

**2022 HOME PROGRAM RENTAL DEVELOPMENT  
ENTER PROJECT NAME  
ENTER ORGANIZATION NAME**

THIS GRANT AGREEMENT entered into this \_\_\_\_ day of \_\_\_\_\_, 2022, by and between the City of Duluth, a HOME Program Participating Jurisdiction (PJ), and \_\_\_\_\_, a \_\_\_\_\_ (the "Sponsor"), DUNS No. \_\_\_\_\_.

WHEREAS, Sponsor has applied to City for an allocation of HOME Funds for the purpose of the below-described \_\_\_\_\_ (Project); and

WHEREAS, the City has received U. S. Department of Housing and Urban Development ("HUD") funds under the HOME Investment Partnership ("HOME") Program (CFDA 14.239), awarded \_\_\_\_\_, with Federal Award Number M-22-MC-27-0200; and

WHEREAS, said funding has been approved by the PJ pursuant to \_\_\_\_\_, approved \_\_\_\_\_; and

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter contained, PJ does hereby grant to the Sponsor the sum of \_\_\_\_\_ under the following terms and conditions:

1. Program Adopted

The HOME Program provisions contained in 24 CFR Part 92 (the Program) are hereby adopted by reference and deemed to be a part of this Agreement. All activities carried on by the Sponsor pursuant to this Agreement shall be deemed to be governed by the Program.

2. Project Description

It is hereby agreed between the parties that the funds granted to the Sponsor under this Agreement shall be used exclusively for the purpose of the development of the Project by the Owner as stated in the attached Exhibit A and as authorized in the Program. Exhibit A shall include the Project location; HOME activity to be undertaken; the total number of rental units and the size of the rental units; the number of HOME-assisted and non-assisted units in the Project; the number of High HOME Rent units and Low HOME Rent units; whether or not the project involves land assembly and subdivision, environmental remediation, lead-based paint treatment, demolition or other site preparation, relocation, or infrastructure development; special features of the Project; designation of the HOME-assisted units as fixed or floating; and the number and type of accessible units.

3. Term

The term of this Agreement shall commence on the date first above written and shall continue for twenty (20) years from and after the date of the IDIS Notification Certificate provided by PJ to Sponsor, unless terminated sooner as provided for herein. The Project shall be completed and all eligible costs incurred not later than December 31, 2023. Notwithstanding the above, the time for completing the Project and incurring eligible costs may be extended for a period of time not to exceed twelve (12) months upon the prior written approval of the Manager of the Planning and Development Division (the Manager).

4. Use of HOME Funds

The parties agree that the HOME funds granted to the Sponsor under this Agreement shall be used strictly in compliance with the sources and uses of funds statement, Project budget and schedule, and maximum and actual per unit HOME subsidy amount as set forth in Exhibit B attached hereto and made a part hereof. Additionally, to be eligible for reimbursement, costs shall conform in character to those shown in Exhibit B and shall not exceed the amounts set forth in Exhibit B without the prior written approval of the Manager. In addition, all costs under this Agreement must be in conformance with the appropriate Federal Office of Management and Budget Circular listed below:

A-87, A-102, A-128 -- Local Public Agencies  
A-122, A-133 -- All Other Entities

5. Construction Plan

Prior to commencement of construction of the Project, the Sponsor agrees to submit a plan for its construction showing the nature and character of all work to be undertaken and setting forth the proposed time frames for said construction (the Construction Plan). The Construction Plan shall be subject to the approval of the Manager, which approval shall not be unreasonably withheld. In the event the Manager rejects the Construction Plan for any reason, the parties agree that they will work together in an expeditious manner to come to a mutually agreeable Construction Plan. In the event that the parties cannot agree to such a Construction Plan, this Agreement shall terminate. Upon completion, the Project shall comply with the City of Duluth Housing Code, Chapter 29A, as amended.

6. Affordability Period

The Owner shall execute the Declaration of Restrictive Covenants in the form attached hereto as Exhibit C. The Declaration of Restrictive Covenants requires that HOME-assisted units meet the affordability requirements of 24 CFR 92.252.

Prior to the reimbursement of any costs by HOME funds, the Owner agrees to record the Declaration of Restriction Covenants in the office of the St. Louis County Recorder and to pay all costs associated therewith. Upon recordation, the Owner shall provide to PJ and Sponsor an executed original of the Declaration of Restrictive Covenants showing the date and document numbers of record or a duly certified copy of the executed originals.

