportunity shall apply to every aspect of its employment policies and practices. Organization agrees to comply with LFUCG's Fairness Ordinance (Ordinance No. 201-99) and all sources of applicable law, including those specified in any Exhibit attached to this Agreement and incorporated herein by reference.
12. Sexual Harassment. Organization must adopt or have adopted a written sexual harassment policy, which shall, at a minimum, contain a statement of current law; a list of prohibited behaviors; a complaint process; and a procedure which provides for a confidential investigation of all complaints. The policy shall be given to all employees and clients and shall be posted at all locations where Organization conducts business. The policy shall be made available to LFUCG upon request.
13. No Assignment; No Third Party Rights. Organization may not assign any of its rights and duties under this Agreement without prior written consent of LFUCG. This Agreement does not create a contractual relationship with or right of action in favor of a third party against either Organization or LFUCG.
14. Law and Venue. This Agreement shall be governed in all respects by the laws of the Commonwealth of Kentucky. Venue for all actions arising under this Agreement shall lie in the Circuit Court of Fayette County, Kentucky.
15. Amendments. This Agreement may be amended or modified from time to time only by the mutual written agreement of the parties hereto. Organization acknowledges that LFUCG may make such changes only upon approval of its legislative authority, the Lexington-Fayette Urban County Council, and the signature of its Mayor.

16. Waiver. The waiver by either party of any breach of any provision of this Agreement shall not constitute a continuing waiver or waiver of any subsequent breach by either party of either the same or another provision

17. Notice. Any notice required by this Agreement shall be delivered via hand delivery or certified mail, return receipt requested, to the following:

To LFUCG: Lexington-Fayette Urban County Government  
Office of Homelessness Prevention and Intervention  
200 East Main Street  
Lexington, Kentucky 40507  
Attn: Jeff Herron

To Organization: GREENHOUSE17, INC.  
4400 Briar Hill Road  
Lexington, Kentucky 40516  
Attn: Darlene Thomas, Executive Director

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

**IN WITNESS WHEREOF**, the parties have executed this Agreement as of the Execution Date.

**LEXINGTON-FAYETTE  
URBAN COUNTY GOVERNMENT**

**GREENHOUSE17, INC.**

\_\_\_\_\_  
Linda Gorton, Mayor

\_\_\_\_\_  
Darlene Thomas, Executive Director

Attested by:

\_\_\_\_\_  
Clerk of the Urban County Council

**EXHIBIT "A"**  
**ORGANIZATION'S PROPOSAL**

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