

## LEASE AGREEMENT

THIS AGREEMENT, made and entered into this 13 day of October, 2016 by and between the **LEXINGTON-FAYETTE URBAN COUNTY GOVERNMENT**, whose address is 200 East Main Street, Lexington, Kentucky 40507, (the "Owner"), and **NAMI LEXINGTON (KY), INC.**, whose address is 498 Georgetown Street, Suite 100, Lexington, KY 40508, (the "Tenant").

### WITNESSETH:

1. PREMISES. The leased premises, hereinafter called the "Premises", are identified and described as follows: approximately 795 square feet of rentable area consisting of space located on the first floor of the LFUCG Black & Williams Neighborhood Center, located at 498 Georgetown Road in Lexington, Kentucky, and more specifically identified on Exhibit A of this Agreement.
2. USE. The Premises shall be used by Tenant for general office space and shall not be used for any other purpose without the prior written consent of Owner. Tenant shall not use the Premises in any manner constituting a violation of any ordinance, statute, regulation, or order of any governmental authority. Tenant shall use the Premises in a safe, careful, proper, and lawful manner and shall keep and maintain the Premises in as good a condition as when Tenant first took possession thereof, and Tenant shall not commit, or allow to be committed, any act of waste, in or about the Premises or the Building. Tenant shall not create, maintain, or permit any nuisance in the Premises or the Building, or permit any objectionable or offensive noise or odors to be emitted from the Premises. If Tenant uses the Premises in any manner which would invalidate any policy of insurance now or hereafter carried on the Building or increase the rate of premiums payable on any such insurance policy, Owner may, at its option, require Tenant to discontinue such use or to reimburse Owner as additional rent for any increase in premiums attributable to the use being made by the Tenant. Tenant shall comply with the Rules and Regulations governing the use and occupancy of the building, which Rules and Regulations are attached hereto as Exhibit "C". Owner may amend the Rules and Regulations from time to time, and a written copy of such amendments will be given to Tenant who shall thereafter comply with the same.
3. TERM.
  - 3A. The initial term of this Agreement shall be for a period of ten (10) months, beginning on September 1, 2016, and ending June 30, 2017.
  - 3B. The initial term of this Agreement and any extensions thereof may be renewed for two (2) subsequent terms of one (1) year each, subject to the termination provision stated in Section 15. The Tenant may request an extension of the Agreement from year-to-year after the expiration of the initial lease term or

Initials  
Owner \_\_\_\_\_  
Tenant [Signature] for JG





- d. Tenant shall reimburse Owner for any fines, penalties and costs and all liability for violation or non-compliance with any requirements related to the Premises imposed as a result of Tenant's failure to repair.

Intentional damage to the Premises shall entitle Owner to terminate the Lease, to repossess the Premises, and to require Tenant to make necessary repairs to the Premises.

- e. With the exception of service animals, dogs and other animals are not permitted on the Premises.

12. SECURITY. Tenant shall have adequate procedures in place to ensure that, if needed, office doors are secured at the end of the business day and that outside doors are secured and keys are distributed to personnel only as necessary. Owner shall maintain a master key in its possession for emergency access to the Premises.

13. PARKING. Tenant shall direct all Tenant employees to park only in those spaces that may be assigned in writing to Tenant by Owner.

14. INDEMNIFICATION AND INSURANCE.

a. Indemnification - Tenant agrees to indemnify, defend and hold harmless Owner and its agents, officials and employees, from any and all claims, liabilities, loss, damages, actions of whatever kind or expense including defense costs and attorney fees that are in anyway incidental or connected with or that arise or alleged to have arisen, directly or indirectly in whole or in part from Tenant's or its invitees' use of the Premises. Owner shall not be liable for any loss or damage to persons or property of the Tenant or others located in the Premises or the loss of or the damage to any property of Tenant or others by theft or otherwise from the Premises. Owner shall not be liable for any injury or damage to persons or property resulting from fire, explosion, falling material, steam, gas, electricity, water, rain, snow, leaks from any part of the Premises, pipes, appliances or plumbing works, or any other cause of any nature, except to the extent such injury or damage results from a negligent or willful act or failure to act of the Owner. Any property of Tenant kept for storage at the Premises shall be so kept or stored at the exclusive risk of Tenant.

b. Insurance –Tenant shall procure and maintain, at its cost, throughout the term of this Agreement, and annually for any extension thereof, commercial general liability insurance, including premises and operations liability, broad form contractual coverage, and fire legal liability for said Premises, and any other appropriate insurance,

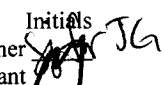

Initials  
Owner *AS*  
Tenant *JG*

deemed proper and necessary for its use and occupation of the Premises. Liability limits should be in an amount not less than \$1,000,000.00 per occurrence with an aggregate of not less than \$2,000,000.00. Said insurance company shall be authorized to do business in the Commonwealth of Kentucky, with a Best's Key Rating of no less than Excellent (A or A-) and a financial size category of no less than VIII, and must include the provision that "it is agreed and understood that the Lexington-Fayette Urban County Government, its agents, employees, officers and elected officials, as their interests may appear, are additional insured, under the provisions of this Agreement." Tenant shall furnish to the Owner's Division of Risk Management a certificate of insurance and make available for inspection a copy of the policy.

Any Tenant improvements to the Premises must be approved in writing by Owner prior to construction. Upon completion of construction, Tenant must provide copies of all required governmental approvals and permits, a copy of the certificate of occupancy, and original copies of full lien waivers from all contractors and materialmen. Such documents must be delivered by Tenant to Owner prior to Tenant occupying the Premises.

- c. Other requirements –Tenant shall require that all contractors/ vendors used by Tenant for fit-up improvements and betterments of the space during occupancy shall be pre-approved by Owner's Division of Building Maintenance and Construction. Furthermore, Tenant shall comply with Owner's risk management provisions and shall provide Owner with copies of certificates of insurance and/or any contracts entered into relating to the above, prior to commencement of work.

15. TERMINATION. After the expiration of the initial lease term, either party may terminate any lease extension at any time, without penalty, upon ninety (90) days prior written notice to the other party. Owner may perform ongoing evaluations to determine whether the Premises are being used by Tenant as stipulated in this Agreement. If Tenant does not utilize the Premises in accordance with the use specified in Paragraph 2 of this Agreement, Tenant upon written notice from Owner shall immediately vacate the Premises and this Agreement will be terminated and of no further force and effort.
16. SIGNAGE. Tenant will be allowed to place, at its sole expense, its name or sign on its Premises in the building, provided such signage complies with the applicable guidelines as set forth by Owner and applicable local sign ordinances.
17. AGREEMENT IS NOT ASSIGNABLE. This Agreement is not assignable and Tenant may not sublease or grant any other individual, agency or organization use or occupancy of Tenant's Premises.

