

**HOME INVESTMENT PARTNERSHIPS PROGRAM
TENANT BASED RENTAL ASSISTANCE
AGREEMENT**

THIS AGREEMENT, made and entered into on this 17 day of February, 2021, 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 **AVOL KENTUCKY, INC.**, a Kentucky non-profit corporation pursuant to KRS Chapter 273, and whose mailing address is 365 Waller Avenue, Suite 100, Lexington, Kentucky 40504 (hereinafter referred to as "SUBRECIPIENT".)

WHEREAS, the GOVERNMENT has been awarded federal funds from HUD's HOME Investment Partnerships Program (CFDA # 14.239);

WHEREAS, the GOVERNMENT'S 2020 Consolidated Plan allocates \$36,850 in funds to the SUBRECIPIENT from the HOME Investment Partnerships Program to support the operation of a Tenant Based Rental Assistance program for very low-income persons infected with HIV/AIDS;

WHEREAS, the GOVERNMENT'S responsibility for ensuring compliance with all grant requirements necessitates a written agreement with the SUBRECIPIENT;

NOW, THEREFORE, in consideration of the foregoing and mutually agreed upon promises, conditions, and covenants hereinafter set forth, pursuant to grant requirements, the parties hereto agree as follows:

I. STATEMENT OF WORK

A. Activities

The SUBRECIPIENT shall be responsible for the operation of a tenant based rental assistance program for approximately five (5) low-income and very low-income households infected with HIV/AIDS in Fayette County, Kentucky, in accordance with the federal regulations at 24 CFR Part 92.209 and with the attached "Local Guidelines for Operation of HOME Funded Tenant Based Rental Assistance Program," which is attached as Exhibit A. The SUBRECIPIENT shall be responsible for the following:

- Certifying income and program eligibility of tenants at initial occupancy. The SUBRECIPIENT shall also be responsible for the annual recertification of the tenants' incomes. At annual certification, if a participating household's income exceeds the Section 8 Low-Income Limit (80 percent of the median), the HOME assistance must be terminated. Income is defined by the U.S. Department of Housing and Urban Development's (hereinafter referred to as "HUD") Section 8 Program, 24 CFR Part 982.
- Ensuring that qualified units meet minimum Housing Quality Standards (hereinafter referred to as "HQS") annually.
- All lead based paint compliance issues required by 24 CFR Part 35.

- Ensuring that tenants receiving assistance under this program are under a lease that is in compliance with the Kentucky Uniform Landlord Tenant Act and with the federal provisions at 24 CFR 92.253(a) and (b) and for adhering to Violence Against Women Reauthorization Act of 2013: Implementation in HUD Housing Programs. Additional information can be found at 24 CFR §5.2001- thru §5.2011
- Execution of rental assistance contracts with eligible tenant families for a period that does not exceed 24 months and for rents that do not exceed the Section 8 Fair Market Rent as published by the U.S. Department of Housing and Urban Development.

B. Performance Monitoring

The GOVERNMENT will monitor the performance of the SUBRECIPIENT under the terms of the Agreement. Substandard performance as determined by the GOVERNMENT will constitute noncompliance with the Agreement. If action to correct such substandard performance is not taken by the SUBRECIPIENT within a reasonable period of time after being notified by the GOVERNMENT, Agreement suspension or termination procedures will be initiated.

GOVERNMENT shall perform on-site inspections of rental housing prior to occupancy by tenants receiving HOME-assisted TBRA to determine compliance with the Section 8 HQS. GOVERNMENT shall assist SUBRECIPIENT in annual site inspections to determine compliance with Section 8 HQS.

C. Budget and Use of Funds

1. HOME Investments Partnership Program in the amount of \$36,850 shall be used by SUBRECIPIENT for the operation of a tenant based rental assistance program in accordance with 24 CFR Part 92.209, using the Section 8 Certificate Program model, and in accordance with local program guidelines, which are incorporated herein by reference.
2. Program funds in the amount of \$33,500 may be used for payment of security deposits and monthly housing subsidies for eligible clients.
3. Administrative funds in the amount of \$3,350 may be used by the SUBRECIPIENT for the direct costs of the administration of the program.