Upon completion of the Project by the Owner, in accordance with this Agreement, Owner will submit to PJ a HOME Program Rental Completion Report. PJ will promptly enter the Project data from the Completion Report into the Integrated Disbursement and Information System (IDIS), and PJ will provide a Notification Certificate to Sponsor. Owner agrees to record the Notification Certificate in the Office of the St. Louis County Recorder and to pay all costs associated therewith.

Repayment of the HOME funds by the Sponsor will be required if the housing does not meet the affordability requirements for a period of twenty (20) years, commencing on the date of the issuance of the Notification Certificate.

7. HOME Income Limits

Owner shall re-examine the income of each tenant household living in a HOME unit at least annually. Tenants of HOME units in the Project shall meet the household income targeting levels as specified by the number of High HOME rent and Low HOME rent units in the attached Exhibit A. Annual household income will be determined utilizing the 24 CFR Part 5 definition as is used in the Section 8, public housing, and low-income housing tax credit programs.

8. HOME Rent Limits

The rent limits applicable to the HOME units in this Project shall be the High HOME rent and Low HOME rent limits as indicated by the number and type of HOME units specified in the attached Exhibit A.

PJ shall review and approve the rents proposed by the Owner for the HOME units, as well as the monthly utility and/or service allowance proposed by the Sponsor to be paid by the tenants. The Duluth Area HOME Program Limits - Duluth Area HOME Rents schedule and the Section 8 Allowances for Tenant-Furnished Utilities for the current year are attached as Exhibit D, and shall serve as the 2020 rent and utility limits for the Project. PJ will provide the Owner on an annual basis updated rent and utility limits for the HOME units. The maximum monthly rent shall be recalculated by the Owner and approved by the PJ annually, and may change as changes in the applicable gross rent amounts, the income adjustments, or the monthly allowance for utilities and services warrant. Any increase in rent is subject to the provisions of outstanding leases, and must comply with State of Minnesota Statutes related to proper written notification.

Units qualify as HOME units despite a temporary noncompliance if the noncompliance is caused by increases in the incomes of existing tenants and if actions satisfactory to PJ are being taken to ensure that all vacancies are filled in accordance with this agreement until the noncompliance is corrected. Tenants who no longer qualify as low-income households must pay as rent thirty percent (30%) of the household's adjusted monthly income, as recertified annually.

Changes in HOME rent limits and in median income over time should be sufficient to maintain the financial viability of the Project within the qualifying rent standards. Regardless of changes in rent limits or median income, the qualifying rents are not required to be lower than the HOME rent for the Project that is in effect at the time of Project commitment. The PJ, with prior HUD approval, may adjust the qualifying rents established for the HOME units in the Project only if the PJ and HUD find that an adjustment is necessary to support the continued financial viability of the Project and only by an amount that the PJ and HUD determine is necessary to maintain continued viability of the Project.

9. Project Requirements

Prior to any tenant occupying a HOME unit, the Owner shall submit to PJ written tenant selection policies and lease documents for approval by the PJ. Tenant selection policies will comply with the requirements of 24 CFR 92.253(d). The lease must comply with HOME Program requirements related to the term of the lease, termination of tenancy, specification of HOME rents, and proper notices; comply with applicable Minnesota law regarding rental housing; and shall not contain any of the prohibited clauses identified in 24 CFR 92.253(b).

10. Religious Activities

Owner shall not require tenants of HOME units to participate in inherently religious activities such as worship, religious instruction, or proselytizing. If Sponsor is a faith-based organization, Owner may carry out its mission related to religious beliefs, provided that HOME funds do not financially support inherently religious activities. It is acceptable for Sponsor's Board of Directors be selected based on religious practice, as well as religious references in mission statements and other governing documents. Owner agrees to serve all eligible households without regard to religion, and shall not restrict HOME units to people of a particular religion or denomination. Eligibility of an applicant for HOME assisted housing must not rely on the applicant's participation in religious activities or programs.

11. Property Standards

Upon completion of the Project the Owner, and throughout the duration of this Agreement and the term of the Declaration of Restrictive Covenants attached as

Exhibit C the Owner, warrant and agree that it will be in compliance with all housing codes, building and fire codes applicable to structures of its type in the City of Duluth. The Owner also agrees to obtain and maintain any required City of Duluth Rental Property License for the Project.

If the Project was built prior to 1978, the Owner warrants and agrees that upon completion, the Project will meet the requirements of HUD's Lead Safe Housing Rule (24 CFR Part 35). The Lead Safe Housing Rule Subparts that apply to the Project are identified in Exhibit E.

