

SECOND AMENDED ADDENDUM 1

This Second Amended Addendum to an Omnibus Rental Assistance Program Subrecipient Agreement (“Agreement”) 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 **COMMUNITY ACTION COUNCIL FOR LEXINGTON-FAYETTE, BOURBON, HARRISON, AND NICHOLAS COUNTIES, INC.**, a Kentucky non-profit corporation pursuant to KRS Chapter 273, whose post office address is P.O. Box 11610, Lexington, Kentucky 40576 (hereinafter referred to as “SUBRECIPIENT,” and together with the GOVERNMENT, the “Parties”), dated September 30, 2021, is made and entered into subsequent to that Agreement, on _____, 2022.

The Parties agree that this Second Amended Addendum 1 replaces the First Amended Addendum 1, executed on March 18, 2022, and original Addendum 1 that the Parties executed on September 30, 2021, and further agree that all references in the Agreement to “Addendum 1” shall be interpreted to refer to this Second Amended Addendum 1.

The total amounts paid by the GOVERNMENT pursuant to the Agreement shall not exceed the amounts stated herein, absent further amendment.

I. ERAP

- A. Remaining balance of \$5,000,000 in funds awarded and funded pursuant to an earlier agreement dated January 29, 2021, as amended February 9, 2021 and May 28, 2021:

\$44,818.23

1. Of the total amount budgeted for Financial Assistance, the total must be expended by SUBRECIPIENT no later than **September 30, 2022**. SUBRECIPIENT agrees to timely submit any reasonable form of documentation requested by the GOVERNMENT related to SUBRECIPIENT’S expenditure of the funds budgeted for Financial Assistance. If SUBRECIPIENT fails to expend the amount budgeted for Financial Assistance by **September 30, 2022**, or if it appears to the GOVERNMENT based on the GOVERNMENT’S review of documents provided by SUBRECIPIENT that SUBRECIPIENT likely will fail to expend the amount budgeted for Financial Assistance by **September 30, 2022**, then SUBRECIPIENT further agrees to return the balance of the funds to GOVERNMENT on the date demanded by the GOVERNMENT, which shall be no earlier than 30 days after the date that the GOVERNMENT makes a demand.

Financial Assistance includes payment of rent, rental arrears,

utilities and home energy costs, utilities and home energy cost arrears, and other expenses related to housing incurred due, directly or indirectly, to COVID-19 as defined by the Treasury Secretary.

Housing Stability Services includes services related to COVID-19 to help keep households stably housed, as defined by the Treasury Secretary.

Administrative Costs include data collection, supplies, equipment, management, rent, and reporting requirements and anything else needed to effectively run the program. The SUBRECIPIENT may cover indirect costs attributable to an approved indirect cost rate. The total amount of administrative and indirect costs combined may not exceed 9% of the total awarded (\$5,000,000.00).

The SUBRECIPIENT may only use the funds provided under this subaward to carry out the activities described in the Agreement. The SUBRECIPIENT is prohibited from charging to the subaward the costs of ineligible activities and from using funds provided herein or personnel employed in the administration of activities under the Agreement for political activities, inherently religious activities, or lobbying.

2. It is expressly agreed and understood that the total amount to be paid by the GOVERNMENT under this Agreement shall not exceed \$5,000,000.00. The GOVERNMENT may disburse all or a portion of these funds to the SUBRECIPIENT in one or more lump sums, and/or may apply all or a portion of these funds to reimburse SUBRECIPIENT for actual expenditures incurred.

SUBRECIPIENT agrees that it will return to the GOVERNMENT any amount of these funds that were received in a lump sum and that were not expended in accordance with the terms of this Agreement on a date that is no later than: 30 days after the GOVERNMENT makes a demand for the return of funds; or 30 days after the termination of this Agreement, whichever date occurs earlier.

B. Additional funds awarded October 1, 2021:

Rental Assistance	\$ 9,477,000
<u>Administrative Costs</u>	<u>\$ 1,053,000</u>
	\$10,530,000

1. Of the total amount budgeted under this Agreement, 50% of this total must be expended by SUBRECIPIENT no later than **April 30, 2022**. All funds must be expended by **September 30, 2022**.

