

**SUB-RECIPIENT FUNDING AGREEMENT BETWEEN
LIFE HOUSE
AND
CITY OF DULUTH
THROUGH ITS
WORKFORCE DEVELOPMENT DEPARTMENT**

THIS AGREEMENT, effective as of the date of attestation by the City Clerk (“Effective Date”), by and between the **CITY OF DULUTH**, a Minnesota municipal corporation (the "City"), and **LIFE HOUSE**, a Minnesota non-profit corporation (the "Grantee").

WHEREAS, the City has applied for and received a grant (“Grant”) from Youthprise, a Minnesota nonprofit corporation, to participate in the Youthprise Homeless Youth Stipend Pilot Project for southern St. Louis county (“the Project”); and

WHEREAS, the Project will provide youth-directed services to eligible participants between the ages of 18 and 24 who experience housing instability or homelessness. Services will include health, financial empowerment, daily living, housing navigation, career development, and mentorship; and

WHEREAS, the Grantee wishes to serve as a Project partner for the Project; and

WHEREAS, the City desires to award a portion of the Youthprise Grant (the "Subgrant") to Grantee, and Grantee agrees to accept and utilize such proceeds for the Project.

NOW, THEREFORE, the parties agree to the following terms:

1. AWARD. The City awards a Subgrant to Grantee in the amount not to exceed One Hundred Forty Thousand Seven Hundred Four Dollars and no/100th (\$140,704) for Grantee’s performance of its obligations to be calculated and reimbursed on a per-participant basis of \$3,126.76 per participant. Minimum enrollment is set at 30 participants; final enrollment numbers will be determined in the fall and can include up to 50 youth. Initial budgets will be built based on a per participant cost of \$3,126.76 x 30 participants = \$93,803. Budgets may be adjusted upward after enrollment but at no time will exceed the amount of One Hundred Forty Thousand Seven Hundred Four Dollars and no/100th (\$140,704). Payment is on a reimbursement basis, with invoices submitted monthly that must include backup documentation in support of invoiced expenses. Notwithstanding anything to the contrary, the Grantee understands and agrees that any reduction or termination of the Grant may result in a like reduction or termination of the Subgrant, and that any material change in the timeline or scope of the Project must be approved in writing by the City.

2. PERFORMANCE. The Grantee and Grantor will be responsible for the following:

- A. Grantee will comply with the requirements applicable to the City in the Youthprise Grant Agreement;
- B. Grantee will serve as a project partner for the Project and will provide services to eligible participants ages of 18 and 24 who experience housing instability or homelessness;

- C. Grantee will serve as an active participant in implementing the project, including participation in the statewide learning community and regular project check-ins with City staff;
- D. Grantee will require all participants to sign a Release of Information to allow communication and information sharing between City and Grantee's staff.
- E. Grantee services will include:
 - 1. One-on-one housing navigation services;
 - 2. Living skills group session development and delivery;
 - 3. Mental health and wellness services;
 - 4. MNsure and other resource navigation;
 - 5. GED instruction and testing;
 - 6. Opportunities for transitional employment through the Legitimate Hustle Project;
 - 7. Assessments related to the above activities;
 - 8. Case notes and other documentation of services delivered, using the agreed-upon system;
 - 9. Incorporate youth voice and priorities into service delivery model; and
 - 10. Provide use of space in-kind for programming, including community-building events, skill building workshops, and one-on-one service delivery.
- F. The City will perform the following:
 - 1. Serve as the project coordinator for Southern St. Louis County, and the primary point of contact with Youthprise;
 - 2. Enroll eligible participants referred to the project by Youthprise/St. Louis County and selected for the Homeless Youth Stipend Pilot Project;
 - 3. Complete a comprehensive intake assessment for each participant, to determine needs and create a youth-directed service plan;
 - 4. Facilitate connection to and/or deliver services identified in each participant's individual plan;
 - 5. Select and manage a shared system for case management and service documentation;
 - 6. Work with Youthprise to determine project metrics and outcomes, and create a system for tracking and reporting metrics and outcomes over the life of the project;
 - 7. Co-Lead a Youth Advisory Committee to provide input on project design and implementation; and
 - 8. Lead overall design and implementation of program and service delivery.
- G. Grantee's default will constitute noncompliance with this Agreement. If the City finds that there has been a failure to comply with the provisions of this Agreement or that reasonable progress on the Project has not been or will not be made, the City may take action to protect its interests, including refusal to disburse additional funds and requiring the return of all or part of the funds already disbursed. If action to correct substandard performance is not taken by the Grantee within 30 calendar days (or such longer period specified by the City) after written notice by the City, the City may terminate this Agreement.

