

PURCHASE OF SERVICE AGREEMENT

THIS PURCHASE OF SERVICE AGREEMENT, made and entered into on the 7th day of July 2015, by and between the LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT, an urban county government of the Commonwealth of Kentucky, created pursuant to KRS chapter 67A ("Government"), 200 East Main Street, Lexington, Kentucky 40507, on behalf of its Chief Development Officer ("CDO"), and THE DOWNTOWN LEXINGTON CORPORATION ("Organization"), 333 West Vine Street, Suite 201, Lexington, Kentucky 40507, with an effective date of July 1, 2015.

WITNESSETH:

That for and in consideration of the mutual promises and covenants herein expressed, the Government and the Organization agree as follows:

1. Government hereby retains Organization for the period beginning on July 1, 2015, and continuing for a period of twelve (12) months from that date unless within that period Government gives the Organization written notice of termination of this Agreement in which case this Agreement shall terminate thirty (30) days from the date notice is given to the Organization.

2. In consideration for the Organization providing the services more particularly described in the Addendum attached hereto and incorporated herein by reference, the Government shall pay the organization the sum of Forty Two Thousand Seven Hundred Ten Dollars (\$42,710.00), one fourth (1/4th) of which shall be payable each quarter, within ten (10) days after receipt of the report required in Paragraph 6 herein, July to June, inclusive.

3. In the event of termination of this Agreement by Government as provided for in paragraph 1 above, Organization shall be entitled to that portion of total compensation due under this Agreement as the service rendered bears to the service required thereunder.

4. Organization shall perform all duties and services included in the Addendum attached hereto faithfully and satisfactorily at the time, place and for the duration prescribed herein. Organization 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 Agreement, 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 Government, its officers, agents and employees against any claim or liability arising from and based on Organization's violation of any such laws, ordinances or regulations.

5. Organization represents that it has filed federal, state or local income tax returns required by law in the legally prescribed time and manner. This Agreement shall not become effective unless and until copies of all of the executed originals of the aforementioned tax returns filed for the most recent tax year for the Organization have been registered by the Organization in the office of the CDO, and the Organization shall not be compensated unless and until such registration has taken place.

6. The Organization shall, at the end of each quarter and by no later than the 10th working day of the succeeding quarter, on such forms as the CDO shall provide, submit to the CDO: a report containing, for each of the services enumerated in Exhibit A which were provided in the preceding quarter (a) a description of the service provided,

including the costs of providing services and the quantity and quality of the service provided, and (b) the additional information requested in and submitted on the form attached hereto as Exhibit B and incorporated herein by reference (or a similar form created and provided to Organization by the Government); and (c) an invoice requesting compensation for the services provided during the preceding quarter. Any and all provisions of this Agreement to the contrary notwithstanding, the compensation of Organization for each quarter of the Agreement shall not be paid unless and until Organization submits the satisfactorily completed quarterly report and invoice required hereunder. In addition, Organization shall be required to present a progress report as to its activities annually before the Urban County Council's Budget, Finance & Economic Development Committee, or as otherwise instructed by the Government.

7. Books of accounts shall be kept by the Organization and entries shall be made therein of all money, goods, effects, debts, sales, purchases, receipts, payments and any other transactions of the Organization. The books of accounts, together with all bonds, notes, bills, letters and other writings belonging to the Organization, shall be maintained at the principal place of business of the Organization as set forth in this Agreement. Government shall have free and complete access to the books, papers and affairs of the Organization at all reasonable times, and if it desires, it may have the books and papers of the Organization audited and examined by auditors, accountants or attorneys. Any examination shall be at the expense of the Government.

8. Government may designate such persons as may be necessary to monitor and evaluate the services rendered by the Organization. The Government, its agents and employees, shall, at all times, have unrestricted access to all places where

or in which the services required hereunder are being carried on and conducted. Inspection and monitoring of the work by these authorities shall in no manner be presumed to relieve in any degree the responsibility or obligations of Organization, or to constitute Organization an agent of the Government.

9. Organization 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 each of its subcontracting agencies to do so. This program of equal employment opportunity shall apply to every aspect of its employment policies and practices.

10. Organization shall adopt 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 the organization conducts business. This policy shall be submitted to the Office of the Mayor for review within thirty (30) days of the execution of this Agreement.

11. The Organization agrees that all revenue and expenditures shall be audited at least annually by independent certified public accountants who shall express an opinion as to whether or not revenue and expenditures during the year audited have conformed to state and local law and regulation. A copy of this audit shall be submitted to the Government within ten (10) days of completion.

