

KENTUCKY HOUSING CORPORATION
EMERGENCY RENTAL ASSISTANCE 2
GRANT AGREEMENT

THIS GRANT AGREEMENT ("Agreement") is made and entered into by and between **KENTUCKY HOUSING CORPORATION**, a de jure municipal corporation and political subdivision of the Commonwealth of Kentucky, 1231 Louisville Road, Frankfort, Kentucky 40601 ("KHC") and **OFFICE OF KENTUCKY LEGAL SERVICES PROGRAMS, INC., d/b/a KENTUCKY EQUAL JUSTICE CENTER**, a Kentucky non-profit corporation, whose address is 201 W. Short Street, Suite 310, Lexington, Kentucky 40507 ("Subrecipient").

RECITALS

- A. The Emergency Rental Assistance program ("ERA1") was established by section 501 of Division N of the Consolidated Appropriations Act, 2021, Pub. L. No. 116-260 (Dec. 27, 2020) ("ERA1 Statute"), and the Emergency Rental Assistance program ("ERA2") was established by section 3201 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (March 11, 2021) ("ERA2 Statute").
- B. Pursuant to ERA2, the United States Department of the Treasury ("U.S. Treasury") has allocated \$232,652,925.20 to the Commonwealth of Kentucky for purposes of providing emergency rental assistance, and the Kentucky Finance and Administration Cabinet has subgranted to KHC \$229,852,925.20 ("KHC ERA2 Allocation") through that certain Memorandum of Agreement dated December 17, 2021, as modified by that Modification 1 dated on or about May 3, 2022 and that certain renewal thereof dated on or about May 16, 2022.
- C. Per Question and Answer #21 of the U.S. Department of the Treasury Emergency Rental Assistance Frequently Asked Questions, Revised August 25, 2021 ("FAQ v.8.25.2021"), KHC is permitted to make subawards of the ERA2 funds allocated to KHC to other entities, including non-profit organizations and local governments, to administer the ERA2 program on behalf of KHC.
- D. KHC is willing to subaward a portion of the KHC ERA2 Allocation to Subrecipient under the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants set forth herein, the parties agree as follows:

- 1. **Subaward Amount.** Subject to the terms of this Agreement, KHC hereby agrees to make available **Two Million Fifty Thousand and 00/100 Dollars (\$2,050,000.00)** of ERA2 funds to Subrecipient. Any such funds made available to Subrecipient shall be referred to in this Agreement as "Subaward Funds."
- 2. **Term.** Subject to the terms and conditions of this Agreement, the term of this Agreement begins July 1, 2022 and, unless renewed for additional time by the parties, shall terminate

on June 30, 2023, provided any ongoing obligations not yet complete by Subrecipient by the termination date shall continue until fulfilled.

3. **Federal Award Identification.** In accordance with 2 CFR 200.332(a)(1), Exhibit A attached hereto provides the best federal award identification information available with respect to this subaward.
4. **Compliance with Program Requirements.** Subrecipient understands that the Subaward Funds are subject to certain requirements imposed by KHC, the Kentucky Finance and Administration Cabinet, the U.S. Treasury, and other applicable laws, regulations, rules, and guidance, which may be updated, revised, amended, or supplemented from time to time (“Program Requirements”). For clarity, the Award Terms and Conditions imposed by the U.S. Treasury in connection with the ERA2 award to the Commonwealth of Kentucky are part of the Program Requirements and are attached hereto as Exhibit B. Subrecipient acknowledges the Exhibit B Award Terms and Conditions, agrees to comply with them to the extent applicable to a subrecipient, and agrees to cooperate with KHC and the Commonwealth of Kentucky to the extent necessary for either of the two entities to comply with them.

Subrecipient also acknowledges that FAQs and reporting guidance documents issued by Treasury are included as part of the Program Requirements, until superseded. Additionally, Subrecipient acknowledges that KHC may provide updates to Program Requirements through changes to the KHC data reporting system or through KHC e-Grants notifications.

Subrecipient agrees to abide by all Program Requirements. In the event of a conflict between Program Requirements, the more stringent requirement shall apply. Subrecipient shall be liable for any and all misappropriation of funds, audit exceptions by KHC or state or federal agencies, and violations of the terms of this Agreement. The requirements of this section shall survive any termination or expiration of this Agreement.

5. **Use of Subaward Funds.** Subrecipient shall expend Subaward Funds only on the eligible activities described in Exhibit C to this Agreement and in compliance with Program Requirements. Subrecipient shall subgrant Subaward Funds in the amounts indicated on Exhibit C to the legal services providers listed therein. Subrecipient shall not reallocate funds amongst itself and/or its subgrantees without KHC’s prior written permission. Subrecipient and its subgrantees may utilize the amount of the Subaward Funds designated for administrative costs in Exhibit C towards such costs as permitted in the Program Requirements. In the event that any Subrecipient administrative costs (or those of its subgrantees) are disallowed, as determined by a final and non-appealable decision from the U.S. Treasury and/or its Inspector General, Subrecipient shall immediately return amounts equal to the disallowed costs to KHC, along with an accounting of the returned amounts. Subrecipient shall be responsible for ensuring its subgrantees are compliant with all Program Requirements and the requirements of this Agreement and shall be liable for any subgrantee noncompliance. Subrecipient’s

subgrantees shall acknowledge the representations and warranties as well as the rights and obligations of the parties set forth in this Agreement, all of which shall extend to the subgrantees where applicable, in KHC's discretion, for purposes of KHC's proper and lawful administration of the Subaward Funds.