3. TIME OF PERFORMANCE. Grantee must start the Project upon execution of the City of Duluth's Agreement with Youthprise (Youthprise Contract) and complete the Project on or before October 31, 2026, The City is not obligated to pay for any Project costs incurred prior to the Youthprise Contract execution nor after that date or any earlier termination, whichever occurs

first. The term of this agreement may be extended on substantially the same terms as set forth herein by mutual written consent of the authorized representatives of the parties. Nothing herein guarantees any such renewal.

4. CONDITIONS PRECEDENT TO DISBURSEMENT. The following requirements are conditions precedent to the City's disbursement of any of the Subgrant proceeds.

- A. The Grantee must have provided the City with evidence of compliance with the insurance requirements of Section 7(G) herein.
- B. The Grantee must have provided to the City such evidence of compliance with all of the provisions of this Agreement as the City may reasonably request.

5. DISBURSEMENT. It is expressly agreed and understood that the City will pay Grantee under this Agreement an amount of \$3,126.76 per participant up to an amount not to exceed \$140,704. Invoices must be submitted on a monthly basis or other timeframe approved in writing by the Workforce Development Director. Payment for services will be sent within 45 days of receipt of invoice.

6. NOTICES. Communication and details concerning this Agreement must be directed to the following Agreement representatives:

City: City of Duluth
Elena Foshay, Director
Workforce Development Department
402 W. 1st Street
Duluth, MN 55802
218-730-5241
efoshay@duluthmn.gov

GRANTEE: Life House
Ryan Irlbeck, Interim Executive Director
102 W1st St
Duluth, MN 55802
218-722-7431 x115

7. GENERAL CONDITIONS.

- A. **General Compliance.** The Grantee agrees to comply with all applicable federal, state and local laws and regulations governing the project and funds provided under this Agreement.
- B. **Civil Rights Assurances.** Grantee and City, and their respective officers, agents, servants and employees, as part of the consideration under this Agreement, do hereby covenant and agree that:
 - 1. No person on the grounds of race, color, creed, religion, national origin, ancestry, age, marital status, status with respect to public assistance, sexual orientation and/or disability shall be excluded from any participation in, denied any benefits of or otherwise subjected to discrimination with regard to the services provided under this Agreement.

2. That all activities to be conducted pursuant to this Agreement shall be conducted in accordance with the Minnesota Human Rights Act of 1974, as amended (Chapter 363), Title 7 of the U.S. Code and any regulations and executive orders which may be affected with regard thereto.

C. **Independent Contractor.** Nothing contained in this Agreement is intended to, or may be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The Grantee will at all times remain an independent contractor with respect to the services to be performed under this Agreement. Grantee and its employees shall not be considered employees of the City and any and all claims that may or might arise under the Workers' Compensation Act of the State of Minnesota on behalf of Grantee's employees or agents while so engaged, and any and all claims whatsoever on behalf of Grantee's employees and agents arising out of employment shall in no way be the responsibility of the City. Grantee's employees shall not be entitled to any compensation or rights or benefits of any kind whatsoever from the City, including without limitation, tenure rights, medical and hospital care, sick and vacation leave, Workers' Compensation, Unemployment Insurance, disability or severance pay, and PERA.

D. **Liability.** Each party hereto agrees that it will be solely liable for any liability arising out of any acts or omissions of itself or its officers, agents, servants, employees or subcontractors in the performance of its respective obligations under this Agreement.

Nothing herein shall be deemed to create any liability on behalf of either party not otherwise existing as to such party under the provision of the Minnesota Municipality Limitation of Liability Statute, Minnesota Statute Section 466 *et. seq.*, or to extend the amount of liability of either party to amounts in excess of that specified in said Chapter.

E. **Indemnification.** Grantee will indemnify, defend, and hold harmless the City, its officers, agents, and employees, from any claims or causes of action, including attorney's fees incurred by Grantee arising from the performance of this Agreement by Grantee, or its officers, agents or employees

F. **Workers' Compensation.** The Grantee must provide workers' compensation insurance coverage for all employees involved in the performance of this Agreement.

G. **Insurance.** Grantee shall procure and maintain continuously in force Public Liability Insurance written on an "occurrence" basis under a Comprehensive General Liability Form in limits of not less than One Million Five Hundred Thousand and No/100s (\$1,500,000.00) Dollars aggregate per occurrence for personal bodily injury and death, and limits of One Million Five Hundred Thousand and No/100s (\$1,500,000.00) Dollars for damage liability. If person limits are specified, they shall be for not less than One Million Five Hundred Thousand and No/100s (\$1,500,000.00) Dollars per person and be for the same coverages. The City shall be named as an additional insured therein.