Initials  
Owner   
Tenant 

18. PROPERTY ON PREMISES IS RESPONSIBILITY OF TENANT. All personal property kept upon the Premises shall be at the sole risk and responsibility of Tenant. This shall include property of contractors/ vendors engaged by Tenant to perform fit-up or conduct other maintenance or improvement activities throughout the term of this Agreement.
19. DESTRUCTION OF PREMISES. If the Premises should be destroyed or damaged by fire or other casualty covered by the Owner's policy of fire and extended coverage insurance, Owner may, at its sole option and expense, elect to make repairs or restore the building and Premises or to cancel this Agreement instead of making the necessary repairs. If the Premises are damaged to such extent that repairs or restoration cannot be effected within one hundred twenty (120) days, either party shall have the right to cancel this Agreement by giving the other party such notice in writing within thirty (30) days from the date such damage occurred. In the event of partial destruction or damage whereby Tenant shall be deprived of the use or occupancy of only a portion of the Premises, then minimum rent shall be equitably apportioned according to the area of the Premises which is usable by Tenant until such time as the Premises are repaired or restored. Owner is not obligated to commence repair or reconstruct the Premises until after it receives the proceeds of insurance in connection with such partial loss. Should the destruction or damage be of such extent that the Premises are entirely unrentable and then the Agreement shall automatically terminate.
20. HAZARDOUS MATERIALS. Tenant will not discharge, release, dispose of, store, or deposit on the Premises any waste, including any pollutants or hazardous materials ("Hazardous Materials"), in violation of any federal, state or local law or regulation. Any Hazardous Materials generated by Tenant will be removed from the Premises at Tenant's expense in the manner required by law and disposed of in compliance with federal, state and local laws and regulations. If at any time Tenant fails to comply with the terms of this section, Owner may remedy such default and Tenant must fully reimburse Owner for any cost or expense it incurs within ten (10) days of written notification from Owner.
21. QUIET ENJOYMENT. Owner hereby covenants and agrees that if Tenant performs all the covenants and agreements herein stipulated to be performed on Tenant's part, Tenant shall at all times during the Lease term and any extensions or renewals thereof have the peaceable and quiet enjoyment and possession of the Premises without any manner of, or hindrance from, Owner or any person or persons lawfully claiming the Premises.
22. VACATION OF PREMISES. Tenant shall deliver up and surrender to Owner possession of the Premises upon the expiration or termination of the Agreement in as good a condition and repair as the Premises were at the commencement of the Agreement (the elements, ordinary wear and deterioration accepted).

Initials  
Owner SGW  
Tenant JS

23. DEFAULT AND REMEDIES

- a. If Tenant shall abandon the Premises, or fail to pay any installment of rent or additional rent when due or fail to pay any costs or expenses provided for in this Agreement when said payments are due, or fail to perform any of its other obligations under the terms, conditions, and covenants of the Agreement, then Tenant shall be in default and breach of the Agreement.
- b. In the event of a default and the continuance of such default ten (10) days after written notice thereof is given by Owner to Tenant, in addition to Owner's rights and remedies allowed by law, Owner may, without further notice to or demand upon Tenant, apply the security deposit or re-enter the Premises and cure any default of Tenant. Tenant shall reimburse Owner in curing such default, and Owner shall not be liable to Tenant for any loss or damage which Tenant may sustain by reason or Owner's actions. Further, in addition to any other rights and remedies allowed by law, Owner may terminate the Agreement as of the date of such default and Tenant shall immediately thereafter surrender the Premises to Owner. If Tenant shall not immediately surrender the Premises, Owner may reenter the Premises and dispossess Tenant or any other occupants of the Premises and remove their effects, without prejudice to any other remedy which Owner may have for possession or arrearages in rent.
- c. The failure or delay by either party to insist upon the strict performance by the other or any of the terms, conditions, or covenants of this Lease or to exercise any right or remedy consequent upon a breach thereof, shall not be construed to be a waiver or affect the right of either party to thereafter enforce each and every such provision of right. The waiver of any default and breach of this Lease shall not be held to be a waiver of any other default and breach. The receipt of rent by Owner after said rent is due and payable shall not be construed as a waiver of such default, and the receipt by Owner of less than the full amount of rent due shall be a payment without prejudice to its right to recover the balance of the rent or to pursue any other remedies provided in the Lease.

24. MEMORANDUM OF LEASE. This Agreement, or a memorandum describing the Premises herein demised, stating the term of the Agreement, and referring to this document, may be recorded by either party.

25. NOTICES. Any notice or consent required to be given by or on behalf of either party upon the other shall be in writing and shall be given by hand delivery or

Initials  
Owner *WJG*  
Tenant *AS*

U.S. Mail. If mailed, such notice shall be via certified mail, return receipt requested.

**Notice shall be sent to the Owner at the following:**

Lexington-Fayette Urban County Government  
Attn: Commissioner of General Services  
200 East Main Street  
Lexington, KY 40507

**Notice shall be sent to the Tenant at the following:**

NAMI Lexington (KY), Inc.  
Attn: Phill Gunning, Executive Director  
498 Georgetown Street, Suite 201  
Lexington, KY 40508

26. WAIVER. No waiver of any condition of legal right shall be implied by the failure of either party to declare forfeiture, or for any other reason, and no waiver of condition or covenant shall be valid unless it be in writing signed by party so waiving. The waiver of a breach by either party of any condition shall not excuse, or be claimed to excuse, a future breach of the same condition or covenant or any other condition or covenant.
27. EMINENT DOMAIN. In the event that the Premises or any part thereof shall be at any time after the execution of the Agreement are taken for public or quasi-public use, or condemned under eminent domain, Tenant shall not be entitled to claim or have paid to it any compensation or damages whatsoever for or on account of any loss, injury, damage or taking of any right, interest or estate of Tenant, and Tenant hereby relinquishes to Owner any rights to any such damages. Should all of the Premises be taken by eminent domain, then this Agreement shall be deemed terminated, and Tenant shall be entitled to no damages or any consideration by reason of such taking.
28. INTERPRETATION. If any clause, sentence, paragraph or part of the Agreement shall for any reason be adjudged by a court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder of this Agreement, but be confined in its operation to the clause, sentence, paragraph or part thereof directly involved in the controversy in which such judgment shall have been rendered, and in all other aspects this Agreement shall continue in full force and effect. The Agreement, having been negotiated in good faith between the parties with advice of their respective counsel, shall not be construed against one party or the other.
29. INTERPRETATION AS PARTNERSHIP PROHIBITED. It is understood and agreed that nothing herein contained shall be construed in any way to constitute a partnership between the parties.