6. **Commitment Obligations and Recapture.** KHC reserves the right to reduce or recapture the amount of Subaward Funds provided under this Agreement if:
 - a. Subrecipient fails to conform to any provision in this Agreement;
 - b. The actual costs of financial assistance, housing stability services, and/or administrative expenses to be funded by Subrecipient are lower than estimated;
 - c. The KHC ERA2 Allocation is reduced from the anticipated amounts; or
 - d. Upon occurrence of any event of default described in this Agreement.

Additionally, KHC reserves the right to reallocate funds at any time based on expenditure rates.

7. **Documentation Requirements.** Subrecipient must comply with the documentation requirements of the Program Requirements. Subrecipient agrees to maintain or supervise the maintenance of records necessary for the proper and efficient operation of the program, including records and documents regarding applications, determination of eligibility (when applicable), the provision of services, administrative costs, and statistical, fiscal, and other information records necessary for reporting and accountability required by KHC.

KHC, through any authorized representative, shall have access to and the right to examine and copy all records, books, papers or documents related to services rendered under this Agreement and shall have access to personnel of the Sub-Recipient for purposes of interview and discussion related to the records, books, papers and documents.

Except when explicitly waived by KHC, all applications for assistance must include an attestation from the applicant that all information included is correct and complete. Subrecipients must have controls in place to ensure compliance with Program Requirements and to prevent fraud.

8. **Data Collection and Reporting Requirements.** KHC has or will set up a data reporting system in connection with ERA2. Subrecipient shall collect and report such data and provide such documentation to KHC as required by the reporting system promptly. KHC reserves the right to edit the data collection and documentation requirements during the term of this Agreement and may do so by providing notice to the Subrecipient through KHC e-Grams, written notice, or through prompts or updates to the reporting system. The requirements of this section shall survive any termination or expiration of this Agreement.
9. **Draws of Funds – Process and Timing.** Subaward Funds may be requested on a weekly basis but must be requested at least every 30 days. Subrecipient may request an advance

of funds equal to the amount Subrecipient reasonably views as necessary to deliver assistance to applicants in the immediate future; provided however, the amount of advances held by Subrecipient at any one time may not exceed 10% of the total award stated in Section 1. The decision of whether to advance funds shall be made in KHC's sole discretion. Subrecipient shall maintain any advances in a separate account that is not commingled with other funds. KHC reserves the right to require return of advances held by Subrecipient that KHC determines, in its sole discretion, are not needed for use in the immediate future. Any and all advances shall be utilized only as permitted under the terms of this Agreement, and any funds not used shall ultimately be returned to KHC.

10. **KHC Monitoring and Audit Rights.** KHC shall have the right to monitor Subrecipient's compliance with Program Requirements, as well as all applicable federal and state legal requirements by whatever means KHC deems appropriate. KHC reserves the right to conduct a compliance review at any time during the term of this Agreement or afterward to the extent necessary in KHC's discretion. This review may cover items such as, but not limited to, financial statements, recordkeeping, files, and adherence to Program Requirements. Subrecipient shall make files and documents available to KHC for inspection promptly upon KHC's request, without unreasonable delay. As a result of any monitoring activities or investigations by KHC, KHC may elect to recapture unused Subaward Funds, cease disbursement of Subaward Funds, require repayment by Subrecipient of improperly used Subaward Funds, and/or take other actions KHC deems appropriate. All payments to the Subrecipient by KHC are subject to site review and audit as prescribed and carried out by KHC. Any over payment under this Agreement shall be returned to KHC within thirty days after written notification to Subrecipient. The terms of this section shall survive any termination or expiration of this Agreement.
11. **Privacy Protection.** Subrecipient must establish and adhere to a written policy for the protection of non-public personal information collected in the course of Subrecipient's activities under this Agreement. As of the date of this agreement, in accordance with the Emergency Rental Assistance Program Reporting Guidance, version 3.2, dated March 29, 2022, such policy must satisfy the requirements of 501(g)(4) of the ERA1 Statute. KHC shall have the right to review this policy and to require additional measures to ensure adequate protection of such private information. Review shall be limited to whether such policy complies with KHC's requirements. In no event may any statement by KHC be construed as an opinion on whether a privacy policy complies with the requirements of any law, regulation, institution, government or court. Nor may any statement by KHC be used by Subrecipient, without KHC's prior written consent, for any purpose whatsoever, except as necessary to correct or improve Subrecipient's practices. This Privacy Protection clause shall survive this Agreement and the Subrecipient shall continue to protect all such non-public personal information after the termination or expiration of this Agreement.
12. **Data Breach.** In the event of a data breach, Subrecipient will notify KHC in the most expedient manner possible, and without unreasonable delay but in no event later than seventy-two (72) hours from the determination of a security breach relating to the data in Subrecipient's possession. Subrecipient agrees to comply with all provisions of KRS

61.932, including that Subrecipient shall implement, maintain, and update security and breach investigation procedures which are appropriate to the nature of the information disclosed, at least as stringent as the security and breach investigations procedures and practices in KRS 61.932(1), and reasonably designed to protect the data from unauthorized access, use, modification, disclosure, manipulation or destruction. In the event of Subrecipient committing an unauthorized disclosure of data listed in KRS 61.932(6)(a) through (f), Subrecipient shall provide to KHC a copy of any and all reports and investigations relating to such investigations or notifications that are required by federal law or regulation. The terms of this section shall survive any termination or expiration of this Agreement.