D. Payment

It is expressly agreed and understood that the total amount to be paid by the GOVERNMENT under this Agreement shall not exceed \$36,850. The SUBRECIPIENT shall invoice the GOVERNMENT on a monthly basis for the reimbursement of actual expenditures incurred in the administration of the program. The SUBRECIPIENT may not request disbursement of funds under the agreement until the funds are needed for payment of eligible costs. The amount of each request must be limited to the amount needed. Program income must be disbursed before the SUBRECIPIENT requests funds from the GOVERNMENT.

Administrative expenditures may include salaries and fringe benefits of employees who directly operate the housing program, local travel, travel for purposes of training and recertification, third party contracts, office supplies, public information, and expenses

related to fair housing activities. No indirect costs will be supported. The SUBRECIPIENT shall invoice the GOVERNMENT on a monthly basis for reimbursement of the rental assistance incurred. Invoices must include the Project Set-Up Reports, TBRA Project Draw Requests and a correct copy of the 640 report from KHC-HMIS for the same month accompanied by a list of client IDs of persons served for the month.

E. Schedule – Time of Performance

The SUBRECIPIENT agrees to complete all activities under this Agreement no later than December 31, 2022.

F. Timeliness

SUBRECIPIENT must invoice the GOVERNMENT for funds expended at least quarterly beginning no later than three months from the effective date of this agreement. Failure to submit an invoice in two or more consecutive quarters may result in termination of the agreement and reallocation of unspent funds at the discretion of the GOVERNMENT.

II. RECORDS AND REPORTS

A. Records to be Maintained

The SUBRECIPIENT shall maintain all records required by the federal regulations specified in 24 CFR Part 92.508 that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- a. Records to document salary and fringe benefit costs of the employees whose salaries are in whole or in part paid with administrative funds provided under the terms of this Agreement.
- b. Applications of all clients requesting assistance.
- c. Client files shall include, but not be limited to, application for assistance, lease, rental assistance contract, evidence of initial income eligibility, drug-free housing addendum, verification of diagnosis of HIV/AIDS, recertification, HQS inspections, lead based paint assessments,
- d. Records documenting the extent to which each racial and ethnic groups and single-headed households (by gender of household head) have applied for, participated in, or benefited from the herein described program.
- e. Records documenting compliance with the fair housing, affirmative marketing, outreach to minority-owned and female-owned businesses, and equal opportunity components of the HOME Program;
- f. Records demonstrating that each housing unit meets the property standards of 24 CFR Part 92.251 and the lead-based paint requirements of 24 CFR Part 92.
- g. Records documenting compliance with 2 CFR part 200 and the applicable sections of 24 CFR part 84 as required by 24 CFR Part 92.505.

B. Client Data and Other Sensitive Information

The SUBRECIPIENT shall maintain client data demonstrating client eligibility for services provided. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided. Such information shall be made available to government monitors or their designees for review upon request.

The SUBRECIPIENT understands that client information collected under this Agreement is private and the use or disclosure of such information, when not directly connected with the administration of the GOVERNMENT's responsibilities with respect to services provided under this Agreement, is prohibited unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

C. Retention

The SUBRECIPIENT shall retain all records pertinent to expenditures incurred under this Agreement for a period of five (5) years after the termination of all activities funded under this Agreement. Records covering acquisitions of property must be kept for five (5) years after the date on which all persons whose property is acquired for the project have received the final payment to which they are entitled in accordance with 24 CFR Part 92.353. Records for any displaced person must be kept for five (5) years after he/she has received final payment. Documents imposing recapture/resale restrictions must be retained for five years after the affordability period terminates. Notwithstanding the above, if there is litigation, claims, audits, negotiations or other actions that involve any of the records cited and that have started before the expiration of the five-year period, then such records must be retained until completion of the actions and resolution of all issues, or the expiration of the five-year period, whichever occurs later.

D. Reporting

The SUBRECIPIENT shall submit an annual report to the GOVERNMENT, providing the following information about the employees of the SUBRECIPIENT's organization: race, age, sex, and disability. The annual report for Fiscal Year 2021 shall be submitted to the GOVERNMENT no later than July 30, 2021. Submission of annual reports is required for each fiscal year in which grant funds are expended.

E. Project Close-out

The SUBRECIPIENT's obligation to the GOVERNMENT shall not end until all close-out requirements are completed. Activities during this close-out period shall include, but are not limited to: making final payments, disposing of program assets (including the return of all unused materials, equipment, unspent cash advances, program income balances, and accounts receivable to the GOVERNMENT and determining the custodianship of records.