Rental Assistance includes payment of rent, rental arrears, utilities and home energy costs, utilities and home energy cost arrears, and other expenses related to housing incurred due, directly or indirectly, to COVID-19 as defined by the Treasury Secretary.

Administrative Costs include data collection, supplies, equipment, management, rent, and reporting requirements and anything else needed to effectively run the program and reporting requirements and indirect costs attributable to an approved indirect cost rate. The total amount of administrative and indirect costs may not exceed 10% of the total awarded (\$10,530,000.00).

The SUBRECIPIENT may only use the funds provided under this subaward to carry out the activities described in the Agreement. The SUBRECIPIENT is prohibited from charging to the subaward the costs of ineligible activities and from using funds provided herein or personnel employed in the administration of activities under the Agreement for political activities, inherently religious activities, or lobbying.

2. When expending these funds, SUBRECIPIENT agrees to make every reasonable effort to display the Team Kentucky logo on printed or electronic materials and identify that funding was provided through Team Kentucky.
3. The GOVERNMENT will advance \$3 million upon execution of this Agreement and \$3 million every time the funding balance falls below \$1,000,000.00 in Neighborly until funds are exhausted. The GOVERNMENT may also disburse all or a portion of these funds to the SUBRECIPIENT in one or more additional lump sums, and/or may apply all or a portion of these funds to reimburse SUBRECIPIENT for actual expenditures incurred.

SUBRECIPIENT agrees that it will return to the GOVERNMENT any amount of these funds that were received in a lump sum and that were not expended in accordance with the terms of this Agreement.

C. Additional funds awarded March 18, 2022:

Rental Assistance	\$ 9,582,300
<u>Administrative Costs</u>	<u>\$ 947,700</u>
	\$10,530,000

1. Of the total amount budgeted under this Agreement, 50% of this total must be expended by SUBRECIPIENT no later than **July 31, 2022**. All funds must be expended by **September 30, 2022**.

Rental Assistance includes payment of rent, rental arrears, utilities and home energy costs, utilities and home energy cost arrears, and other expenses related to housing incurred due, directly or indirectly, to COVID-19 as defined by the Treasury Secretary.

Administrative Costs include data collection, supplies, equipment, management, rent, and reporting requirements and anything else needed to effectively run the program and reporting requirements and indirect costs attributable to an approved indirect cost rate. The total amount of administrative and indirect costs may not exceed 9% of the total awarded (\$10,530,000.00).

The SUBRECIPIENT may only use the funds provided under this subaward to carry out the activities described in this Agreement. The SUBRECIPIENT is prohibited from charging to the subaward the costs of ineligible activities and from using funds provided herein or personnel employed in the administration of activities under this Agreement for political activities, inherently religious activities, or lobbying.

2. The GOVERNMENT will advance \$3 million upon execution of this Agreement and \$3 million every time the funding balance falls below \$1,000,000.00 in Neighborly until funds are exhausted. The GOVERNMENT may also disburse all or a portion of these funds to the SUBRECIPIENT in one or more additional lump sums, and/or may apply all or a portion of these funds to reimburse SUBRECIPIENT for actual expenditures incurred.

SUBRECIPIENT agrees that it will return to the GOVERNMENT any amount of these funds that were received in a lump sum and that were not expended in accordance with the terms of this Agreement.

D. Additional funds awarded August _____, 2022:

Rental Assistance	\$ 1,053,000
<u>Administrative Costs</u>	<u>\$ 117,000</u>
	\$ 1,170,000

1. Of the total amount budgeted under Part I-D of this Agreement, 100% of this total must be expended no later than **September 30, 2022**. All funds allocated for Administrative Costs that the SUBRECIPIENT does not expect to spend by **September 30, 2022**, should be expended on Rental Assistance to ensure all funds are spent by **September 30, 2022**.