Initials  
Owner *SG*  
Tenant *JA*



30. NON-DISCRIMINATION. Tenant will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, national origin or handicap and will state in all solicitations or advertisements for employees placed on behalf of Tenant that all qualified applicants will receive equal consideration for employment without regard to race, color, religion, sex, age, national origin or handicap.
31. ENTIRE AGREEMENT. This Agreement contains the entire agreement of the parties with respect to Tenant's occupancy, use, and lease of the Premises, and there are no other promises or conditions in any other agreement either oral or written. The Agreement may be amended only in writing and only if such writing is signed by both parties. The parties acknowledge that any amendment to the Agreement must be approved by the Lexington-Fayette Urban County Council.
32. HOLDOVER. Should the Tenant hold over after termination of the Lease without a properly signed extension agreement, the Lease will become month-to-month subject to termination upon thirty (30) days written notice by either party. Monthly rent shall be one hundred fifty percent (150%) of the fair market value.
33. ATTORNEYS FEES. Should either party expend attorney's fees, and cost to enforce any provision of this Agreement, the prevailing party shall recover its attorney's fees and costs from the other party.
34. APPLICABLE LAW AND VENUE. This Agreement shall be governed by the laws of the Commonwealth of Kentucky and any action will be brought in a court of competent jurisdiction situated in Fayette County, Kentucky.
35. NO THIRD PARTY BENEFICIARIES. Nothing contained herein shall create any relationship, contractual or otherwise or any rights in favor of any third party.
36. SUCCESSORS AND ASSIGNS. This Agreement shall be binding on both parties and their successors and assigns.

Initials  
Owner *SW*  
Tenant *JG*  
C

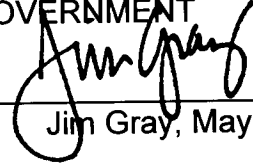
IN WITNESS WHEREOF, the parties hereto have set their hands the date first above written.

The foregoing terms and conditions are accepted by the Owner this 13<sup>th</sup> day of October, 2016.

OWNER:

LEXINGTON-FAYETTE URBAN  
COUNTY GOVERNMENT

BY: \_\_\_\_\_

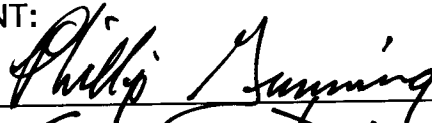


Jim Gray, Mayor

The foregoing terms and conditions are accepted by the Tenant this 25<sup>th</sup> day of August, 2016.

TENANT:

BY: \_\_\_\_\_

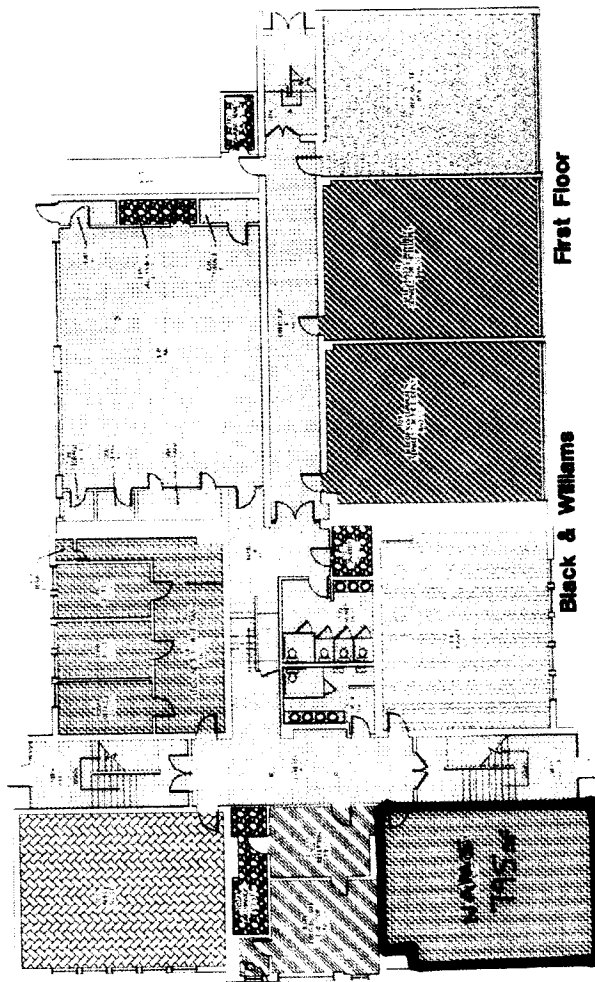


Its: \_\_\_\_\_



Initials  
Owner JG  
Tenant JG

# EXHIBIT A



AREA	TENANT	COLOR

**Tenant: NAMI Lexington (KY), Inc.**

Premises: LFUCG Black & Williams Center Neighborhood Center

Address: 498 Georgetown Street

RSF: 795

Initial lease term: Ten months, with two (2) one year automatic extensions

Initials	
Owner	SMJG
Tenant	[Signature]

## EXHIBIT B RENT SCHEDULE

FY	FMV Rental Rate per s.f.	Annual FMV Rent	Adjusted Annual Rent	Adjusted Payment	
				<input checked="" type="checkbox"/> Monthly	<input type="checkbox"/> Quarterly
2017	\$ 9.80	\$ 7,791.00	\$4,809.72	\$400.81	
2018	\$ 9.80	\$ 7,791.00	\$4,809.72	\$400.81	
2019	\$ 9.80	\$ 7,791.00	\$4,809.72	\$400.81	

B.1 Rent. Tenant shall pay to Owner as rent for the Premises the annual sums specified in Exhibit B (Adjusted Annual Rent column). If the lease term commences on a day other than the first day of a calendar month or expires on a day other than the last day of a calendar month, the base rent installment for such first or last month shall be prorated.

B.2 Annual Rental Adjustment (if applicable). If in any calendar year or partial calendar year during the term hereof (or renewal periods, if any), the Operating Expenses of the Building as hereinafter defined shall exceed \$4.75 per Rentable Square Foot of an area therein, then Tenant shall pay as additional rental for that year or partial calendar year Tenant's Proportionate Share of the excess Operating Expenses exceeding \$4.75 per Rentable Square Foot. Tenant's Proportionate Share of operating expenses is the percentage determined by dividing the rentable area in Tenant's Premises by the total rentable area in the building.

B.2-1. For the purposes of this Agreement, Operating Expenses shall mean any and all costs paid or incurred in the discretion of the Landlord, in connection with the operation, service, maintenance, repair of the Building (including fire and extended insurance costs) determined in accordance with generally accepted accounting principles (on an accrual basis) consistently applied.