12. Labor Standards

Every contract for the construction and/or rehabilitation of housing that includes twelve (12) or more HOME assisted units must contain a provision requiring the payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act, to all laborers and mechanics employed in the development of any part of the housing. Such contracts must also be subject to the overtime provisions, as applicable, of the Contract Hours and Safety Standards Act, listed in Exhibit E.

Sponsor agrees that, as a condition of receiving the grant of funds herein provided for, Sponsor will require its prime contractor or contractors performing construction work on the Project to execute a Project Labor Agreement with the PJ and the Duluth Building and Construction Trades Council in the for approved by the Duluth City Council pursuant to Section 2-29(b) of the Duluth City Code, 1959, as amended, applicable to all construction work on the Project. Sponsor further agrees that it will enter into, and will require said contractors to enter into, the Memorandum of Understanding with the PJ, a copy of which is attached hereto as Exhibit F, to insure that the PJ's Community Benefits Program is implemented as part of the Project.

13. Displacement and Relocation Requirements

The Owner shall take all possible steps to minimize displacement of tenants. If such displacement cannot be avoided, Sponsor shall be required to demonstrate that it has complied with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, as listed in Exhibit E. At PJ's request, Sponsor shall submit a Relocation Plan for approval by the Manager.

14. Conflict of Interest

No person who is an employee, agent, consultant, officer, or elected official or appointed official of the City of Duluth, no member or delegation of the Congress of the United States, the Minnesota Legislature, the Duluth City Council, or any other Federal, State or local official shall benefit from this Agreement. No

employee, agent, consultant or officer of the Owner or Sponsor receiving HOME funds or persons who exercise or have exercised any functions or responsibilities with respect to HOME activities or who are in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, 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 year thereafter. Furthermore, no employee, agent, consultant or officer of the Sponsor or Owner may occupy a HOME assisted housing unit in the Project, except for an employee or agent of the Owner who occupies a housing unit as a project manager or maintenance worker.

15. Affirmative Marketing

For every project that includes five or more HOME assisted units, the Sponsor shall be required to demonstrate that it, or an agent acting on its behalf, has made good-faith efforts to attract eligible persons from all racial and ethnic groups to the Project during the term of this Agreement and the term of the Declaration of Restrictive Covenants. Prior to any funds being reimbursed under this Agreement, the Sponsor shall submit, and have approved by the Manager, an Affirmative Marketing Plan. The PJ reserves the right to annually review Owner's records documenting affirmative marketing actions, and Owner agrees to take any corrective actions PJ may require when affirmative marketing requirements are not met. Further, Owner shall not discriminate against an applicant who holds a certificate of participation under CFR Part 882 (Rental Certificate Program) or a rental voucher under 24 CFR Part 887 (Rental Voucher Program) or who is a participant in a comparable HOME tenant-based rental assistance program.

16. Reimbursement of Project Costs

PJ agrees that it will reimburse the Sponsor for the costs of work conforming to those specified in Exhibit B which are eligible for reimbursement under the Program up to the full amount of the grant provided herein. The Sponsor shall only request disbursement of HOME funds when the funds are needed to pay eligible costs, and only in the amount needed for such costs. The Sponsor may apply to the PJ for such reimbursement not more frequently than monthly for expenses incurred in implementing the Project, and only for amounts over One Hundred Dollars (\$100.00). The Sponsor's draw requests shall be accompanied by such documentation as PJ shall deem reasonably necessary to determine that the Project has been completed to that level and that payments for materials and services rendered to the Project and the Project property are due and payable. Upon determination that the draw request is payable and in conformance with the terms and conditions of this Agreement, PJ shall promptly pay the certified amount. The PJ may retain 5% of the amount of HOME funds until the Project is completed and all related Project reports and documents submitted to PJ. PJ will

not reimburse costs incurred on or prior to December 31 in any year if those expenses have not been included in a request for reimbursement which has been received by PJ prior to January 15 of the following year. In the event that January 15 falls on a holiday or a weekend, the Sponsor may submit the request the following business day. The above requirements may be waived by the Manager in writing. All sums payable under this Agreement shall be paid as follows:

\_\_\_\_\_ from 2022 HOME Program Fund 260,  
Agency 020, CD22HM, \_\_\_\_\_.

Notwithstanding the above, the PJ shall be under no obligation to reimburse the Sponsor, and this contract shall be deemed null and void, in the event that an environmental review process has not been satisfactorily completed as determined in the sole discretion of the PJ.