F. Audits, Inspections and Monitoring

1. Single Audit

The SUBRECIPIENT must be audited as required by 2 CFR part 200, subpart F when it is expected that the SUBRECIPIENT's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 Audit requirements.

SUBRECIPIENT shall submit a copy of the audit report to the Federal Audit Clearinghouse within 30 days after receipt of the audit report, but not later than nine months after the end of the audit period. Concurrently with the submission of the audit report to the Federal Audit Clearinghouse, SUBRECIPIENT shall submit a copy of the audit report to the GOVERNMENT'S Division of Grants and Special Programs. Any deficiencies noted in audit reports must be fully cleared by the SUBRECIPIENT within 30 days after receipt by the SUBRECIPIENT. Failure of the SUBRECIPIENT to comply with the above audit requirements will constitute a violation of this Agreement and may result in the withholding of the future payments.

2. Inspections and Monitoring

All SUBRECIPIENT records with respect to any matters covered by this Agreement shall be made available to the GOVERNMENT, grantor agency, their designees or the federal government, at any time during normal business hours, as often as the grantor agency deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data to meet the requirements of 2 CFR part 200. The SUBRECIPIENT must submit to monitoring of its activities by the GOVERNMENT as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of this agreement.

G. Access to Records

The SUBRECIPIENT shall furnish and cause each of its own subrecipients or subcontractors to furnish all information and reports required hereunder and will permit access to its books, records and accounts by GOVERNMENT, HUD or its agent, or other authorized federal officials for purposes of investigation to ascertain compliance with the rules, regulations and provisions stated herein.

III. **HMIS & COORDINATED ENTRY**

A. HMIS

The SUBRECIPIENT must ensure that data on all homeless persons served under this Agreement are entered into the applicable community-wide HMIS (Homeless Management Information System) in accordance with standards of HUD. A correct copy of the report from KHC-HMIS is due with each draw request.

B. Coordinated Entry

The SUBRECIPIENT must coordinate and integrate, to the maximum extent practicable, with other programs targeted to homeless people in the area covered by the Lexington

Continuum of Care, which provides a strategic, community-wide system to prevent and end homelessness for the area.

IV. PROGRAM INCOME

“Program income” means gross income received by the SUBRECIPIENT directly generated from the use of HOME funds or matching contributions. When program income is generated by housing that is only partially assisted with HOME funds or matching funds, the income shall be prorated to reflect the percentage of HOME funds used.

Program income includes, but is not limited to, the following:

1. Proceeds from the disposition by sale or long-term lease of real property acquired, rehabilitated, or constructed with HOME funds or matching contributions;
2. Gross income from the use or rental of real property, owned by the participating jurisdiction, State recipient, or a subrecipient, that was acquired, rehabilitated, or constructed, with HOME funds or matching contributions, less costs incidental to generation of the income;
3. Payments of principal and interest on loans made using HOME funds or matching contributions;
4. Proceeds from the sale of loans made with HOME funds or matching contributions;
5. Proceeds from the sale of obligations secured by loans made with HOME funds or matching contributions;
6. Interest earned on program income pending its disposition; and
7. Any other interest or return on the investment permitted under § 92.205(b) of HOME funds or matching contributions.

Pursuant to the requirements set forth in § 92.203, the GOVERNMENT will require remittance of all program income balances (including investments thereof) held by the SUBRECIPIENT to the GOVERNMENT.

V. SUSPENSION AND TERMINATION

In accordance with 24 CFR 200.338, suspension or termination of this Agreement may occur if the SUBRECIPIENT materially fails to comply with any term of the agreement upon written notice by the GOVERNMENT.

VI. REVERSION OF ASSETS

When the Agreement ends, the SUBRECIPIENT must transfer to the GOVERNMENT any HOME funds on hand and accounts receivable attributable to the use of HOME monies.

VII. UNIFORM ADMINISTRATIVE REQUIREMENTS

The SUBRECIPIENT shall comply with the applicable provisions in 2 CFR part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 CFR part 200. These provisions include:

A. Financial & Program Management

The SUBRECIPIENT shall expend and account for all HOME funds received under this agreement in accordance with 2 CFR part 200, including 2 CFR part 200, subpart D, which covers Standards for Financial and Program Management and agrees to adhere to the accounting principles and procedures required therein, use adequate internal controls, and maintain necessary source documentation for all costs incurred.