B.2-2. Notwithstanding the Landlord's discretion as to Operating Expenses, no expense incurred for the following shall be included in Operating Expenses:

- (1) Cost incurred by Owner for Tenant's alterations;
- (2) Depreciation of the building;
- (3) Costs of capital improvements which do not improve the building's operating efficiency, reduce utility expenses, or which may not be required by governmental authorities;

Initials  
Owner                       
Tenant

- (4) Payments of principal on any mortgage or debt service;
- (5) Utility cost separately metered for each tenant's premises.

B.2-3. Tenant shall pay all charges for all separately metered utility services used by it in the Premises and supplied by Owner, a public utility or public authority or any other person, firm or corporation; provided, however, that the Tenant shall not be charged more by Owner than the rates it would be charged for the same service if furnished by a public utility company or governmental unit.

B.3 Payment of Annual Rental Adjustment (if applicable). Tenant's Annual Rental Adjustment shall be estimated annually by Owner and written notice of the estimated amount given to Tenant prior to the beginning of each fiscal year commencing on July 1. Tenant shall pay one-twelfth (1/12) of the estimated amount each month, as additional rent, along with the monthly installment of base rent. Within ninety (90) days after the end of each such calendar year, Owner shall prepare and deliver to Tenant a statement showing in reasonable detail the actual amount of Operating Expenses for the preceding fiscal year and the actual amount of Tenant's Annual Rental Adjustment. Within thirty (30) days after receipt of the aforementioned statement, Tenant shall pay to Owner, or Owner shall credit to Tenant, the difference between the actual amount of Tenant's Annual Rental Adjustment for the preceding fiscal year and the estimated amount paid by Tenant during such year provided however, that notwithstanding anything to the contrary herein contained, Tenant shall not be entitled to a credit for any amount of annual base rent paid.

B.4 Service Charge. If any installment of base rent or additional rent provided for in this Agreement is not paid within ten (10) days after its due date, it shall be subject to a service charge of five percent (5%) of the unpaid rent due for each month or fraction thereof or such lesser amount as may be the maximum amount permitted by the law, until paid.

Initials  
Owner *STG*  
Tenant *ATG*

**Exhibit C**  
**RULES AND REGULATIONS**

1. No advertisement, sign, lettering, notice or device shall be placed in or upon the Premises, its windows or doors, or upon the Building except such as may be approved in writing by Owner.
2. Owner shall maintain a Building directory with the name of Tenant, its organizational divisions and the name of any other business entities lawfully occupying the Premises or any part thereof.
3. No additional locks other than building standard shall be placed upon any doors of the Premises without Owner's consent and Tenant agrees not to have any duplicate keys made without the consent of Owner. If more than two keys for any door lock are desired such additional keys shall be acquired from Owner and shall be paid for by Tenant. Upon termination of this Lease Tenant shall surrender all keys to Owner. Tenant shall not replace the locks on any doors. Should Owner consent to the replacement of such lock Owner shall replace the lock at Tenant's sole expense.
4. No furniture, freight, supplies not carried by hand, or equipment of any kind shall be brought into or removed from the building without the consent of Owner. Owner shall have the right to limit the weight and size to designate the position of all safes and other heavy property brought into the building. The furniture, freight, supplies, equipment, safes and such other heavy property shall be moved in or out of the Building only at the times and in the manner permitted by Owner. Owner will not be responsible for loss of or damage to any such items and all damage done to the Premises or to the Building by moving or maintaining such items shall be repaired at the expense of Tenant. Any merchandise not capable of being carried by hand shall utilize hand trucks equipped with rubber tires and rubber side guards.
5. Tenant, its invitees or guests, shall not disturb other occupants of the Building by making any undue or unseemly noise, or otherwise. Tenant shall not, without Owner's written consent, install or operate in or upon the Premises any machine or machinery causing noise or vibration perceptible outside the Premises, electric heater, stove, device for the preparation of food, or machinery of any kind or carry on any mechanical business thereon, or keep or use thereon oils, burning fluids, camphene, kerosene, naphtha, gasoline, or other combustible materials. Notwithstanding the foregoing, Tenant may operate within the Premises a device for the brewing of coffee to be consumed on the Premises. No explosives shall be brought into the Building.
6. Tenant shall not mark or drive nails or screws into the woodwork or plaster, or paint, or in any way deface the Premises, the Building, or any parts thereof or

Initials  
Owner *SMK*  
Tenant *AT*

fixtures therein. The expense of remedying any breakage or stoppage resulting from a violation of this rule shall be paid by Tenant.

7. Canvassing, soliciting and peddling in the Buildings are prohibited and each Tenant shall cooperate to prevent such activity, however, Owner, in its discretion, may allow beverage and snack vending in the Building.
8. Tenant may request the assistance of Owner's employees only upon approval of the Owner's manager. Owner's employees are not required to perform any work or do anything outside of their regular duties, except on issuance of special instructions from the Owner's manager. If Owner's employees are made available to assist Tenant, Owner shall be paid for their services by Tenant at reasonable hourly rates.
9. Owner reserves the right to close and keep locked all entrance and exit doors the Building on Sundays and legal holidays and between the hours of 6:00p.m. on any day and 8:00 a.m. of the following day during such further hours and Owner may deem advisable for access control of the Building. Notwithstanding the foregoing, Tenant shall have access to the Building at all hours.
10. Owner may utilize an outside agency to control access to the Building when it is locked. Owner does not assume any responsibility for, and shall not be liable for, and damage resulting from any error in regard to any identification of Tenant or its employees and from admission to, or exclusion from, the Building by such outside agency.
11. The heating and air conditioning systems shall be operated at such times as the Building Owner shall designate from time to time. Tenant shall not utilize any equipment requiring extraordinary services without the prior written consent of Owner.
12. Tenant shall exercise care and caution to insure all water faucets or water apparatus, electricity and gas are carefully and entirely shut off before Tenant or its employees leave the Premises so as to prevent waste or damage. Tenant shall be responsible for any damage to the Premises or the Building and for all damage or injuries sustained by other tenants or occupants of the Building arising from Tenant's failure to observe this rule.
13. Owner reserves the right to exclude or remove from the Building any person who, in the judgment of Owner, is under the influence of liquor or drugs, or who is in the judgment of Owner disturbing other Tenants or occupants of the Building arising from Tenant's failure to observe this rule.
14. Toilet facilities shall be provided for men and women by Owner. Plumbing fixtures and appliances shall be used for the purpose for which they were designed and no rubbish, rags or other unsuitable material shall be thrown or

Initials  
Owner *CG*  
Tenant *MT*

placed therein. Repairs resulting from such damage to any such fixtures or appliances from misuse by a Tenant shall be paid by Tenant and Owner shall not in any case be responsible therefore.