12. Organization agrees that it shall apply all funds received by it from the Urban County Government in accordance with the following investment policy guidelines:

A. Objectives--Capital preservation with surety of income. Reasonable competitive income consistent with high investment quality and purpose of funds. All investments shall conform with state and local law and regulations and these Policies.

B. Investment Funds Management--The governing board may elect to either:

(1) manage its investments through its executive director where the size or complexity of funds to be managed is deemed by the board to be within the training, expertise and/or available time capacity of the executive director and the operating staff;

-or-

(2) utilize the professional investment management facilities of a local bank trust department acting in a fiduciary capacity within the same approved investment policies and federal, state, local and trust laws and regulations. The trust department may utilize its regular short-term 100% U.S. Treasury Fund for daily funds investment. The election of option 1 or 2 should be made consistent with the relative cost incurred and in the case of option 2 the cost shall be competitive among local trust departments.

C. Investment Policies--Safety and Prudence.

(1) Short-term liquidity funds shall be invested in "riskless" investments, i.e., deposits in Kentucky commercial banks or savings and loan associations that are fully federally insured or deposits collateralized by U.S. Treasury securities with a current market value of at least 100%, or in direct obligations of U.S. Treasury securities.

Investments shall be diversified according to maturity in order to meet projected cash flow needs.

Collateral pledged to secure uninsured deposits shall be held at a federal reserve bank with the receipt providing absolute control by the agency.

- (2) Retirement funds, endowment funds, long-term capital reserve funds and any other special funds may be held and invested by a local bank trust department under investment objectives and diversification in accordance with the individual nature of the funds and pursuant to the "prudent man" investment rule as well as general trust law.
- (3) All investments shall be reviewed monthly by a finance or investment committee of the agency.
- (4) Local brokerage firms may hold and invest funds provided that investments are located within Kentucky and are fully insured.

D. Audit--All investments shall be audited at least annually by independent certified public accountants who shall express an opinion as to whether or not investments during the year audited have conformed with state and local law and regulation and with the approved investment policies.

13. This instrument, and the Addendum incorporated herein, contains the entire agreement between the parties, and no statement, promises or inducements made by either party or agent of either party that is not contained in this written Agreement shall be valid and binding; and this Agreement may not be enlarged, modified or altered except in writing signed by the parties and endorsed hereon.

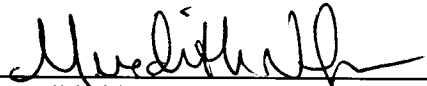
IN WITNESS WHEREOF, the parties have executed this Agreement at Lexington, Kentucky, the day and year first above written.

**LEXINGTON FAYETTE URBAN
COUNTY GOVERNMENT**

By: _____

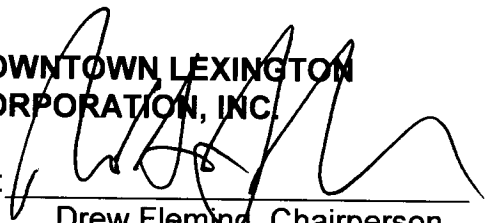
Jim Gray Mayor

ATTEST:



Meredith Nelson
Clerk of the Urban County Council

**DOWNTOWN LEXINGTON
CORPORATION, INC.**

By: 
Drew Fleming, Chairperson

ATTEST:

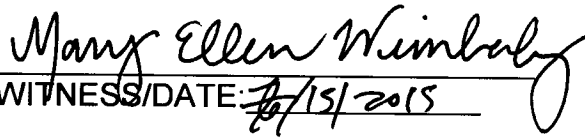

WITNESS/DATE: 7/15/2015

EXHIBIT "A"

Lexington/Fayette Urban County Government

Addendum for Services

Downtown Lexington Corporation

Scope of Work

Local Contribution

During fiscal year 2016 the Downtown Lexington Corporation (DLC) will use these funds to:

- Provide positive quality of life experiences for people living or visiting downtown Lexington.
- Promote downtown as a unique and vibrant place for business, residential life and entertainment.
- Act as a conduit for information sharing.
- Serve in a leadership role to promote downtown Lexington as an important center of the community and region.
- Work to solve existing challenges in the downtown on a wide range of topics.
- Coordinate and implement a variety of events and activities to draw people to the downtown core.
- Act as a promotional outlet for downtown retailers and restaurants.
- Assist with economic development efforts in Lexington.
- Work to assist in creating an environment that is conducive to creating a unique and vibrant place.