B. Cost Principles

Costs incurred, whether charged on a direct or an indirect basis, must be in conformance with 2 CFR part 200, subpart E. All items of cost listed in 2 CFR part 200, subpart E, that require prior Federal agency approval are allowable without prior approval of the GOVERNMENT to the extent they comply with the general policies and principles stated in 2 CFR part 200, subpart E and are otherwise eligible under this agreement.

C. Procurement and Contractor Oversight

The SUBRECIPIENT shall comply with the procurement standards in 2 CFR §200.318 - §200.326 when procuring property and services under this agreement and shall subsequently follow property management standards as provided by 2 CFR 200.344.

1. Equipment

The SUBRECIPIENT shall comply with current GOVERNMENT policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein.

2. Debarment Certification

The SUBRECIPIENT certifies, in accordance with Executive Order 12549 (Debarment and Suspension February 18, 1986) that to the best of its knowledge and belief, that it, its principals, and its subcontractors:

- a. Are not presently debarred, suspended, proposed for debarment, declared negligible, or voluntarily excluded from covered transactions or contract by and Federal department or agency for noncompliance with the Federal Labor Standards, Title VI of the Civil Rights Act of 1964 as amended, Executive Order 11246 as amended or any other federal law;
- b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- c. Are not presently indicted for or otherwise criminally or civilly charged by a government entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (a) of this certification; and

d. Have not within a three-year period preceding this proposal had one or more public (Federal, State, or local) transactions or contracts terminated for cause or default.

3. Contractor Oversight

The SUBRECIPIENT shall maintain oversight of all activities under this agreement and shall ensure that for any procured contract or agreement, its contractors perform according to the terms and conditions of the procured contracts or agreements, and the terms and conditions of this agreement. The SUBRECIPIENT shall impose the SUBRECIPIENT'S obligations under this agreement on its contractors, specifically or by reference, so that such obligations will be binding upon each of its contractors.

4. Subcontracts

Before the SUBRECIPIENT provides HOME funds to for-profit owners or developers, nonprofit owners or developers or sponsors, subrecipients, homeowners, homebuyers, tenants (or landlords) receiving tenant-based rental assistance, or contractors, the subrecipient must have a written agreement that meets the requirements of this section. The agreement must state if repayment of HOME funds or recaptured HOME funds must be remitted to the GOVERNMENT by the SUBRECIPIENT for additional eligible activities.

The SUBRECIPIENT shall not enter into any subcontracts with any agency or individual in the performance of this Agreement without the written consent of the GOVERNMENT prior to the execution of such agreement. The SUBRECIPIENT will monitor all subcontracted services on a regular basis to assure compliance with this Agreement. Results of monitoring efforts shall be summarized in written reports and supported with documented evidence of follow-up actions taken to correct areas of noncompliance. The SUBRECIPIENT shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement. The SUBRECIPIENT shall undertake to insure that all subcontracts let in the performance of this Agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the GOVERNMENT along with documentation concerning the selection process.

VIII. HOME PROGRAM REQUIREMENTS

- A. The SUBRECIPIENT shall be responsible for requirements in 24 CFR Part 92, Subpart F as these requirements are applicable to the operation of a Tenant Based Rental Assistance program.
- B. Income-eligible Households

SUBRECIPIENT agrees that 100% of the units must serve households at or below 60% of the area median income. Additionally, at least 20% of the units must serve households

at or below 50% of the area median income, adjusted for size as defined by federal Section 8 income guidelines.

C. Affirmative Marketing

The SUBRECIPIENT agrees to comply with the Affirmative Marketing Plan adopted by the GOVERNMENT in its administration of HOME Investment Partnerships Program funds. SUBRECIPIENT acknowledges receipt of the Affirmative Marketing Plan.

IX. OTHER PROGRAM REQUIREMENTS

The SUBRECIPIENT agrees to comply with the requirements of Title 24 of the Code of Federal Regulations, Part 92 (HUD regulations concerning HOME Investment Partnerships Program). The SUBRECIPIENT also agrees to comply with all other applicable federal, state, and local laws, regulations, and policies governing the funds provided under this Agreement. The SUBRECIPIENT further agrees to use funds available under this Agreement to supplement rather than supplant funds otherwise available.