Rental Assistance includes payment of rent, rental arrears, utilities and home energy costs, utilities and home energy cost arrears, and other expenses related to housing incurred due, directly or indirectly, to COVID-19 as defined by the Treasury Secretary.

Administrative Costs include data collection, supplies, equipment, management, rent, and reporting requirements and anything else needed to effectively run the program and reporting requirements and indirect costs attributable to an approved indirect cost rate. The total amount of administrative and indirect costs may not exceed 10% of the total awarded in Part I-D of this Addendum (\$1,170,000.00).

The SUBRECIPIENT may only use the funds provided under this subaward to carry out the activities described in the Agreement. The SUBRECIPIENT is prohibited from charging to the subaward the costs of ineligible activities and from using funds provided herein or personnel employed in the administration of activities under the Agreement for political activities, inherently religious activities, or lobbying.

2. When expending these funds, SUBRECIPIENT agrees to make every reasonable effort to display the Team Kentucky logo on printed or electronic materials and identify that funding was provided through Team Kentucky.
3. The GOVERNMENT will advance the total amount awarded in Part I-D of this Addendum upon execution of this Agreement. SUBRECIPIENT agrees that it will return to the GOVERNMENT any amount of these funds that were received in a lump sum and that were not expended in accordance with the terms of this Agreement.

E. Additional funds awarded August _____, 2022:

Rental Assistance	\$ 709,800
<u>Administrative Costs</u>	<u>\$ 70,200</u>
	\$ 780,000

1. Of the total amount budgeted for Financial Assistance, the original total must be expended by SUBRECIPIENT no later than **December 31, 2022**. SUBRECIPIENT agrees to timely submit any reasonable form of documentation requested by the GOVERNMENT related to SUBRECIPIENT'S expenditure of the funds budgeted for Financial Assistance. If SUBRECIPIENT fails to expend the amount budgeted for Financial Assistance by **December 31, 2022**, or if it appears to the GOVERNMENT based

on the GOVERNMENT'S review of documents provided by SUBRECIPIENT that SUBRECIPIENT likely will fail to expend the amount budgeted for Financial Assistance by **December 31, 2022**, then SUBRECIPIENT further agrees to return the balance of the funds to GOVERNMENT on the date demanded by the GOVERNMENT, which shall be no earlier than 30 days after the date that the GOVERNMENT makes a demand. All funds allocated for Administrative Costs that the SUBRECIPIENT does not expect to spend by **September 30, 2022** should be expended on Financial Assistance to ensure all funds are spent by **December 31, 2022**.

Financial Assistance includes payment of rent, rental arrears, utilities and home energy costs, utilities and home energy cost arrears, and other expenses related to housing incurred due, directly or indirectly, to COVID-19 as defined by the Treasury Secretary.

Housing Stability Services includes services related to COVID-19 to help keep households stably housed, as defined by the Treasury Secretary.

Administrative Costs include data collection, supplies, equipment, management, rent, and reporting requirements and anything else needed to effectively run the program. The SUBRECIPIENT may cover indirect costs attributable to an approved indirect cost rate. The total amount of administrative and indirect costs combined may not exceed 9% of the total awarded in Part I-E of this Addendum (\$780,000.00).

The SUBRECIPIENT may only use the funds provided under this subaward to carry out the activities described in this Agreement. The SUBRECIPIENT is prohibited from charging to the subaward the costs of ineligible activities and from using funds provided herein or personnel employed in the administration of activities under this Agreement for political activities, inherently religious activities, or lobbying.

2. The GOVERNMENT may disburse all or a portion of these funds to the SUBRECIPIENT in one or more lump sums, and/or may apply all or a portion of these funds to reimburse SUBRECIPIENT for actual expenditures incurred.

SUBRECIPIENT agrees that it will return to the GOVERNMENT any amount of these funds that were received in a lump sum and that were not expended in accordance with the terms of this Agreement on a date that is no later than: 30 days after the GOVERNMENT

makes a demand for the return of funds; or 30 days after the termination of this Agreement, whichever date occurs earlier.

