

Exhibit A

**FUNDING AGREEMENT
BETWEEN
CHURCHES UNITED IN MINISTRY
AND THE CITY OF DULUTH**

THIS AGREEMENT, effective as of the date of attestation thereto by the city clerk (“Effective Date”) is entered into by and between the CITY OF DULUTH, a Minnesota municipal corporation (the “City”), and CHURCHES UNITED IN MINISTRY, a Minnesota non-profit corporation, acting as fiscal sponsor for STEPPING ON UP, (the “Grantee”).

WHEREAS, the City desires to provide \$150,000 (the “grant”) to Grantee, to fund public infrastructure needs related to homelessness specifically outdoor living zones established on private property and warming centers.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties agree as follows:

1 AWARD. The City awards the grant to Grantee for the purpose of providing infrastructure assistance for outdoor living zones on private property and warming centers in the city of Duluth, subject to the requirement of Section 9, Administrative Requirements.

2. PERFORMANCE. The Grantee must comply with all requirements applicable to the City. If the City finds that there has been a failure to comply with the provision of this Agreement, the City may take action to protect its interest, 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’s Chief Administrative Officer after written notice by the City, the City may terminate this Agreement.

3. TERM. The term of this Agreement shall be from the Effective Date through July 31, 2024, unless terminated pursuant to Section 6. All payment requests must be received at least 45 days prior to said term end date. The City is not obligated to pay any cost incurred thereafter.

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

A. The Grantee must have provided the City with evidence of compliance with the insurance requirements of Section 8(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. The City will pay Grantee under this Agreement a total amount not to exceed \$150,000 payable from Fund 110-700-7450-5310. Invoices may be submitted on a monthly basis or other timeframe approved in writing by the Chief Administrative Officer, but must be submitted at a mid-point, and at the conclusion of this Agreement. Payment for services will be sent within 45 days of receipt of invoice. A final invoice must be submitted to the City by July 31, 2024.

6. **TERMINATION.** City may, by giving seven (7) days written notice, terminate this Agreement with or without cause.

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

City: City of Duluth
Noah Schuchman
Chief Administrative Officer
411 W. 1st Street, RM
Duluth, MN 55802

GRANTEE: Churches United in Ministry
Attn: John Cole, Executive Director
102 W. 2nd St.
Duluth, MN 55802

8. **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. The City is exempt from payment of all unemployment compensation, FICA, retirement, life and/or medical insurance and workers' compensation insurance because the Grantee is an independent contractor.

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.

9. 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 grant; 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 its 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.

E. Expenditures. Grantee shall document all expenditures made under this agreement. Expenditures related to personnel shall conform to the documentation provided by grantee under funding previously granted to Grantee through the City's CDBG program. Non-personnel expenditures shall be dedicated solely to the intent of Section 1, Award. Grantee shall maintain documentation conforming to typical standards of the United States Department of Housing and Urban Development related to all persons receiving services under this Agreement.

10. 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 is 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.

11. 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

CHURCHES UNITED IN MINISTRY

By: _____

Mayor

Attest:

City Clerk

Date Attested: _____

Countersigned:

City Auditor

As to form:

City Attorney

By _____

Its: Executive Director

By: _____

Its: _____