Insurance shall cover:

1. Public liability.
2. Independent contractors--protective contingent liability.
3. Personal injury.

4. Contractual liability covering the indemnity obligations set forth herein.

8. ADMINISTRATIVE REQUIREMENTS.

A. **Accounting Standards.** The Grantee agrees to maintain the necessary source documentation and enforce sufficient internal controls as dictated by generally accepted accounting practices to properly account for expenses incurred under this Agreement.

B. **Records.**

1. *Retention.* The Grantee must retain all records pertinent to expenditures incurred under this Agreement until conclusion of the latest of (a) six years after the Grantee has completed the Project; (b) six years after the Grantee has expended all proceeds of the Subgrant; or (c) six years after the resolution of all audit findings. Records for nonexpendable property acquired with funds under this Agreement must be retained for six years after final disposition of such property. Records for any displaced person must be kept for six years after he/she has received final payment.

2. *Inspections.* All Grantee records with respect to any matters covered by this Agreement must be made available to the City or their designees at any time during normal business hours, as often as the City deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data.

3. *Audits.* If requested by the City, the Grantee must have an annual financial compliance audit conducted in accordance with the City's requirements. The Grantee must submit two copies of such audit report to the City. Any deficiencies noted in such an audit report or an audit/monitoring report issued by the City or its designees must be fully resolved by the Grantee within a reasonable time period after a written request from the City. Failure of the Grantee to comply with the provisions of this paragraph will constitute a violation of this Agreement and may result in the withholding of future payments or the requirement for Grantee to return all or part of the funds already disbursed.

4. *Data Practices Act.* The Grantee must comply with the Minnesota Government Data Practices Act, Chapter 13.

5. *Close-Outs.* The Grantee's obligation to the City does not end until all closeout requirements are completed. Activities during this close-out period include: making final payments, disposing of Project assets (including the return of all unused materials, equipment, unspent cash advances, Project income balances, and receivable accounts to the City), determining the custodianship of records and resolving audit findings.

C. **Payments.** The City will pay to the Grantee funds available under this Agreement based upon information submitted by the Grantee and consistent with any approved budget and City policy concerning payments. Payments may be adjusted at the option of the City in accordance with advance funds and Project income balances available in Grantee accounts. In addition, the City reserves the right to liquidate funds available under this Agreement for costs incurred by the City on behalf of the Grantee.

D. **Procurement.** The Grantee must maintain an inventory record of all nonexpendable personal property procured with funds provided under this Agreement. All unexpended Project income must revert to the City upon termination of this Agreement.

9. MISCELLANEOUS.

- A. **Assignability.** The Grantee may not assign or transfer any interest in this Agreement (whether by assignment or novation) without the prior written consent of the City; provided, however, that claims for money due or to become due to the Grantee from the City under this Agreement may be assigned to a bank, trust company, or other financial institution without such approval. Notice of any such assignment or transfer must be furnished promptly to the City.
- B. **Copyright.** If this Agreement results in any copyrightable material, the author is free to copyright the work, but the City reserves the right to royalty-free, nonexclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, the work for government purposes.
- C. **Relationship of the Parties.** It is agreed that nothing herein contained in intended or should be construed in any manner as creating or establishing the relationship of co-partners, joint ventures, or joint enterprise between the parties hereto or constituting either party as an agent, representative or employee of the other for any purpose or in any manner whatsoever.
- D. **Governing Law.** This Agreement will be governed by, and construed in accordance with, the laws of the State of Minnesota.
- E. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, but all of which together shall constitute but one and the same instrument. Signatures to this Agreement transmitted by facsimile, by electronic mail in “portable document format” (“.pdf”), or by any other electronic means which preserves the original graphic and pictorial appearance of the Agreement, shall have the same effect as physical delivery of the paper document bearing the original signature.

10. ENTIRE AGREEMENT. This Agreement contains all negotiations and agreements between City and Grantee. No other understanding, agreements or understandings regarding the Grant Agreement, or this Agreement, may be used to bind either party

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed intending to be bound thereby.

CITY OF DULUTH

LIFE HOUSE

By _____
Mayor

By _____

Attest:

Its: _____

By: _____

City Clerk

Date Attested: _____

Its: _____

Countersigned:

City Auditor

As to form:

City Attorney