13. **Conflict of Interest.** Subrecipient must maintain a written conflict-of-interest policy consistent with 2 C.F.R. § 200.318(c), which conflict of interest policy shall be applicable to each activity funded under this subaward. Subrecipient must disclose in writing to Treasury or the pass-through agency, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112. No person, employee, agent, consultant, officer, or elected official or appointed official of Subrecipient who exercises or has exercised any function or responsibilities with respect to activities assisted with Subaward Funds or who is in a position to participate in a decision-making process or to gain inside information with regard to those activities, may obtain a financial interest or benefit from Subaward Funds, or have an interest in any contract or subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter. Upon written request to KHC, KHC may grant an exception to the provisions of this Section on a case-by-case basis when it determines that the exception will serve to further the purposes of the Subaward Funds. Subrecipient must provide a copy of its written conflict of interest policy upon KHC's request. Notwithstanding the foregoing, upon prior written approval from KHC, Subrecipient may provide assistance to households for which the Subrecipient is the landlord, provided that the Subrecipient complies with all Program Requirements and no preferences, other than any prioritization outlined in the Program Requirements, are given to households that reside in Subrecipient's properties.
14. **Cessation of Operation and Termination of Agreement.** Upon expiration or termination of this Agreement, or if Subrecipient fails to utilize any Subaward Funds for financial assistance or housing stability services, as permitted in Exhibit C, (that is, use of funds not including Administrative purposes) for thirty (30) days or more, Subrecipient shall return to KHC any Subaward Funds on hand and any accounts receivable and goods which are attributable to the use of Subaward Funds. Subrecipient shall also take such further actions and execute and deliver any documents as KHC, in its sole discretion, may deem necessary to satisfy Subrecipient's remaining obligations under this Agreement.
15. **Termination of Agreement.** This Agreement may be terminated by either party in accordance with the provisions of 2 C.F.R. § 200.340. This Agreement may also be terminated by KHC without cause upon sixty (60) days' notice to Subrecipient. In either

event, all of Subrecipient's obligations and responsibilities under this Agreement shall survive such termination

16. Representations and Warranties.

- a. Uniform Guidance Appendix II. Subrecipient agrees to comply with all applicable provisions of 2 CFR Part 200, Appendix II.
- b. Duly Organized. Subrecipient represents, warrants and certifies that it is duly organized and validly existing under the laws of the Commonwealth of Kentucky and has all the requisite power and authority to enter into this Agreement and to assume the responsibilities for compliance with all federal and state laws and regulations and KHC program guidelines and criteria. A resolution, motion, or ordinance has been duly adopted, passed or enacted as an official act of the Subrecipient, authorizing the execution and delivery of this Agreement by Subrecipient and authorizing and directing the person executing this Agreement to do so for and on behalf of Subrecipient; said acts being done in such a manner and form as to comply with all applicable laws to make this Agreement the valid, enforceable and legally binding act and agreement of Subrecipient.
- c. No Legal Proceedings. Subrecipient represents, warrants and certifies that there is no action, proceeding or investigation now pending or threatened, nor any basis known or believed by Subrecipient to exist, which (i) questions the validity of this Agreement, or any action taken or to be taken under it; or (ii) is likely to result in any material adverse change in the authorities, properties, assets, liabilities or conditions (financial or otherwise) of Subrecipient which would materially and substantially impair Subrecipient's ability to perform any of the obligations imposed upon Subrecipient by this Agreement.
- d. Application True and Complete. Subrecipient represents, warrants and certifies that the representations, statements and other matters contained in Subrecipient's application to KHC, if any, ("Application") were true and complete in all material respects as of the date of filing, and there has been no material adverse change in such Application between the date of filing and this Agreement. Subrecipient is aware of no material event or other material fact that has been improperly omitted or overlooked in the Application and amendments filed with and accepted by KHC.
- e. Duly Authorized Activity. Insofar as the capacity of Subrecipient to carry out any obligation under this Agreement is concerned (i) Subrecipient is not in material violation of its corporate, partnership or other organizational documents, whichever may be applicable, any mortgage, indenture, agreement, instrument, judgment, decree, order, statute, rule or regulation; and (ii) the execution and performance of this Agreement will not result in any such violation.
- f. Lobbying. Subrecipient represents, warrants and certifies the following:
 - i. **No Federal Funds.** No federally-appropriated funds have been paid or will be paid, by or on behalf of Subrecipient, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, or an employee of a member of Congress in connection with the awarding of any cooperative agreement; and the extension, continuation,

- renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
- ii. **Other Funds.** If any funds other than federally-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 any employee of a member of Congress in connection with any federal contract, grant, loan, or cooperative agreement as a result of this Agreement, Subrecipient must complete and submit Standard Form –LLL, “Disclosure Form to Report Lobbying,” in accordance with its instruction.
- g. Debarment, Suspension, Conviction, Indictment. To the best of its knowledge and belief after reasonable investigation, Subrecipient and/or its principal(s):
- i. **Present Eligibility.** Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in any transaction under this Agreement by any federal, state or local department or agency;
 - ii. **No Convictions or Judgments for Fraud.** Have not, within the three (3)-year period preceding this Agreement, been convicted of or had a civil judgment rendered against it/them for commission of fraud or a civil offense in connection with obtaining, attempting, 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;
 - iii. **No Present Indictment.** 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 Section (b) above;
 - iv. **No Terminations.** Have not, within the three (3)-year period preceding this Agreement had one or more public transactions (federal, state or local) terminated for cause or default; and
 - v. **KHC Suspension and Debarment Policy.** Have not been suspended or debarred in accordance with KHC’s Suspension and Debarment Policy.
- h. Warranty as to Information. To the extent Subrecipient’s award of Subaward Funds has been based upon information received from Subrecipient, Subrecipient warrants that the financial and other information furnished by Subrecipient to KHC was, at the time of application, and continues to be, true and accurate.
- i. Fair Housing. Subrecipient does not have any Fair Housing Discrimination complaints pending against it. Should any Fair Housing Discrimination complaint be lodged against it during the term of this Agreement, Subrecipient shall immediately notify KHC in writing of the occurrence.
 - j. Limited English Proficiency. Subrecipient has taken reasonable steps to ensure meaningful access by limited English proficiency (“LEP”) individuals to all housing services funded pursuant to this Agreement. LEP individuals are those persons who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English. Subrecipient recognizes that Title VI of the Civil Rights Act of 1964 requires that all recipients of federal

financial assistance from HUD provide such meaningful access to LEP individuals. Subrecipient has reviewed and followed the LEP requirements provided in Executive Order 13166. Upon request, Subrecipient shall provide to KHC a copy of its Language Assistance Plan (“LAP”).

- k. Drug Free Workplace. Subrecipient has and will continue to provide a drug-free workplace by:
 - i. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Subrecipient’s workplace and specifying the actions that will be taken against employees for violation of such prohibition.
 - ii. Establishing an ongoing drug-free awareness program to inform employees about
 - (a) The dangers of drug abuse in the workplace
 - (b) The Subrecipient’s policy of maintaining a drug-free workplace
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.
 - iii. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (i);
 - iv. Notifying the employee in the statement required by paragraph (i) that, as a condition of employment under the grant, the employee will-
 - (a) Abide by the terms of the statement;
 - (b) Notify the Subrecipient in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - v. Notifying KHC in writing, within ten calendar days after receiving notice under subparagraph (iv)(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant; and
 - vi. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (iv)(b), with respect to any employee who is so convicted:
 - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, state, or local health, law enforcement, or other appropriate agency;

- vii. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (i), (ii), (iii), (iv), (v), and (vi).

17. **Single Audit Requirement.** Subrecipient shall comply with the Single Audit Act (31 USC § 7501 et seq.), as amended, and its implementing regulation at 2 CFR Part 200, Subpart F, by preparing an audit for any year in which Subrecipient expends federal awards of at least \$750,000 (or other amount specified by Director of the Office of Management and Budget). If such audit contains findings, Subrecipient shall provide a copy of the audit, together with any comments and plans for correction, to KHC's Housing Contract Administration Department. If such audit contains no findings, Subrecipient is not required to submit a copy to KHC, provided, however, that upon request, Subrecipient shall provide a copy of any and all audits performed during the term of this Agreement to KHC, the Commonwealth of Kentucky, U.S. Treasury, or any designee(s) thereof. Subrecipient shall also comply with 2 CFR Part 200, the OMB Circular Compliance Supplement, and Government auditing standards. Subrecipient assumes full responsibility for compliance with this paragraph. The terms of this section shall survive any termination or expiration of this Agreement.
18. **Civil Rights Compliance.** In addition to the applicable laws and regulations outlined in the U.S. Treasury Award Terms and Conditions attached hereto as Exhibit B, Subrecipient acknowledges that, unless exempted, recipients of Federal financial assistance from the Treasury are required to meet legal requirements relating to nondiscrimination and nondiscriminatory use of Federal funds. Those requirements include ensuring that entities receiving Federal financial assistance from the Treasury do not deny benefits or services, or otherwise discriminate on the basis of race, color, national origin (including limited English proficiency), disability, age, or sex (including sexual orientation and gender identity), in accordance with the following authorities: Title VI of the Civil Rights Act of 1964 (Title VI) 42 U.S.C. §§ 2000d et seq., and Treasury's implementing regulations, 31 CFR Part 22; Section 504 of the Rehabilitation Act of 1973 (Section 504), Public Law 93-112, Emergency Rental Assistance Program Reporting Guidance 42 as amended by Public Law 93-516, 29 U.S.C. § 794; Title IX of the Education Amendments of 1972 (Title IX), 20 U.S.C. §§1681 et seq., and the Department's implementing regulations, 31 CFR Part 28; Age Discrimination Act of 1975, Public Law 94-135, 42 U.S.C. §§ 6101 et seq., and Treasury's implementing regulations at 31 CFR Part 23. In order to carry out its enforcement responsibilities, under Title VI of the Civil Rights Act, Treasury will collect and review information from recipients to ascertain their compliance with the applicable requirements before and after providing financial assistance. Treasury's implementing regulations, 31 CFR Part 22, and the Department of Justice (DOJ) regulations, Coordination of Non-discrimination in Federally Assisted Programs, 28 CFR Part 42, provide for the collection of data and information from recipients (see 28 CFR § 42.406). Treasury will request recipients to submit data for post-award compliance reviews, including information such as a narrative describing their Title VI compliance status. Subrecipient agrees to comply with all such applicable laws and regulations.