A. Nondiscrimination

1. 24 CFR Part 6

The SUBRECIPIENT will comply with 24 CFR part 6, which implements the provisions of section 109 of Title I of the Housing and Community Development Act of 1974 (Title I) (42 U.S.C. 5309). Section 109 provides that no person in the United States shall, on the ground of race, color, national origin, religion, or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with Federal financial assistance.

The SUBRECIPIENT will adhere to the prohibitions against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101-6107) (Age Discrimination Act) and the prohibitions against discrimination on the basis of disability under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) (Section 504). Section 109 of the HCDA makes these requirements applicable to programs or activities funded in whole or in part with CDBG funds. Thus, the SUBRECIPIENT shall comply with regulations of 24 CFR part 8, which implement Section 504 for HUD programs, and the regulations of 24 CFR part 146, which implement the Age Discrimination Act for HUD programs.

In accordance with 24 CFR 5.105 and section 2-33 of the Code of Ordinances of the Lexington-Fayette Urban County Government, the SUBRECIPIENT shall ensure that HUD-assisted housing or other services being provided pursuant to this agreement shall be made available without regard to actual or perceived sexual orientation, gender identity or marital status. Neither SUBRECIPIENT nor any of its agents will inquire about the sexual orientation or gender identity of any applicant for or person receiving HUD-assisted housing or other services

2. Architectural Barriers Act and the Americans with Disabilities Act

The SUBRECIPIENT shall ensure that its activities are consistent with requirements of Architectural Barriers Act and the Americans with Disabilities Act. The Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) requires certain Federal and Federally funded buildings and other facilities to be designed, constructed, or altered in accordance with standards that insure accessibility to, and use by, physically handicapped people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11, 1995, and that meets the definition of "residential structure" as defined in 24 CFR 40.2 or the definition of "building" as defined in 41 CFR 101-19.602(a) is subject to the requirements of the Architectural Barriers Act of 1968 (42 U.S.C. 4151-4157) and shall comply with the Uniform Federal Accessibility Standards (appendix A to 24 CFR part 40 for residential structures, and appendix A to 41 CFR part 101-19, subpart 101-19.6, for general type buildings).

3. Title VI of the Civil Rights Act of 1964 (24 CFR part 1)

The SUBRECIPIENT shall comply with the requirements of Title VI of the Civil Rights Act of 1964 (P. L. 88-352), as amended. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity funded by this agreement. The specific nondiscrimination provisions at 24 CFR 1.4 apply to the use of these funds. The SUBRECIPIENT shall not intimidate, threaten, coerce, or discriminate against any person for the purpose of interfering with any right or privilege secured by Title VI of the Civil Rights Act of 1964 or 24 CFR part 1, or because he has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under 24 CFR part 1. The identity of complainants shall be kept confidential except to the extent necessary to carry out the purposes of 2 CFR part 1, including the conduct of any investigation, hearing, or judicial proceeding arising thereunder.

4. Affirmative Action

a. Approved Plan

The SUBRECIPIENT agrees that it shall be committed to carry out pursuant to the GOVERNMENT's specifications an Affirmative Action Program in keeping with the principles as provided in President's Executive Order 11246 of September 24, 1965. The GOVERNMENT shall provide Affirmative Action guidelines to the SUBRECIPIENT to assist in the formulation of such program.

b. W/MBE

The SUBRECIPIENT will use its best efforts to afford minority- and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this Agreement. As used in this Agreement, the term "minority and female business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, "minority group members" are African-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The SUBRECIPIENT may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

c. EEO/AA Statement

The SUBRECIPIENT will, in all solicitations or advertisements for employees placed or on behalf of the SUBRECIPIENT, state that it is an Equal Opportunity or Affirmative Action employer.

B. Labor and Employment Restrictions

The SUBRECIPIENT shall comply with the in labor standards in Section 110 of the Housing and Community Development Act of 1974, as amended and ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance received under this agreement shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 3141, et seq.), and 29 CFR part 1, 3, 5, 6, and 7, provided, that this requirement shall apply to the rehabilitation of residential property only if such property contains not less than 8 units.

The SUBRECIPIENT agrees to comply with the Copeland Anti- Kick Back Act (18 U.S.C. 874) and its implementing regulations of the U.S. Department of Labor at 29 CFR part 3 and part 5. The SUBRECIPIENT shall maintain documentation that demonstrates compliance with applicable hour and wage requirements. Such documentation shall be made available to the GOVERNMENT for review upon request.