15. Owner will replace tubes and lamps for lighting fixtures at Tenant's expense if requested by Tenant to do so.
16. Owner reserves the right to rescind any of these rules and regulations and to make such other and further reasonable rules and regulations as in its judgment may from time to time be needed or desirable for the care and cleanliness of the Premises and the Building. Such rules and regulations when made and upon written notice to Tenant, shall be binding upon Owner and Tenant in like manner as if originally set forth herein.
17. Tenant agrees that Owner shall not be responsible for lost or stolen personal property, money or jewelry from the Premises or Building regardless of whether such loss occurs when the area is locked against entry or not.

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Initials  
Owner             
Tenant           

*JG*  
*[Signature]*



## LEASE AGREEMENT OVERVIEW

Occupant: NAMI Lexington (KY), Inc.

Location: Black & Williams Neighborhood Center

Address: 498 Georgetown Street

<b>OVERVIEW</b>	
S/ft of space occupied	795
S/ft of shared space (occupant's pro-rata share)	0
<b>Total S/ft</b>	<b>795</b>
Annual pro-rata share of utilities, O&M and CIP (approx. \$6.05 S/ft)	\$4,809.72
Annual base (approx. \$3.75 S/ft)	\$2,981.28
Established Annual Fair Market Value (\$/ft)	\$9.80
<b>Annual Fair Market Value (FMV) of Space</b>	<b>\$7,791.00</b>
<b>Recommended Annual Adjustment to FMV</b>	<b>-\$2,981.28</b>
Current annual rental rate	\$3,767.96
<b>Difference</b>	<b>\$1,041.76</b>

## JUSTIFICATION FOR WAIVER

Commissioner Chris Ford recommends that NAMI pays an adjusted annual rental rate of \$4,809.72 that covers their pro-rata share of utilities, O&M and CIP.

- The agency has been in service for more than 31 years
- NAMI is a private, non-profit 501(c)3 agency with a projected annual budget of about \$664,000 dollars
- Their mission is to provide community outreach and the Black & Williams Community Center is in close geographic proximity to ESH and Bluegrass Regional Mental Health Board
- The agency meets Urban County need and provides an integral service
- The Department of Social Services' mission is to provide an easily accessible system of human services programs and they do not provide direct assistance for clients/families dealing with mental illness
- This agency currently receives no partner agency funding from LFUCG's Department of Social Services nor federal pass-through funds from the Division of Grants & Special Projects

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**Partner Agency Facility Usage Questionnaire**

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**Note: All sections must be completed in order to process request.**

**Entity Information:**

Official Name: NAMI Lexington (KY), Inc.

Address: 498 Georgetown Street, Suite 100, Lexington, Ky

Non-profit? YES X No     

**If yes, please provide details (type of organization, date, certification,..):**

501c3;

1998 (Incorporated 1985)

IRS letter of determination attached

Federal Tax ID Number: 31-1154645

**Overview (list ALL services provided):**

*See attached flyer - Free Programs and Affordable Training*

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Entity Authorized Contact Name: Phill Gunning

Entity Contact Number(s): (Office) (859) 272-7891 (Cell)(859) 539-1918 E-mail:pgunning@namilex.org

**The following support documents must be attached to GS-101:**

- Current annual report filed with the Kentucky Secretary of State
- Mission Statement
- Organizational chart
- Source, amount & duration of funding (*private, state or Federal, loan; Grants, ....*)
- Business plan
- Anticipated organizational budget identifying the proposed amount for lease and operational expenses.
- Annual cash flow report (*if an existing entity*). If new, a projected annual CF report must be submitted.

**Please submit the questionnaire and all required attachments to the department responsible for conducting the initial evaluation.**

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**Partner Agency Facility Usage Questionnaire**

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**LFUCG Internal Evaluation:**

Requesting Department / Division: Social Services

Proposed initial length of agreement : 12 month initial term w/2 auto 1 yr renewals

**Note: All lease agreements to expire by June 30<sup>th</sup>.**

**Requested By:**

Name: Chris Ford Title: Commissioner Social Services Date 09/08/16

Approval (\_\_\_\_) initials Title: Director / Deputy Director Date: \_\_/\_\_/\_\_

Approval (CAF) initials Title: Commissioner Date: 9/12/16

**Comment:**

This agency has been in service for 28 years. NAMI is a private non-profit with an annual budget of approximately \$664,000. Their mission is to provide community outreach and Black & Williams Is nearby to ESH and Bluegrass Regional Mental Health Board.

**Entity Evaluation & Overview:**

Entity meets Urban County need  YES  NO

Please provide detail:

The Department of Social Services' mission is to provide an easily accessible system of human services programs, however they do not provide the direct assistance for clients/families dealing with mental illness and NAMI works to help fill that void.

**PARTNERSHIP OBLIGATION CLASSIFICATION:**

Entity and LFUCG are parties to an agreement whereas facility funding is required by ordinance, contract or resolution (other than a PSA)  YES  NO

Provide detail:

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**Partner Agency Facility Usage Questionnaire**

**PROPOSED LEASE & SPACE ALLOCATION:**

Number of Employees: 1 (FT), 1 (PT)

Requested Space: 795 (Sft.)

Proposed Location Address: 498 Georgetown Street

O&M Expenses (\$/Sft./Yr.): (\$ 6.05 (*Determined by Real Estate/Properties Section*))

**Note:** Tenant may be required to submit Space Needs Analysis form provided by Department of General Services.

**RENT ANALYSIS:**

I) Calculated Fair Market Rent: \$9.80 \$/Sft./Yr. (*Determined by Real Estate/Properties Section*)

*Note: Tenant to pay its prorata share of all direct & indirect operating and maintenance expenses plus base rent.*

II) Calculated O&M Costs: \$4,809.72 (\$6.05 \$/Sft./Yr.) (*Determined by Real Estate/Properties Section*)

III) Calculated Base Rent (I-II): \$2,981.28 (\$3.75 \$/Sft./Yr.)