19. **Event of Default**. Subrecipient shall be in default on the happening of any one or more of the following events or conditions (individually an “Event of Default”):

- a. Subrecipient fails to execute and return this Agreement by July 30, 2022.
- b. Subrecipient does not diligently pursue the purpose for which Grant Funds have been awarded;
- c. Subrecipient fails to maintain an acceptable financial management system as required by this Agreement or any of the regulations cited herein;
- d. Subrecipient fails to observe or perform any other term, covenant or condition contained in this Agreement or uses Subaward Funds for any purpose other than as authorized in this Agreement, and such breach or failure continues after the expiration of any applicable cure period as described herein;
- e. Subrecipient is unable to expend all Grant Funds by June 30, 2023;
- f. any information submitted by Subrecipient, upon which KHC relied in its decision to grant funds to Subrecipient, proves to be untrue or incorrect in any material respect;
- g. KHC determines in its sole discretion that it would be inadvisable to disburse Subaward Funds to Subrecipient because of a material and adverse change in Subrecipient’s condition;
- h. Subrecipient does not participate fully in KHC’s data reporting system;
- i. Subrecipient fails to submit reports or submits inadequate reports, technical submissions, and other administrative items or fails to submit such items within established deadlines, or fails to maintain a financial management system acceptable under the terms of this Agreement or any applicable federal statutes and regulations;
- j. Subrecipient fails to achieve applicable outcome goals as determined by performance measures established by KHC;
- k. Subrecipient
 - i. enters into dissolution or otherwise begins proceedings to terminate its existence;
 - ii. merges or consolidates with any other entity;
 - iii. changes control in Subrecipient or any of its partners, shareholders, members or owners without KHC’s prior written consent;
 - iv. becomes insolvent;
 - v. forfeits the right to do business or business failure;
 - vi. abandons the work covered by this Agreement for more than thirty (30) days;
 - vii. appoints a receiver of any part of the property of Subrecipient;
 - viii. calls any meeting of creditors or assigns for the benefit of creditors of the Subrecipient; or
 - ix. commences any proceedings under any bankruptcy or insolvency laws by or against the Subrecipient, and such proceedings are not dismissed within sixty (60) calendar days; or
- l. Any judgment is entered against Subrecipient, or any writ of attachment is issued against any property of Subrecipient, for any amount which is entered and is not paid, stayed on appeal, discharged, bonded or dismissed within sixty (60) calendar

days after the entering of such judgment or filing of such attachment, except any judgment or attachment resulting from a liability that is fully payable from the proceeds of any insurance policy maintained by the Subrecipient.

20. **Indemnification.** Subrecipient agrees to defend, indemnify, and hold harmless KHC against any and all liability, claims, demands, actions, cause of actions, losses, damages, costs and expenses, including reasonable attorneys' fees, arising from any act or omission by Subrecipient with respect to use of the Subaward Funds. Subrecipient's failure to be informed of any requirement Program Requirements shall be considered negligence. KHC may choose its own legal counsel and Subrecipient shall pay all costs and expenses therefore. The foregoing includes any event in which the U.S. Treasury disallows any use of Subaward Funds made by Subrecipient. The terms of this section shall survive any termination or expiration of this Agreement.
21. **KHC e-Grams.** Subrecipient is responsible for receiving and disseminating information contained in all KHC e-Grams, via which pertinent information is disseminated. KHC shall not be liable for any professional or financial losses incurred by Subrecipient due to Subrecipient having failed to read or receive KHC e-Grams.
22. **KHC's Rights Cumulative.** The rights and remedies of KHC under this Agreement shall be deemed to be cumulative and shall be in addition to all the rights afforded KHC in law or equity. Any election of any right or remedy will not be deemed to be an election of that right or remedy to the exclusion of any other right or remedy. The rights and remedies available to KHC in the event of a suspension or termination of this Agreement will survive such suspension or termination.
23. **Governing Law.** This Agreement will be governed by and enforced in accordance with the laws of the Commonwealth of Kentucky, unless otherwise preempted by Federal law.
24. **Assignment.** Subrecipient may not assign its rights or obligations hereunder without the prior written consent of KHC.
25. **Severability.** If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.
26. **Jurisdiction; Venue; Service of Process; WAIVER OF JURY TRIAL.** Any proceeding arising out of or relating to this Agreement or any contemplated transaction shall be brought in the courts of the Commonwealth of Kentucky, County of Franklin, or, in the United States District Court in Frankfort, Kentucky. Each of the parties irrevocably submits to the exclusive jurisdiction of each such court in any such proceeding, waives any objection it may now or hereafter have to venue or to convenience of forum, agrees that all claims in respect of the proceeding shall be heard and determined only in any such court and agrees not to bring any proceeding arising out of or relating to this