C. Section 3 of the Housing and Urban Development Act of 1968

a. Compliance

Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135, and all applicable rules and orders issued hereunder prior to the execution of this Agreement, shall be a condition of the federal financial assistance provided under this Agreement and binding upon the SUBRECIPIENT and any of the SUBRECIPIENT'S subrecipients and subcontractors. Failure to fulfill these requirements shall subject the GOVERNMENT, the SUBRECIPIENT and any of the SUBRECIPIENT'S subrecipients and subcontractors, their successors and assigns, to those sanctions specified by the Agreement through which Federal assistance is provided. The SUBRECIPIENT certifies and agrees that no contractual or other disability exists which would prevent compliance with these requirements.

The SUBRECIPIENT further agrees to comply with these "Section 3" requirements and to include the following language in all subcontractors executed under this Agreement:

"The work to be performed under this contract is a project assisted under a program providing direct Federal financial assistance from HUD and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701. Section 3 requires that to the greatest extent feasible opportunities for training and employment be given to low- and very low-

income residents of the project area and contracts for work in connection with the project be awarded to business concerns that provide economic opportunities for low- and very low-income persons residing in the metropolitan area in which the project is located."

The SUBRECIPIENT further agrees to ensure that opportunities for training and employment arising in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs; and award contracts for work undertaken in connection with a housing rehabilitation (including reduction and abatement of lead-based paint hazards), housing construction, or other public construction project are given to business concerns that provide economic opportunities for low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to business concerns which provide economic opportunities to low- and very low-income residents within the service area or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs.

The SUBRECIPIENT certifies and agrees that no contractual or other legal incapacity exists which would prevent compliance with these requirements.

b. Notifications

The SUBRECIPIENT agrees to send to each labor organization or representative of workers with which it has a collective bargaining agreement or other contract or understanding, if any, a notice advising said labor organization or worker's representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

D. Conduct

1. Hatch Act

The SUBRECIPIENT agrees that no funds provided, nor personnel employed under this Agreement, shall be in any way or to any extent engaged in the conduct of political activities in violation of Chapter 15 of Title V United States Code.

2. Conflict of Interest

In the procurement of supplies, equipment, construction, and services pursuant to this agreement, the SUBRECIPIENT shall comply with the conflict of interest provisions in 2 CFR 200.317 and 200.318. In all cases not governed by 2 CFR 200.317 and 200.318, the SUBRECIPIENT shall comply with the conflict of interest provisions in 24 CFR 570.611, and covenants that it presently has no

financial interest and shall not acquire any financial interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. The SUBRECIPIENT further covenants that in the performance of this Agreement no person having such a financial interest shall be employed or retained by the SUBRECIPIENT hereunder.

3. Lobbying

The SUBRECIPIENT hereby certifies that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement;
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
- c. It will require that the language of paragraph (d) of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly; and
- d. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

E. Religious Activities

The SUBRECIPIENT agrees that funds provided under this Agreement will not be used for religious activities, to promote religious interests, or for the benefit of a religious organization in accordance with the federal regulations specified in 24 CFR 570.200(j).

F. Drug Free Workplace

The SUBRECIPIENT shall administer a policy designed to ensure that the facilities providing services under the terms of this agreement are free from the illegal use, possession, or distribution of drugs or alcohol by its employees and beneficiaries.

G. Insurance & Bonding

The SUBRECIPIENT shall comply with the bonding and insurance requirements of 24 CFR §200.325 and §200.310.

H. FFATA

The SUBRECIPIENT shall comply with the requirements of 2 CFR part 25 Universal Identifier and System for Award Management (SAM). The SUBRECIPIENT must have an active registration in SAM in accordance with 2 CFR part 25, appendix A, and must have a Data Universal Numbering System (DUNS) number. The SUBRECIPIENT must also comply with provisions of the Federal Funding Accountability and Transparency Act, which includes requirements on executive compensation, and 2 CFR part 170 Reporting Subaward and Executive Compensation Information.

I. Environmental Conditions

The SUBRECIPIENT must comply with the limitations in 24 CFR 92.352 even though the SUBRECIPIENT is not delegated the requirement under Section 104(g) of the HCD Act for environmental review, decision-making, and action (see 24 CFR part 58).

