Proposed Policy to ensure development team is in compliance with all Lexington-Fayette Urban County Government (LFUCG) Ordinances and is current on all taxes, fees and other obligations with LFUCG.

Definitions:

“Applicant” refers to the individual or entity who submits an application to the LFUCG Office of Affordable Housing in order to secure funding.

“Development team” includes the Applicant, any managers, members or partners of the Applicant, the Applicant’s employees, the Applicant’s contractors who were retained with respect to the Proposal, any agent of the Applicant who has authority to act on behalf of the Applicant with respect to the Proposal, the Developer, the Development owner, and any consultants, architects, management companies, service providers, guarantors, equity providers, and/or syndicators connected with the Proposal.

“Proposal” refers to the property that the Applicant seeks to rehabilitate and/or develop, and for which purpose the Applicant seeks funding from the LFUCG Office of Affordable Housing.

"Knowingly" means, with respect to conduct or to circumstances described by a statute or ordinance defining an offense, that a person is aware or should have been aware that his conduct is of that nature or that the circumstance exists.

1. Prior to submitting an application, the Development Team must be authorized to do business under the laws of the Commonwealth of Kentucky and must be in good standing and have full legal capacity to provide the goods or services specified in the loan application.

2. The Applicant must have all necessary rights and lawful authority to submit the application and enter into any loan agreements for the full term, including any necessary corporate or other action authorizing the Applicant to submit the loan application and enter into a loan agreement. All loan applications must be signed by a duly authorized officer, agent or employee of the Applicant.

3. If requested, the Applicant must LFUCG with a copy of a corporate resolution authorizing this action and/or a letter from an attorney confirming that the proposer is authorized to do business in the Commonwealth of Kentucky.

4. The Applicant shall obtain a Lexington-Fayette Urban County Government business license, if applicable, prior to award of any funds.

5. The Applicant shall be current on all taxes, fees, and any other obligation owed to LFUCG and will remain current in regard to those taxes, fees, and obligations before any money is disbursed to the Applicant.


7. The Development Team may not have been suspended or disbarred by the U.S. Department of Housing and Urban Development (HUD) or any state housing finance agency prior to submitting the application and may not be suspended or disbarred during the rehabilitation or development of the Proposal.
8. The Development Team must be in compliance with Ordinance 35-2000 pursuant to contractor registration with the Division of Building Inspection.

9. The Applicant shall:

   (1) Reveal any final determination of a violation by the Applicant within the previous five year period pursuant to KRS Chapters 136 (corporation and utility taxes), 139 (sales and use taxes), 141 (income taxes), 337 (wages and hours), 338 (occupational safety and health of employees), 341 (unemployment and compensation) and 342 (labor and human rights) that apply to the contractor; and

   (2) Be in continuous compliance with the above-mentioned KRS provisions for the duration of the loan agreement.

10. By submitting a loan application, the Applicant asserts that it has not knowingly violated any provision of Chapter 25 of the Lexington-Fayette Urban County Government Code of Ordinances, known as the "Ethics Act."

11. By submitting a loan application, the Applicant authorizes the Office of Affordable Housing to verify any of the above mentioned information with the Division of Revenue and any other Division within LFUCG, as applicable, prior to any funds being awarded.

12. An Applicant’s failure to reveal any information detailed in the capacity review and referenced above, and/or the failure to comply with any of these provisions for the duration of the loan agreement, may be grounds to reject the loan application, cancel any loan agreement(s), and/or disqualify the Applicant from eligibility for future awards form the Affordable Housing Fund for a period of two (2) years.