IV) Proposed adjustments/subsidies/assistance *applied toward base rent (III) only:* (By Others)

Reduction %: 25, 50 & 75% years 1 thru 3; pay FMV years 4 thru 5

V) Final Adjusted Rent (I-IV): yr1 \$4,809.72; yr2 \$4,809.72; yr3 \$4,809.72

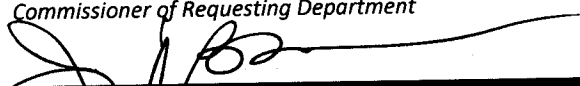
**Please identify the source of funding to offset any proposed adjustments/reductions:**

\_\_\_\_\_  
\_\_\_\_\_

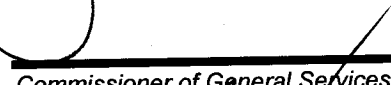
**Approved by:**

  
\_\_\_\_\_  
Commissioner of Requesting Department


Date: 9/12/16

  
\_\_\_\_\_  
Director of Facilities & Fleet Management

Date: 9/12/16

  
\_\_\_\_\_  
Commissioner of General Services

Date:   /  /  

  
\_\_\_\_\_  
CAO

Date:   /  /  

**Note:**

The Department of General Services will initiate the Blue Sheet process for Council's review and final approval once all of the appropriate signatures have been secured.

Commonwealth of Kentucky  
Alison Lundergan Grimes, Secretary of State

0198825 NARP  
Alison Lundergan Grimes  
KY Secretary of State  
Received and Filed  
3/8/2016 3:03:59 PM  
Fee receipt: \$15.00

Alison Lundergan Grimes  
Secretary of State  
P. O. Box 1150  
Frankfort, KY 40602-1150  
(502) 564-3490  
<http://www.sos.ky.gov>

Annual Report  
Online Filing

ARP

**Company:** NAMI LEXINGTON (KY), INC.  
**Company ID:** 0198825  
**State of origin:** Kentucky  
**Formation date:** 3/4/1985 12:00:00 AM  
**Date filed:** 3/8/2016 3:03:59 PM  
**Fee:** \$15.00

**Principal Office**

C/O PHILL GUNNING  
NAMI LEXINGTON, (KY) INC.  
498 GEORGETOWN ST, SUITE 201  
LEXINGTON, KY 40508

**Registered Agent Name/Address**

PHILL GUNNING  
3407 WINTHROP DR.  
LEXINGTON, KY 40503

**Current Officers**

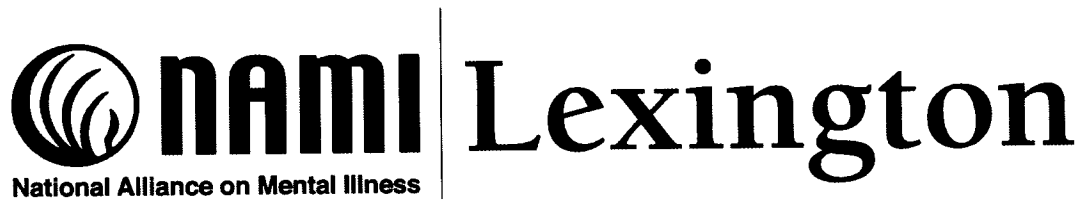
President	Anita Hartsfield	469 Alderbrook Way Lexington, KY 40515
Secretary	Arned Carmickle	1726 Blue Licks Road Lexington KY 40504
Treasurer	Cindy Faulkner	185 St. James Drive Lexington, KY 40502
Vice President	Fareesh Kanga	496 Southland Drive Lexington, KY 40503

**Directors**

Director	Bonnie Tracy	2030 Jeffrey Court Apt 11 Lexington KY 40504
Director	Julie Perry	1306 Versailles Road No 120, Lexington, KY 40504
Director	Adrain Holloway	444 Wells Lane Versailles, KY 40383
Director	John Landon	1107 Gainesway Drive Lexington, KY 40517
Director	Randall Blackburn	225 E. Loudon Ave Lexington, KY 40505
Director	Leslie Reed	632 Cromwell Way Lexington, KY 40503
Director	Steve Stone	1721 Shenandoah Drive Lexington, KY 40504
Director	Shannon Sell	201 Mechanic Street Lexington, KY 40507
Director	Michael Sibley	3769 Kings Glen Park Lexington, KY 40514
Director	Barbara Harvey	300 Fox Glove Drive Mount Sterling, KY 40353
Director	James Haggie	2113 Mangrove Drive Lexington, KY 40513

**Signatures**

Signature	Phill Gunning
Title	Executive Director



## **Mission Statement**

NAMI Lexington is a 501c3 non-profit organization that provides assistance to Families, Caregivers and Individuals whose life experience includes living with a serious and persistent mental illness. We offer free advocacy, education, outreach and support programs designed to raise awareness and reduce stigma around mental health issues. Our goal is to help individuals acquire and use available supports and skills necessary to manage their symptoms and return to the community and find success, hope and meaning in the role and environment of their choice. NAMI Lexington directly serves central Kentucky and partners to serve communities across the Commonwealth of Kentucky.

NAMI Lexington Board and Staff - 2015

	Position	Experience-Education/Work Position
<b>Directors</b>		
Adrain Holloway	Past President	Family Member / RN - Woodford Public Schools
Anita Hartsfield	President	Family Member / Administrative/Projects coordinator - UK Healthcare / MHA
Dr. Fareesh Kanga	Vice-President	HealthFirst Bluegrass - Director of Behavioral Health, Staff Psychiatrist
Cindy Faulkner	Treasurer	MHA, CPHQ / adjunct faculty member - multiple universities, teaching in the Masters of Health
Armeda Carmickle	Secretary	Consumer / KPS / Participation Station Leadership / Eastern State Hospital Peer Team
Bonnie Tracy	Director-at-Large	Consumer / KPS / Participation Station Leadership / Eastern State Hospital Peer Team
Julie Perry	Director-at-Large	APRN - Bluegrass Community Health Care
John Landon	Director-at-Large	Public Defender / Lafayette College, UK Law School
Randall "Rock" Blackburn	Director-at-Large	Kentucky Peer Specialist / Eastern State Hospital Peer Team
Leslie Reed	Director-at-Large	OT / Rehab Director & Assistant Recovery Mall Director, Eastern State Hospital
Steve Stone	Director-at-Large	Consumer / Eastern State Hospital Peer Team / Kentucky Peer Specialist
Rev. Michael C. Sibley, M.Div., BCC	Director-at-Large	Board Certified Chaplain - Eastern State Hospital
Barbara Harvey	Director-at-Large	Consumer / Kentucky Peer Specialist / Pathways
Frances Howard	Director-at-Large	Eastern State Hospital - Occupational Therapist
Leslie Beebe	Director-at-Large	UK College of Nursing -
Rebecca Asher	Director-at-Large	Eastern State Hospital - Clinical Psychologist/Forensic Evaluator
<b>Staff</b>		
Kelly Gunning	Director of Advocacy and Public Affairs	Family Member / Consumer / Community Psychologist
Phill Gunning	Executive Director	Family Member
David Riggsby	Recovery Enthusiast	Retired Quality Improvement Director, Eastern State Hospital
Julie Caudill	Administrative Assistant	Consumer / Family Member / Veteran / Graphic Design / Administration / Kentucky Peer Specialist
Valerie Mudd	Consumer Programs Coordinator	Consumer / Former Radiology Technician / Kentucky Peer Specialist
Sarah Brumfield	Training Coordinator	Consumer / Retired Cosmetologist / Kentucky Peer Specialist
Tracy Jacobson	Director of Family Services	Family Member / MSW
Sherry Sexton	Kentucky Peer Specialist - ESH Team	Consumer / Eastern State Hospital Peer Team / Kentucky Peer Specialist
Kirk Reynolds	Kentucky Peer Specialist - ESH Team	Consumer / Eastern State Hospital Peer Team / Kentucky Peer Specialist
Jean Lafky	Kentucky Peer Specialist - FMHC Team	Consumer / Mental Health Court Peer Team / Kentucky Peer Specialist
Julie Neace	Volunteer Coordinator	Family Member / BSW / KPFC (Kentucky Partnership for Families and Children, Inc.)
Tamara McNabb	Kentucky Peer Specialist - ESH Team	Consumer / Eastern State Hospital Peer Team / Kentucky Peer Specialist
Jennifer Van Ort	Fayette Mental Health Court Coordinator	Coordinator - Fayette Mental Health Court
Katrina Vincent	Fayette Mental Health Court Navigator	Navigator - Fayette Mental Health Court
James Haggie	Advocacy & Program Development	Advocacy & Program Development