Agreement or any transaction contemplated hereby in any other court. THE PARTIES HEREBY WAIVE ANY RIGHT TO TRIAL BY JURY IN ANY PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE CONTEMPLATED TRANSACTIONS, WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE.

[SIGNATURE PAGE FOLLOWS]

To indicate the acceptance of the terms of this Agreement, the parties have executed this Agreement as of the date(s) written below.

KENTUCKY HOUSING CORPORATION

**OFFICE OF KENTUCKY LEGAL
SERVICES PROGRAMS, INC., d/b/a
KENTUCKY EQUAL JUSTICE
CENTER**

BY: _____
Signature

BY: _____
Signature

NAME: _____

NAME: _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

Exhibit A

1. Federal Award Identification
 - 21.023: Emergency Rental Assistance Program
2. Federal Awarding Agency
 - U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220
3. Subrecipient Information
 - Office of Kentucky Legal Services Programs, Inc., d/b/a Kentucky Equal Justice Center
201 W. Short Street, Suite 310
Lexington, Kentucky 40507
4. Subrecipient Contact
 - Ben Carter
859-233-3057
ben@kyequaljustice.org
5. Subrecipient's unique entity identifier;
 - LM4PY7ZYZG31
6. Federal Award Identification Number (FAIN)
 - FAIN ERA0025
7. Federal Award Date (Federal award date means the date when the Federal award is signed by the authorized official of the Federal awarding agency)
 - May 10, 2021
8. Subaward Period of Performance Start and End Date
 - Start July 1, 2022
 - End June 30, 2023
9. Subaward Budget Period Start and End Date
 - Start July 1, 2022
 - End June 30, 2023
10. Amount of Federal Funds Obligated by this action to the subrecipient by the pass-through entity;
 - \$2,050,000
11. Total Amount of Federal Funds Obligated to the subrecipient by the pass-through entity (including this action)
 - \$2,050,000
12. Total Amount of the Federal Award committed to the subrecipient by the pass-through entity
 - \$2,050,000
13. Federal award project description, as required to be responsive to the Federal Funding Accountability and Transparency Act (FFATA);

- Kentucky Housing Corporation (“KHC”) is to continue its administration of the Healthy at Home Eviction Relief Fund (“HHERF”) Program Funds. Except for households living within the boundaries of an eligible local government that has chosen to administer its own Emergency Rental Assistance Program, the HHERF will help Kentuckians who need relief for rent, rental arrears, utility and home energy costs and arrears, and expenses related to housing stability. KHC may subgrant funds to such jurisdictions in the event the U.S. Department of Treasury does not permit voluntary reallocation to such jurisdictions. The HH-ERF will also provide landlords with timely and substantial payments for back rent, to reduce the volume of eviction cases in Kentucky courts. KHC will dispense funds through the HH-ERF by reviewing applications, determining eligibility, and dispensing funds to eligible recipients in accordance with the American Rescue Plan Act of 2021, guidance from the U.S. Treasury, and the HH-ERF Program. KHC will also utilize awarded funds to aid eligible Kentuckians with housing stability services and assistance, legal assistance, and other qualified assistance. KHC may also establish subrecipient agreements to assist with disbursement of funds in accordance with the American Rescue Plan Act of 2021. Awards to subrecipient shall be to assist in some or all of such activities.
14. Assistance Listings Number and Title is 21.023; The Emergency Rental Assistance Program.
15. Identification of whether the award is R&D
- The award does not involve R&D.
16. Indirect cost rate for the Federal award (including if the de minimis rate is charged)
- N/A