EXHIBIT "B"

Lexington/Fayette Urban County Government

Addendum for Services

Downtown Lexington Corporation

**LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT
ECONOMIC DEVELOPMENT PARTNER AGENCY QUARTERLY REPORT
FISCAL YEAR 2016**

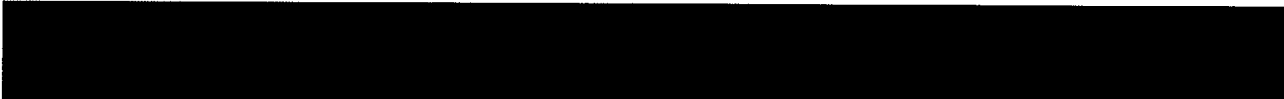
Economic Development Partner Agency:
Downtown Lexington Corporation (DLC)

Date:
Put Submission Date Here

Outcome Evaluation

Using this Addendum "B" to the Downtown Lexington Corporation (DLC) Purchase of Service Agreement, please demonstrate progress towards stated goals and initiatives

NOTE: If there have been changes to your Lexington-Fayette Urban County Government funded program(s) necessitating amendment of your approved outcomes, please contact Kevin Atkins, Chief Development Officer, 859.258.3110 (or email at katkins@lexingtonky.gov) to discuss the proposed amendments.



1. Describe events/activities during the past quarter led by DLC that helped promote the quality of life for people living or visiting downtown.

ANSWER (1) HERE

2. How many and what type of events has DLC hosted to bring people into the downtown business district? Provide an estimate of attendance at each of those DLC hosted/sponsored events?

ANSWER (2) HERE

3. How have the DLC events assisted the economic development efforts of both downtown and the Lexington community as a whole?

ANSWER (3) HERE

[REDACTED]

1. Describe the efforts led by DLC during the quarter to promote downtown Lexington as a unique and vibrant place for business, residential life and entertainment.

ANSWER (1) HERE

2. During the most recent quarter what efforts have been undertaken where DLC acted as a promotional outlet for downtown retailers and restaurants?

ANSWER (2) HERE

3. Are any of the efforts mentioned in item (2) above new or considered pilot efforts for the agency to promote downtown?

ANSWER (3) HERE

4. What were the main promotional efforts undertaken by DLC in the most recent quarter to promote activity in downtown Lexington to assist with economic growth and activity?

ANSWER (4) HERE

[REDACTED]

1. During the most recent quarter what was the leadership role of DLC in the promotion of downtown Lexington as important to the overall community?

ANSWER (1) HERE

2. During the most recent quarter what was the leadership role of DLC in the promotion of downtown Lexington to the broader Lexington region?

ANSWER (2) HERE

3. What were the successes and challenges of the promotional efforts discussed in (1) and (2) above?

ANSWER (3) HERE

[REDACTED]

1. What challenges were identified in the previous quarter in regard to the promotion of making downtown an important and vibrant center for the community and region?

ANSWER (1) HERE

2. What solutions were proposed and provided by DLC to those challenges?

ANSWER (2) HERE

[REDACTED]

1. Please provide information on partnerships and activities DLC has or has participated in with other organizations that involved with the daily promotion of the downtown business district.

ANSWER (1) HERE

2. What has the DLC role, leadership or otherwise, been in those partnership activities?

ANSWER (2) HERE

[REDACTED]

Please provide the measures of success during the most recent quarter based on the Downtown Lexington Corporation Mission Statement. Describe how those have improved from the previous quarter.

ANSWER HERE

[REDACTED]

ANSWER HERE

CERTIFICATION

As the Chair or Chief Executive Officer (or equivalent) of this agency, I certify that the information provided in this Quarterly Report is true and complete to the best of my knowledge and belief.

I further agree that funds received from Lexington-Fayette Urban County Government will be used for the purposes for which they were requested and approved, and that the agency will comply with the requirements set forth in the application and the approved Purchase of Service Agreement and Addendum(s).

Name:

INSERT NAME HERE

Title:

INSERT TITLE HERE

Date:

INSERT DATE HERE

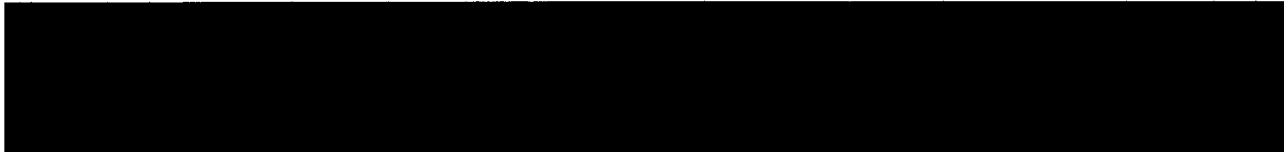


1ST QUARTER: OCTOBER 14, 2015

2ND QUARTER: JANUARY 14, 2015

3RD QUARTER: APRIL 14, 2015

4TH QUARTER: JULY 14, 2015



Kevin Atkins
Chief Development Officer
Lexington-Fayette Urban County Government
katkins@lexingtonky.gov