17. Other Program Requirements

The Sponsor and Owner shall comply with all applicable federal and state laws and regulations as described in 24 CFR Part 92, subpart H inclusive, listed as Exhibit E and attached.

18. Reports and Records

The Sponsor and Owner shall be responsible for furnishing to HUD or the PJ such statements, records, data and information as HUD or PJ may require pertaining to matters covered by this Agreement. In addition to the requirements contained in the Part II, "Supplementary General Conditions for Federally and/or City Assisted Activities," the Sponsor and Owner agree to prepare and forward to PJ such information as is required in order for PJ to meet the requirements of HUD's grantee Consolidated Annual Performance and Evaluation Report. The Sponsor and Owner shall promptly furnish to PJ any and all financial statements; financial reports; and audits prepared by or on behalf of the Sponsor and Owner in the ordinary course of their businesses which relate, directly or indirectly, to the provision of services under the Project and this Agreement as soon as the same are developed by or on behalf of the Sponsor and Owner.

The Owner or Sponsor shall submit to PJ an A-133 audit within nine (9) months of the end of its fiscal year if the Owner or Sponsor expends \$750,000 or more from all federal funding sources, including monies expended under this Agreement, during the Sponsor's fiscal year. If the Owner or Sponsor expends less than \$750,000 from all federal funding sources during the Owner's or Sponsor's, as applicable, fiscal year, the Owner or Sponsor, as applicable, shall submit to PJ financial statement audits conducted in accordance with all effective auditing standards, including management letter(s).

Records shall be maintained by the Sponsor and Owner in accordance with requirements prescribed by HUD or PJ with respect to all matters covered by this Agreement. Except as otherwise authorized by HUD, such records shall be maintained by the Sponsor and Owner for a period of six (6) years after the expiration of the term of this Agreement and the affordability period. Where a longer period is prescribed by HUD, then such longer period shall apply.

The Owner will ensure all costs are supported by properly executed payrolls, time records, invoices, contracts, vouchers, or other official documentation evidencing in proper detail the nature and propriety of the charges, and these documents pertaining in whole or in part to the Project shall be treated as records by the Owner.

The Owner and Sponsor shall ensure that at any time during normal business hours and as often as the PJ, HUD, the Comptroller General of the United States, the Legislative Auditor and/or the State Auditor may deem necessary, there shall be made available to the PJ, HUD, representatives of the Comptroller General, the Legislative Auditor and/or the State Auditor for examination all of its records with respect to all matters covered by this Agreement. The Owner and Sponsor will also permit the PJ, HUD, representatives of the Comptroller General, the Legislative Auditor and/or the State Auditor to audit, examine and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment, and other data relating to all matters covered by this Agreement.

Owner shall maintain income records of all tenants who rent HOME assisted units for the entire period of this Agreement. Annually, Owner shall provide PJ with information on rents and occupancy of HOME assisted units, including demographic information of tenants, in order to demonstrate the Project's compliance with HOME Program requirements regarding qualification as affordable housing.

#### 19. Enforcement Provisions

In order to ensure compliance with the terms and conditions of this Agreement, the Owner agrees that PJ and its agents and staff shall have the right to have access to the Project and to inspect the Project at reasonable times and with reasonable notice to the Owner.

The affordability requirement, as required by this agreement, shall be enforced by the Declaration of Restrictive Covenants (Exhibit C), as shown by the executed recorded original or duly certified copy of the executed original provided to PJ.

PJ may terminate this Agreement for cause upon at least 30 days' prior written notice to the Owner and Sponsor specifying the cause for termination, any period



for cure by the Owner and Sponsor, and the date of termination. Notwithstanding the above, PJ may, after giving notice of termination for cause, withhold, without penalty or interest, any payment due under this or any other agreement between the Owner or Sponsor and PJ, until there is a cure by the Owner or Sponsor, a waiver by PJ, or the Agreement is terminated.

Upon termination of this Agreement, all Program funds on hand at the time of expiration and any accounts receivable attributable to the use of Program funds shall revert to PJ. In the event that the Agreement is terminated for cause, PJ shall be entitled to reasonable attorneys' fees and costs incurred in enforcing the terms and conditions of this Agreement.