OMB Approved No.: 1505-0270
Expiration Date: 10/31/2021

U.S. DEPARTMENT OF THE TREASURY
EMERGENCY RENTAL ASSISTANCE
AWARD TERMS AND CONDITIONS

1. Use of Funds. Recipient understands and agrees that the funds disbursed under this award may only be used for the purposes set forth in subsection (d) of section 3201 of the American Rescue Plan Act of 2021, Pub. L. No. 117-2 (March 11, 2021) ("Section 3201") and any guidance issued by Treasury regarding the Emergency Rental Assistance program established under Section 3201 (the "Guidance").
2. Reallocation of Funds. Recipient understands and agrees that any funds allocated by Treasury to Recipient that are not disbursed to Recipient in accordance with Section 3201(c)(2) as a subsequent payment will be reallocated by Treasury to other eligible recipients under Section 3201(e). Such reallocation of funds shall be made in the manner and by the date, which shall be no sooner than March 31, 2022, as may be set by Treasury. Recipient agrees to obligate at least fifty (50) percent of the total amount of funds allocated by Treasury to Recipient under Section 3201 to be eligible to receive reallocated funds under Section 3201(e).
3. Assistance to Eligible Households. Recipient agrees to permit eligible households (as defined in Section 3201(f)(2)) to submit applications for financial assistance directly to Recipient, and to receive financial assistance directly from Recipient, under programs established by Recipient using funds disbursed under this award. Recipient may make payments to a landlord or utility provider on behalf of an eligible household, but if the landlord or utility provider does not agree to accept such payment after Recipient makes reasonable efforts to obtain its cooperation, Recipient must make such payments directly to the eligible household for the purpose of making payments to the landlord or utility provider.
4. Period of Performance. The period of performance for this award begins on the date hereof and ends on September 30, 2025. Recipient shall not incur any obligations to be paid with the funding from this award after such period of performance ends.
5. Administrative costs.
 - a. Recipient may use funds provided to the Recipient to cover both direct and indirect costs.
 - b. The total of all administrative costs, whether direct or indirect costs, may not exceed 15 percent of the total amount of the total award.
6. Reporting. Recipient agrees to comply with any reporting obligations established by Treasury as related to this award. Recipient acknowledges that any such information required to be reported pursuant to this section may be publicly disclosed.
7. Maintenance of and Access to Records.
 - a. Recipient shall maintain records and financial documents sufficient to support compliance with Section 3201 and the Guidance.
 - b. The Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, shall have the right of access to records (electronic and otherwise) of Recipient in order to conduct audits or other investigations.
 - c. Records shall be maintained by Recipient for a period of five (5) years after the period of performance.
8. Cost Sharing. Cost sharing or matching funds are not required to be provided by Recipient.
9. Compliance with Applicable Law and Regulations.
 - a. Recipient agrees to comply with the requirements of Section 3201 and the Guidance. Recipient also agrees to comply with all other applicable federal statutes, regulations, and executive orders, and Recipient shall provide for such compliance in any agreements it enters into with other parties relating to this award.
 - b. Federal regulations applicable to this award include, without limitation, the following:
 - i. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200, other than such provisions as Treasury may determine are inapplicable to this Award and subject to such exceptions as may be otherwise provided by Treasury. Subpart F – Audit Requirements of the Uniform Guidance, implementing the Single Audit Act, shall apply to this award.
 - ii. Universal Identifier and System for Award Management (SAM), 2 C.F.R. Part 25 and pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 25 is hereby incorporated by reference.

- iii. Reporting Subaward and Executive Compensation Information, 2 C.F.R. Part 170, pursuant to which the award term set forth in Appendix A to 2 C.F.R. Part 170 is hereby incorporated by reference.
 - iv. OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement), 2 C.F.R. Part 180 including the requirement to include a term or condition in all lower tier covered transactions (contracts and subcontracts described in 2 C.F.R. Part 180, subpart B) that the award is subject to 2 C.F.R. Part 180 and Treasury's implementing regulation at 31 C.F.R. Part 19.
 - v. Recipient Integrity and Performance Matters, pursuant to which the award term set forth in 2 C.F.R. Part 200, Appendix XII to Part 200 is hereby incorporated by reference.
 - vi. Governmentwide Requirements for Drug-Free Workplace, 31 C.F.R. Part 20.
 - vii. New Restrictions on Lobbying, 31 C.F.R. Part 21.
- c. Statutes and regulations prohibiting discrimination applicable to this award, include, without limitation, the following:
- i. Title VI of the Civil Rights Act of 1964 (42 U.S.C. §§ 2000d et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 22, which prohibit discrimination on the grounds of race, color, or national origin under programs or activities receiving federal financial assistance;
 - ii. The Fair Housing Act, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), which prohibits discrimination in housing on the basis of race, color, religion, national origin, sex, familial status, or disability;
 - iii. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of disability under any program or activity receiving or benefitting from federal financial assistance;
 - iv. The Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101 et seq.) and Treasury's implementing regulations at 31 C.F.R. Part 23, which prohibit discrimination on the basis of age in programs or activities receiving federal financial assistance; and
 - v. Title II of the Americans with Disabilities Act of 1990, as amended (42 U.S.C. §§ 12101 et seq.), which prohibits discrimination on the basis of disability under programs, activities, and services provided or made available by state and local governments or instrumentalities or agencies thereto.

10. False Statements. Recipient understands that false statements or claims made in connection with this award is a violation of federal criminal law and may result in fines, imprisonment, debarment from participating in federal awards or contracts, and/or any other remedy available by law.

11. Conflicts of Interest. Recipient understands and agrees it must maintain a conflict of interest policy consistent with 2 C.F.R. § 200.318(c), and that such conflict of interest policy is applicable to each activity funded under this award. Recipients and subrecipients must disclose in writing to Treasury or the pass-through agency, as appropriate, any potential conflict of interest affecting the awarded funds in accordance with 2 C.F.R. § 200.112.