AGENCY NAME: NAMI LEXINGTON

Note: Full-Year Data Only

	(1) FY 2013 ACTUAL REVENUE PER AUDIT (01/1/2013- 12/31/2013)	(2) FY 2014 REVENUE UNAUDITED (01/1/2014- 02/31/2014)	(3) FY 2016 PROJECTED BUDGET (07/1/2015- 06/30/2016)	(4) FY 2017 PROJECTED BUDGET (07/1/2016- 06/30/2017)
<b>REVENUE</b>	<i>Round to the Nearest Ten Dollars</i>			
Urban County Government - Partner Agency Funding [Column 3 is the Amount Requested]	\$ 24,225	\$ 47,975		
Urban County Government (CDBG Grant)				
Urban County Government (Local Government Economic Assistance Fund Grant)				
Urban County Government - In Kind (Specify: Space, Computer, Custodial, Computer)				
Other LFUCG - Office of Homelessness Prevention and Intervention - Fayette Mental Health Court			131,250	106,250
Other LFUCG - (Identify) _____ (Additions to the Purchase of Service Agreement)				
Other LFUCG - (Identify) _____ (Additions to the Purchase of Service Agreement)				
State of Kentucky	165,380	145,171	150,000	
Federal Government				
United Way				
Fees for Services	83,199	127,600	117,000	177,000
Private Contributions	70,964	81,334	85,000	100,000
Interest Income	13	5		
Other Grant income	109,250	83,500	100,000	200,000
Gifts in kind	24,000	24,000	24,000	24,000
<b>TOTAL REVENUES</b>	\$ 477,031	\$ 509,585	\$ 664,250	\$ 664,250



**PROGRAM NAME: Participation Station**

**Note: Full-Year Data Only**

	(1) FY 2013 ACTUAL REVENUE PER AUDIT (01/01/2013- 12/31/2013)	(2) FY 2014 REVENUE UNAUDITED (01/01/2014- 12/31/2014)	(3) FY 2016 PROJECTED BUDGET (07/1/2015- 06/30/2016)	(4) FY 2017 PROJECTED BUDGET (07/1/2016- 06/30/2017)
<b>REVENUE</b>	<i>Round to the Nearest Ten Dollars</i>			
Urban County Government - Purchase of Service Agreement [Column 3 is the Amount Requested]	\$ 24,230	\$ 47,980		
Urban County Government (CDBG Grant)				
Urban County Government (Local Government Economic Assistance Fund Grant)				
Urban County Government - In Kind (Specify: Space, Computer, Custodial, Computer)				
Other LFUCG - (Identify) _____ (Additions to the Purchase of Service Agreement)				
Other LFUCG - (Identify) _____ (Additions to the Purchase of Service Agreement)				
State of Kentucky	38,210	32,270	16,140	16,140
Federal Government				
United Way				
Fees for Services	42,320	27,000	27,000	27,000
Private Contributions		13,450	16,000	16,000
Interest Income				
Gifts in kind	24,000	24,000	24,000	24,000
<b>TOTAL REVENUES</b>	<b>\$ 128,760</b>	<b>\$ 144,700</b>	<b>\$ 140,140</b>	<b>\$ 140,140</b>



NAMI Lexington was founded in 1985 to provide education, support and advocacy for persons whose lives are affected by serious mental illness. NAMI Lexington has been a front-runner in family education, consumer program development and peer-empowerment, collaboration, inclusiveness, diversity, cultural competence, and scope of services.

### **NAMI Signature Programs offered free by NAMI Lexington:**

- ***In Our Own Voice*** – people with a mental illness share their powerful personal stories
- ***NAMI Connections*** - a recovery support group program for people living with a mental illness
- ***Family-to-Family*** - 11-session course taught by trained family members
- ***Family Member Support Groups*** - a peer-led support group for family members, caregivers
- ***Basics*** - 6-week course for parents and caregivers of children and teens living with a mental illness
- ***Hearts and Minds*** - an online, interactive program promoting wellness in both mind and body
- ***NAMI Walks*** – annual mental health awareness and fundraising event

### **A sampling of other significant programs and trainings offered free by NAMI Lexington:**

- ***Participation Station***, a Peer-operated recovery center co-sponsored by bluegrass.org
- ***Kentucky Advanced Psychiatric Directive*** Training
- ***QPR Suicide Prevention*** Training / Gatekeeper Suicide Prevention Training
- ***WRAP*** (Wellness Recovery Action Plan) Trainings and Workshops
- ***Warm Line***, a Peer operated non-emergency phone line for anyone who "just needs someone to talk to" co-sponsored by bluegrass.org
- ***Multicultural Action Committee (MAC)*** provides culturally competent advocacy, education, outreach and support to African American and Hispanic communities
- ***Eastern State Hospital*** – Kentucky Peer Specialist team providing education and support daily
- ***Fayette Mental Health Court*** - based on therapeutic jurisprudence and restorative justice principles
- ***Fayette Corrections Center*** – peer visits weekly
- ***Double Trouble in Recovery (DTR)*** Support Groups for individuals with co-occurring addiction and mental health disorders
- ***NAMI Introductions*** – Overview of NAMI programs, information, and supports
- ***KYSTARS*** – Statewide Recovery Support Groups, Recovery Oriented Training and Technical Assistance, Leadership Academy Peer Leadership Skills Training
- ***Guest speakers*** for local Nursing, Psychology and Social Work classes at UK, ECU, Midway College, Asbury, Georgetown College, and Kentucky State University
- ***Intern programs*** - Partner with regional Universities to provide field education for student interns

**NAMI Lexington** also offers ***affordable staff and employee training programs*** such as ***Mental Health First Aid***. The Mental Health First Aid program is an interactive 8 hour educational program. It can be conducted in one full day or two half-day events. Mental Health First Aid certification must be renewed every three years, and introduces participants to risk factors and warning signs of mental health problems, builds understanding of their impact and overviews common treatments.

