

GRANT AGREEMENT

THIS GRANT AGREEMENT ("Contract"), made and entered into on the 27 day of October 2025, by and between the **LEXINGTON-FAYETTE URBAN COUTY GOVERNMENT**, an urban county government of the Commonwealth of Kentucky, pursuant to KRS Chapter 67A (hereinafter "Government"), on behalf of its Division of Grants and Special Programs, and **Palomar Reserve Council of Co-Owners, Inc.** (hereinafter "Association"), a non-profit corporation created pursuant to KRS Chapter 273, with offices located in Lexington, Kentucky.

WITNESSETH:

WHEREAS, the residents of the area have organized an Association to further the improvement of their neighborhood; and

WHEREAS, Association desires to implement a specific project in order to enhance its neighborhood for the benefit of its residents and others; and

WHEREAS, Association has demonstrated a need for additional monies to expand and develop its programs; and

WHEREAS, Government has funds available through the Neighborhood Action Match Program to assist qualified Associations in the improvement of their neighborhoods; and

WHEREAS, any such improvements funded by the Government shall be open and available to the public and benefit the entire neighborhood;

THAT FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES AND COVENANTS HEREIN EXPRESSED, GOVERNMENT AND ASSOCIATION AGREE AS FOLLOWS:

The Government hereby grants Association the sum of **\$8,650.00** (hereinafter "the Grant"), for use in making neighborhood improvements specified in Association's grant application.

Association and Association's subcontractors shall: provide equal opportunity in employment for all qualified persons; prohibit discrimination in employment because of race, color, creed, national origin, sex, age, sexual orientation, gender identity and disability; and, promote equal employment through a positive, continuing program of equal employment. This program of equal employment

opportunity shall apply to every aspect of the Association's employment policies and practices as well as the employment policies and practices of all of the Association's subcontractors.

Association agrees to match the Grant with contributions, labor and other services from its members at a value of at least 50% of the total project cost.

Association agrees to use the Grant for activities set forth in its grant application and generally described as: **Palomar Reserve Sidewalk Repair, Clubhouse Repair and Rebuild the Wall.**

Association further agrees that neither the Grant nor its matching funds shall be used for the following activities:

- Program operation activities, such as day care, employment services, recreation programs, and others.
- Generally, routine neighborhood maintenance rather than rehabilitation activities.
- Activities performed by non-Government personnel which would normally and routinely be provided to the residents of Lexington-Fayette County by employees of the Lexington-Fayette Urban County Government.
- Construction financing, capital financing, or operational financing for any existing or proposed businesses.
- Compensation to residents of the neighborhood or businesses within the neighborhood for any work associated with this program.
- Compensation for individuals or businesses for activities not directly related to the completion of the project as approved by the Lexington-Fayette Urban County Government.
- Operational expenses of the Association not directly and exclusively related to the implementation of the activities approved in the Grant award under this program.
- Improvements that are not open and available to the public or that do not benefit the entire neighborhood.

The Grant to the Association shall be disbursed in the following manner:

- The Association's Treasurer, or other designated person, shall submit a Request for Funds to the Government's Division of Grants and Special Programs.
- Each Request shall provide documentation that Association has expended the requested funds, documented by ***cancelled checks and invoices*** or other means of documentation as deemed acceptable by the Grants Manager.
- The Grants Manager shall review each Request for Funds and supporting documents for compliance with the terms of this Contract, the grant application and the guidelines of the Neighborhood Action Match Program. If the Grants Manager determines that the Association's Request for Funds is in compliance with the terms

of the contract, the grant application and the Neighborhood Action Match Program and that the activity progress and management program of the Association satisfy the terms of the Grant award, he or she shall approve the Request for Funds and forward it to the Division of Accounting for payment.

Should the Grants Manager determine that the Association is not in compliance with the terms of the grant application or this Contract or the guidelines of the Neighborhood Action Match Program, including deficiencies in progress and management of the project, the Grants Manager and the Director of Grants and Special Programs shall notify the Mayor's Office and the appropriate district council person and shall meet with the Association on matters that prevent approval of the Request for Funds. Failure to resolve any such matters to the satisfaction of the Government may lead to termination of the contract for cause.

If it becomes apparent to the Association or the Government that the Association will be unable to complete the project either in the manner or for the amount described in this Contract or the Neighborhood Action Match Program application, then the Association must immediately notify the Grants Manager by providing a complete and detailed written explanation of its inability to comply with the terms of the contract and application, and the Association must further provide the Grants Manager with a complete and detailed written explanation of any proposed changes, and the reasons for those changes.

This Contract and the application may not be modified except by written agreement of the Government and the Association.

The Association shall submit a Final Report within thirty (30) days of the completion of the project. The Final Report shall describe the project and the benefits received from the project. If financial returns from the project are anticipated, the Association must secure written approval from the Mayor's Office for the Schedule of Report and for any proposed expenditures of financial returns.

The Association agrees to comply with all applicable local and state rules, ordinances and laws in implementation of the project.

If, through any cause, the Association shall fail to fulfill in timely and proper manner its obligations under this Contract, or if the Association shall violate any of the covenants, agreements or stipulations of this Contract, the Government shall thereupon have the right to terminate this Contract by giving written notice to the Association of such termination and specifying the effective date

thereof, at least five (5) days before the effective date of such termination. In that event, all finished or unfinished documents, receipts and reports prepared by the Association shall, at the option of the Government, become the Government's property and the Association shall be entitled to receive just and equitable compensation for the Government's share of any satisfactory work completed pursuant to the Contract. The Government assumes no responsibility whatsoever in the Association's neighborhood development project activities. Association understands and agrees that its employees, agents, or subcontractors are not employees of Government for any purpose whatsoever.

Association promises and agrees that it will indemnify and hold the Government harmless from any and all liability for personal injury, property damage, or loss of life or property resulting from or in any way connected with the activities carried out pursuant to this Contract, the Grant award or the Neighborhood Action Match Program.

The term of this Contract shall be from the date of this agreement until completion of the neighborhood development project outlined herein, but in any event, no later than **May 31, 2027**.

IN WITNESS WHEREOF, the parties hereto have executed this Contract at Lexington, Fayette County, Kentucky, this the day and year first above written.

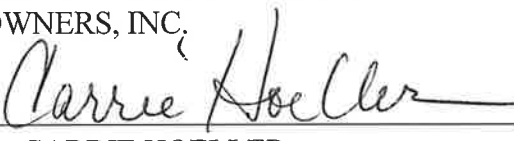
LEXINGTON-FAYETTE URBAN COUNTY
GOVERNMENT

BY: 
LINDA GORTON, MAYOR

ATTEST:


Deputy CLERK, URBAN COUNTY COUNCIL

PALOMAR RESERVE COUNCIL OF
CO-OWNERS, INC.

BY: 
CARRIE HOELLER

TITLE: PRESIDENT