Further, the Owner and Sponsor shall not be relieved of the liability to PJ for damages sustained by PJ by virtue of any breach of this Agreement by the Sponsor, and PJ may withhold any reimbursement to the Sponsor on this and other agreements between the Owner or Sponsor and the PJ or City of Duluth for the purpose of set-off until such time as the exact amount of damages due PJ from the Sponsor can be determined. For the purposes of this Agreement, cause may include any of the following:

- A. Failure, for any reason, of the Owner or Sponsor to fulfill any of the terms or obligations under this Agreement, the Declaration of Restrictive Covenants, or any other agreement between the Owner or Sponsor and PJ or City of Duluth, in a timely and proper manner.
- B. The making of any arrangement with or for the benefit of Owner's or Sponsor's creditors involving an assignment to a trustee, receiver or similar fiduciary; or the written admission by the Sponsor that it is bankrupt; or filing by the Sponsor of a voluntary petition under the Federal Bankruptcy Act; or the filing of an involuntary petition under the Federal Bankruptcy Act against the Sponsor unless dismissed within forty-five (45) days.
- C. Submission by the Sponsor or Owner to PJ of reports, audits or requests for payment that are untimely, incorrect or incomplete in any material respect.
- D. Ineffective or improper use of funds provided under this Agreement.
- E. Suspension, termination, reduction or elimination by HUD or by the Congress of the United States of the grant to PJ under which this Agreement is funded.
- F. Noncompliance with any laws, ordinances, rules, regulations, Executive Orders, directives or codes of the United States of America, State of Minnesota or the City of Duluth or their respective agencies which are now

or later become applicable to its activities under this Agreement, including, but not limited to, any applicable regulations of HUD.

- G. Payment of fees to solicit or secure this Agreement contingent upon or resulting from the award or making this Agreement.
- H. Failure to complete all work on the Project as provided for herein.
- I. The abandonment of the Project by the Owner or the conversion of the Project to any use other than that of housing for low- and moderate-income families as provided for herein.
- J. Failure by the Owner to operate the Project in compliance with the HOME affordability requirements for the period of affordability.
- K. Failure to record the Declaration of Restrictive Covenants or the IDIS Certificate of Notification as provided for herein.
- L. Failure of the parties to agree to a Construction Plan.

In the event of termination for cause, PJ shall have the right to avail itself of the following remedies; said remedies shall not be deemed to be mutually exclusive:

- i. Demand immediate and full repayment of the amount granted to Owner pursuant to this Agreement.
- ii. Seek injunctive relief to enforce the terms and conditions of this Agreement.
- iii. Seek such other relief as may be available to PJ at law or in equity.

## 20. Anti-Lobbying

Owner and Sponsor shall comply with the anti-lobbying legislation, ensuring that no federally appropriated funds have been paid or will be paid, by or on behalf of the Owner or Sponsor, to any person for influencing or attempting to influence an officer or employee of an agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement. Further, 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 an employee of a Member of Congress in connection with this federal contract, grant, loan, or

cooperative agreement, the Owner or Sponsor shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

21. Subcontractors/Assignability

Owner and Sponsor shall not make any assignment of this Agreement or subcontract with any other party without the prior written consent of Manager; provided, however, that claims for money due or to become due to the Owner or Sponsor from PJ under this Agreement may be assigned to the Minnesota Housing Finance Agency without such approval. Notice of any such assignment shall be furnished promptly to PJ. Manager hereby consents to Owner subcontracting with subcontractor(s) selected pursuant to competitive bidding process who are performing the construction work. Consent by the Manager to subcontract, assign or otherwise dispose of any portion of this Agreement shall not relieve the Owner and Sponsor of any of the responsibility for fulfillment of this Agreement.

22. Amendments

Any amendments to this Agreement shall be in writing and shall be executed by the parties who executed the original agreement or their successors in office.

23. Maintenance and Insurance

Owner agrees that all construction/rehabilitation work to be funded under this Agreement shall be performed by a contractor or contractors selected pursuant to a competitive bidding process. All contractors shall be required to provide public liability insurance, automobile liability insurance, builder's risk insurance, and workers' compensation insurance in forms and amounts acceptable to PJ.

Owner agrees to keep all dwelling units in the Project in good condition and repair, fully tenantable, in compliance with all applicable codes and requirements and not to remove or demolish any dwelling units thereon; to complete or restore promptly and in good and workmanlike manner any part of any dwelling unit which may be constructed, damaged or destroyed thereon and to pay when due all claims for labor performed and materials furnished to the Project; to pay all lawful taxes when due; to comply with all laws affecting Project or requiring any alterations or improvements to be made thereon; not to commit or permit any waste thereof; not to commit, suffer or permit any action thereon in violation of law. The Owner shall further carry fire and extended coverage insurance on the Project in an amount equal to the full value of the Project and contents, as constructed, and public liability insurance in amounts reasonably determined adequate by PJ. Proof of said insurance shall be provided to PJ annually. Such policy of insurance shall

contain a provision that thirty (30) days' advance notice in writing shall be given to PJ prior to termination, cancellation or modification of such insurance

24. Publicity Requirements

In any materials made public regarding the Project, the Owner agrees to reference to the assistance provided by PJ pursuant to this Agreement.