**For more information on NAMI's free programs and affordable mental health training, please see <http://namilex.org> or call 859-272-7891.**

## NAMI Lexington Profit & Loss

	Sep '15 - Aug 16	Sep '14 - Aug 15
<b>Ordinary Income/Expense</b>		
<b>Income</b>		
4010 · Ind/small bus contrbns	30,964.33	928.22
4011 · Corporate Donation	15,097.89	21,000.00
4012 · Walkers-NAMIWalks	19,217.45	22,938.84
4020 · Sponsors-NAMIWalks	15,600.00	11,200.00
4025 · Other Fundraising	250.00	2,836.78
4140 · Gifts in kind	24,000.00	24,000.00
4250 · Restricted Grants	89,250.00	86,875.00
4430 · Kroger Contributions	0.00	112.00
4540 · Local Government Grants	156,300.00	151,725.00
4999 · Uncategorized Income	174.24	0.00
5030 · State contracts/fees	146,501.06	152,766.16
5180 · Prgrm Serv Fees	158,505.00	167,534.90
5210 · Membership dues-indiv & family	1,167.00	1,605.66
5310 · Interest Income	8.42	3.93
5490 · Misc Revenue	855.61	3,142.55
<b>Total Income</b>	657,891.00	646,669.04
<b>Expense</b>		
6560 · Payroll Expenses	93.91	285.13
7010 · Contracts-program related	53,266.10	45,894.55
7090 · Awards, plaques, gifts	11,291.83	7,820.18
7200 · Sal&exp		320,866.90
7220 · Salaries & wages	376,439.69	5,823.39
7240 · Empl Benef not pension	9,066.73	
7250 · Tax etc		10,086.20
7251 · Worker's Comp. Ins.	9,242.96	24,546.32
7252 · Matching FICA	28,797.62	4,309.60
7253 · Ky Unemployment	-728.76	900.38
7250 · Tax etc - Other	2.40	
<b>Total 7250 · Tax etc</b>	37,314.22	39,842.50
<b>7200 · Sal&amp;exp - Other</b>	1,408.07	777.84
<b>Total 7200 · Sal&amp;exp</b>	424,228.71	367,310.63
7510 · Fundraising fees	300.00	27.72
7520 · Accounting Fees	8,406.34	7,307.32
7530 · Legal Fees	372.80	30.00
7540 · Professional fees-other	445.00	0.00
7545 · Service Fees	1,056.33	292.23
7550 · Temporary Help - Contract	12,454.75	12,485.00
8110 · Supplies		1,546.81
8112 · Cleaning Supplies	1,897.94	1,676.12
8115 · Toner / Ink	2,098.40	10,584.98
8110 · Supplies - Other	7,515.00	


**NAMI Lexington  
Profit & Loss**

	Sep '15 - Aug 16	Sep '14 - Aug 15
Total 8110 · Supplies	11,511.34	13,807.91
8130 · Telephone, internet	11,424.73	10,924.34
8140 · Postage and Shipping	995.91	1,079.83
8170 · Printing & Copying	3,164.47	6,365.64
8180 · Books, subscriptions, reference	1,792.94	368.22
8210 · Rent	34,022.00	32,022.00
8220 · Utilities	5,653.30	2,349.79
8240 · Building Improvements	2,990.00	0.00
8260 · Equipment rental & maintenance	7,443.26	6,456.75
8310 · Travel	11,374.52	4,798.99
8320 · Conferences, Mtgs Attended	1,032.27	291.07
8325 · Conferences, Mtgs Hosted	36,467.57	37,994.94
8515 · Reconciliation Discrepancies	0.00	0.50
8520 · Bus Ins		
8521 · Bus Owners Ins.	904.45	940.90
8522 · D&O Insurance	1,333.62	1,254.91
8523 · Ins. Service Charges	44.00	64.00
Total 8520 · Bus Ins	2,282.07	2,259.81
8530 · Other Org. Dues, Donations	2,636.94	2,181.00
8540 · Staff development	18,234.52	15,409.97
8560 · External computer services	1,660.42	1,891.61
8570 · Advertising expenses	10,855.27	16,416.11
8595 · Misc Expenses	712.87	2,066.98
9300 · Minor Equipment	4,030.31	2,631.75
9910 · Affiliate Revenue Sharing	5,000.00	6,017.50
9911 · National Dues Assessment	587.00	742.00
Total Expense	685,787.48	607,529.47
Net Ordinary Income	-27,896.48	39,139.57
Net Income	-27,896.48	39,139.57



**MEMORANDUM**

TO: Mayor Jim Gray  
Urban County Council  
Sally Hamilton, CAO



FROM: Chris Ford, Commissioner Social Services

CC: Geoff Reed, Acting Chief of Staff

DATE: 08 September 2016

SUBJECT: Lease Agreement with NAMI Lexington (KY), Inc.

Request: Urban County Council approval to enter into a lease agreement with NAMI Lexington (KY), Inc. for their continued occupancy of space within the Black & Williams Neighborhood Center located at 498 Georgetown Street.

Why are you requesting? NAMI provides community outreach and helps meet Urban County need by providing an integral service to the community. Black & Williams is in close geographical proximity to both ESH and Bluegrass Regional Mental Health Board. NAMI provides direct assistance for clients/families dealing with mental illness and they receive no partner agency funding. NAMI has been providing community services for over 31 year.

What is the cost in this budget year and future budget years?

The cost for this FY is: \$ 4,809.72 (revenue)  
The cost for future FY is: \$ 4,809.72 (revenue)

Are the funds budgeted?

The funds are budgeted or a budget amendment is in process: Yes  
Account number: 1101-11001-0001-42181

File Number: 1009-16  
Director/Commissioner: Jamshid Baradaran, Director Facilities & Fleet