12. Publications. Any publications produced with funds from this award must display the following language: "This project [is being] [was] supported, in whole or in part, by federal award number [enter project FAIN] awarded to [name of Recipient] by the U.S. Department of the Treasury."

13. Debts Owed the Federal Government.

- a. Any funds paid to Recipient (1) in excess of the amount to which Recipient is finally determined to be authorized to retain under the terms of this award; (2) that are determined by the Treasury Office of Inspector General to have been misused shall constitute a debt to the federal government.
- b. Any debts determined to be owed the federal government must be paid promptly by Recipient. A debt is delinquent if it has not been paid by the date specified in Treasury's initial written demand for payment, unless other satisfactory arrangements have been made. Interest, penalties, and administrative charges shall be charged on delinquent debts in accordance with 31 U.S.C. § 3717 and 31 C.F.R. § 901.9. Treasury will refer any debt that is more than 180 days delinquent to Treasury's Bureau of the Fiscal Service for debt collection services.

- c. Penalties on any debts shall accrue at a rate of not more than 6 percent per year or such other higher rate as authorized by law. Administrative charges, that is, the costs of processing and handling a delinquent debt, shall be determined by Treasury.

14. Disclaimer.

- a. The United States expressly disclaims any and all responsibility or liability to Recipient or third persons for the actions of Recipient or third persons resulting in death, bodily injury, property damages, or any other losses resulting in any way from the performance of this award or any other losses resulting in any way from the performance of this award or any contract, or subcontract under this award.
- b. The acceptance of this award by Recipient does not in any way constitute an agency relationship between the United States and Recipient.

15. Protections for Whistleblowers.

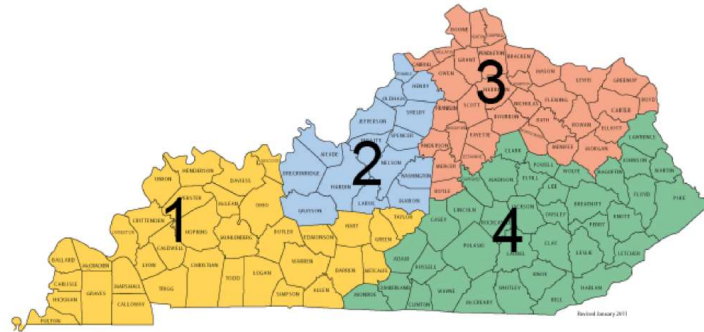
- a. In accordance with 41 U.S.C. § 4712, Recipient may not discharge, demote, or otherwise discriminate against an employee as a reprisal for disclosing information to any of the list of persons or entities provided below that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant.
- b. The list of persons and entities referenced in the paragraph above includes the following:
 - i. A member of Congress or a representative of a committee of Congress;
 - ii. An Inspector General;
 - iii. The Government Accountability Office;
 - iv. A Treasury employee responsible for contract or grant oversight or management;
 - v. An authorized official of the Department of Justice or other law enforcement agency;
 - vi. A court or grand jury; and/or
 - vii. A management official or other employee of Recipient, contractor, or subcontractor who has the responsibility to investigate, discover, or address misconduct.
- c. Recipient shall inform its employees in writing of the rights and remedies provided under this section, in the predominant native language of the workforce.

16. Increasing Seat Belt Use in the United States. Pursuant to Executive Order 13043, 62 FR 19217 (Apr. 8, 1997), Recipient should and should encourage its contractors to adopt and enforce on-the-job seat belt policies and programs for their employees when operating company-owned, rented or personally owned vehicles.

17. Reducing Text Messaging While Driving. Pursuant to Executive Order 13513, 74 FR 51225 (Oct. 1, 2009), Recipient should encourage its employees, subrecipients, and contractors to adopt and enforce policies that ban text messaging while driving, and Recipient should establish workplace safety policies to decrease accidents caused by distracted drivers.

ERA2 for Legal Services for At-Risk Tenants

		Total Grant				
Partner	Service Area	Admin	Services	Assistance to Tenants	Total	Est. # of Months
Total ERA2 Allocated by KHC:		\$200,000	\$1,850,000	\$0	\$2,050,000	12
KY Equal Justice Center	Statewide	\$52,000	\$370,000	\$0	\$422,000	12
1. Kentucky Legal Aid	West-Central	\$32,456	\$324,564	\$0	\$357,020	12
2. Legal Aid Society	Louisville Region	\$31,554	\$315,536	\$0	\$347,090	12
3. Legal Aid of the Bluegrass	N. KY & Lexington	\$39,856	\$398,564	\$0	\$438,420	12
4. AppalRed	East-Southern	\$44,134	\$441,336	\$0	\$485,470	12
Total		\$200,000	\$1,850,000	\$0	\$2,050,000	
		\$0	\$0	\$0		



Region 1 - Kentucky Legal Aid - (270) 782-1924 - <https://www.klaid.org/>

Region 2 - Legal Aid Society - (502) 584-1254 - <https://yourlegalaid.org/>

Region 3 - Legal Aid of the Bluegrass - (859) 431-8200 - <https://lablaw.org/>

Region 4 - AppalRed - (866) 277-5733 - <https://www.ardfky.org/>