J. Relocation, Real Property Acquisition and One-for-One Housing Replacement

The SUBRECIPIENT agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606(b); (b) the requirements of 24 CFR 570.606 (c) governing the Residential Antidisplacement and Relocation Assistance Plan under section 104(d) of the HCD Act; and (c) the requirements in §570.606(d) governing optional relocation policies. The SUBRECIPIENT shall provide relocation assistance to persons (families, individuals, businesses, non-profit organizations and farms) that are displaced as a direct result of acquisition, rehabilitation, demolition or conversion for a HOME-assisted project. The SUBRECIPIENT also agrees to comply with applicable GOVERNMENT policies concerning the displacement of persons from their residences.

K. VAWA Requirements

The Violence Against Women Act (VAWA) requirements set forth in 24 CFR part 5, subpart L, apply to all HOME tenant-based rental assistance and rental housing assisted with HOME funds. The Owner shall comply with the Violence Against Women Act (VAWA) requirements set forth in 24 CFR §5.2005, specifically protections for victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking, including but not limited to, providing notification of occupancy rights, constructing lease terms of assistance for victims, and providing emergency transfer plans.

L. Fees

The SUBRECIPIENT is prohibited from charging servicing, origination, or other fees for the costs of administering the HOME program, except as permitted by § 92.214(b)(1).

VII. GENERAL CONDITIONS

A. SUBRECIPIENT agrees to defend, indemnify, and hold harmless GOVERNMENT from

any and all losses or claims of whatever kind, that are in any way incidental to, or connected with, or that arise or alleged to have arisen, directly or indirectly, in whole or in part, from the execution, performance, or breach of this contract by SUBRECIPIENT, including any environmental problems, including, without limitation, soil and/or water contamination, and remedial investigations and feasibility studies thereof, which exist at or prior to the contract commencement date, regardless of when such losses or claims are made or incurred. This indemnity agreement shall in no way be limited by any financial responsibility, or loss control requirements below, and shall survive the termination of this contract.

For the purposes of this Indemnity Provision:

1. The word “defend” includes, but is not limited to, investigating, handling, responding to, resisting, providing a defense for, and defending claims, at SUBRECIPIENT’S expense, using attorneys approved in writing by GOVERNMENT, which approval shall not be unreasonably withheld.
 2. The word “claims” includes, but is not limited to, claims, demands, liens, suits, notices of violation from Governmental agencies, and other causes of action of whatever kind.
 3. The word “losses” includes, but is not limited to: attorney fees and expenses; costs of litigation; court or administrative costs; judgments; fines; penalties; interest; all environmental cleanups and remediation costs of whatever kind; and any liability arising from death, injury, or damage of any kind, to any person, including employees and agents of SUBRECIPIENT and GOVERNMENT, and damage to, or destruction of, any property, including the property of GOVERNMENT.
- B. The SUBRECIPIENT shall provide Workers' Compensation insurance coverage for all its employees involved in the performance of this Agreement.
- C. If this Agreement results in any copyrightable material or inventions, the GOVERNMENT and/or grantor agency reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for government purposes.
- D. This Agreement, or any part hereof, may be amended from time to time hereafter only in writing executed by the GOVERNMENT and the SUBRECIPIENT.
- E. The SUBRECIPIENT shall not assign or transfer any interest in this Agreement without the prior written consent of the GOVERNMENT thereto; provided, however, that claims for money due or to become due to the GOVERNMENT under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer shall be furnished promptly to the GOVERNMENT.
- F. GOVERNMENT and the SUBRECIPIENT each binds himself and his partners, successors, executors, administrators, assigns, and legal representatives of such other party, in respect to all covenants, agreements, and obligations of the Agreement.

G. Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (i) upon receipt, when delivered personally; (ii) upon receipt, when sent by email (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (iii) when delivered or mailed by certified mail, postage prepaid, or return receipt requested. The addresses for such communications shall be to the respective addresses or of the parties as set forth in the Agreement, or at such other address as such parties shall have furnished in writing.

IN WITNESS WHEREOF, the parties executed this Agreement the day, month, and year above written.

**LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT**



Linda Gorton, Mayor

DATE: 2/17/2021

ATTEST:


Clerk of Urban County Council

Deputy

AVOL KENTUCKY, INC.

BY: 
Jon Parker, Executive Director

DATE: 2-2-2021