II. ARPA

A. Remaining balance to be spent of \$3,000,000 in funds awarded pursuant to agreement dated August 6, 2021:

\$1,937,242.76

1. Of the total amount budgeted for Financial Assistance, the original total must be expended by SUBRECIPIENT no later than **December 31, 2022**. SUBRECIPIENT agrees to timely submit any reasonable form of documentation requested by the GOVERNMENT related to SUBRECIPIENT'S expenditure of the funds budgeted for Financial Assistance. If SUBRECIPIENT fails to expend the amount budgeted for Financial Assistance by **December 31, 2022**, or if it appears to the GOVERNMENT based on the GOVERNMENT'S review of documents provided by SUBRECIPIENT that SUBRECIPIENT likely will fail to expend the amount budgeted for Financial Assistance by **December 31, 2022**, then SUBRECIPIENT further agrees to return the balance of the funds to GOVERNMENT on the date demanded by the GOVERNMENT, which shall be no earlier than 30 days after the date that the GOVERNMENT makes a demand.
2. The SUBRECIPIENT may only use the funds provided under this subaward to carry out the activities described in this Agreement and any Addenda thereto. The SUBRECIPIENT is prohibited from charging to the subaward the costs of ineligible activities and from using funds provided herein or personnel employed in the administration of activities under this Agreement for political activities, inherently religious activities, or lobbying.
3. The GOVERNMENT may disburse all or a portion of these funds to the SUBRECIPIENT in one or more lump sums, and/or may apply all or a portion of these funds to reimburse SUBRECIPIENT for actual expenditures incurred. Administrative Costs include data collection, supplies, equipment, management, rent, and reporting requirements and anything else needed to effectively run the program and reporting requirements and indirect costs attributable to an approved indirect cost rate. The total amount of administrative and indirect costs may not exceed 12% of the total awarded (\$3,000,000.00).

B. Additional funds awarded August _____, 2022:

\$1,550,000.00

1. Of the total amount budgeted for Financial Assistance, the original total must be expended by SUBRECIPIENT no later than **March 31, 2023**. SUBRECIPIENT agrees to timely submit any reasonable form of documentation requested by the GOVERNMENT related to SUBRECIPIENT'S expenditure of the funds budgeted for Financial Assistance. If SUBRECIPIENT fails to expend the amount budgeted for Financial Assistance by **March 31, 2023**, or if it appears to the GOVERNMENT based on the GOVERNMENT'S review of documents provided by SUBRECIPIENT that SUBRECIPIENT likely will fail to expend the amount budgeted for Financial Assistance by **March 31, 2023**, then SUBRECIPIENT further agrees to return the balance of the funds to GOVERNMENT on the date demanded by the GOVERNMENT, which shall be no earlier than 30 days after the date that the GOVERNMENT makes a demand.
2. The SUBRECIPIENT may only use the funds provided under this subaward to carry out the activities described in this Agreement and any Addenda thereto. The SUBRECIPIENT is prohibited from charging to the subaward the costs of ineligible activities and from using funds provided herein or personnel employed in the administration of activities under this Agreement for political activities, inherently religious activities, or lobbying.
3. The GOVERNMENT may disburse all or a portion of these funds to the SUBRECIPIENT in one or more lump sums, and/or may apply all or a portion of these funds to reimburse SUBRECIPIENT for actual expenditures incurred. Administrative Costs include data collection, supplies, equipment, management, rent, and reporting requirements and anything else needed to effectively run the program and reporting requirements and indirect costs attributable to an approved indirect cost rate. The total amount of administrative and indirect costs may not exceed 12% of the total awarded in Part II-B (\$1,550,000.00).

The parties agree that this Second Amended Addendum 1 is incorporated into the Agreement as if fully stated therein, and all other terms and conditions of the Agreement shall continue to apply.

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

LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT

Linda Gorton, Mayor

ATTEST:

Clerk of Urban County Council

COMMUNITY ACTION COUNCIL

BY _____
Sharon Price, Executive Director