25. Independent Contractor

Owner's and Sponsor's employees and agents shall not be considered PJ employees. Owner and Sponsor certify that they are in compliance with MN Statue 176.181 Subd. 2., pertaining to worker's compensation insurance coverage and benefits. Any claims that may arise under the Minnesota Worker's Compensation Act on behalf of Owner's and Sponsor's employees and any claims made by a third party as a consequence of any act or omission on the part of Owner's or Sponsor's employees are in no way PJ's obligation or responsibility.

26. Indemnification

The Owner and Sponsor agree to defend, indemnify and save harmless PJ and hold PJ, its officers, agents, servants and employees harmless from any and all claims, actions demands, suits, losses, judgments, costs, expenses and damages, direct and indirect, incident, incidental and consequential, including but not limited to attorney's fees, asserted by any person(s) including agents or employees of the PJ or the Owner and Sponsor, arising out of or resulting from any actual or alleged act or omission of the Owner or Sponsor, their officers, agents, servants or employees in connection with or relating to the performance of this Agreement. On ten (10) days' written notice from PJ, the Owner and Sponsor shall appear and defend all lawsuits against the PJ or City growing out of such injuries or damages.

27. Notices

Notices to PJ provided for herein shall be sufficient if sent by regular mail, postage prepaid, addressed to the Planning and Development Division, Room 160 City Hall, Duluth, Minnesota 55802; notices to the Sponsor if sent by regular mail, postage prepaid, addressed to \_\_\_\_\_; or to such other respective persons or addresses as the parties may designate to each other in writing from time to time.

28. Documents to be Incorporated

The parties agree that the following documents, as may be amended from time to time, are incorporated by reference and made a part of this Agreement as if fully set forth herein:

- A. Annual Action Plan;
- B. City's Monitoring and Financial Policy.

29. Debarment

The Owner shall ensure that no contractor or material suppliers providing labor or materials for the Project nor any of its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation from any covered transaction.

30. Compliance with All Laws

The Owner and Sponsor agree to observe and comply with all laws, ordinances, rules and regulations of the United States of America, State of Minnesota and the City of Duluth and their respective agencies which are applicable to its activities under this Agreement, including but not limited to all laws relating to unlawful discrimination.

31. No Third-Party Rights

This Agreement is to be construed and understood solely as an Agreement among the Owner, Sponsor and PJ and shall not be deemed to create any rights in any other person, including any recipient. No recipient shall have the right to make claim that she or he is a third-party beneficiary of this Agreement or of any of the terms and conditions hereof, which, as among PJ, Owner and Sponsor, may be waived at any time by mutual agreement among PJ, Owner and Sponsor.

32. Waiver

Any waiver by either party of any provision of this Agreement shall not imply a subsequent waiver of that or any other provision.

33. Severability

In the event any provision herein shall be deemed invalid or unenforceable, the remaining provisions shall continue in full force and effect and shall be binding upon the parties to this Agreement.

34. Entire Agreement

This Agreement, including all exhibits and all documents incorporated by reference, constitutes the entire Agreement between parties and supersedes all

prior written and oral agreements and negotiations between the parties relating to the subject matter hereof.

35. Authorization to Execute Agreement

The Owner and Sponsor represent to PJ that the execution of this Agreement has been duly and fully authorized by their governing body or board, that the officers of the Owner and Sponsor who executed this Agreement on its behalf are fully authorized to do so, and that this Agreement will constitute and be the binding obligation and agreement of the Owner and Sponsor in accordance with the terms and conditions thereof.

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and date first above shown.

CITY OF DULUTH

By \_\_\_\_\_  
Mayor Date

\_\_\_\_\_  
By \_\_\_\_\_ Date \_\_\_\_\_

Its \_\_\_\_\_

IRS Tax ID No. \_\_\_\_\_

Attest::

\_\_\_\_\_  
City Clerk Date

Countersigned:

\_\_\_\_\_  
By \_\_\_\_\_ Date \_\_\_\_\_

Its \_\_\_\_\_

\_\_\_\_\_  
City Auditor Date

IRS Tax ID No. \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
City Attorney Date