

## COVID-19 EMERGENCY GRANT AGREEMENT

This Grant Agreement (“Agreement”) is made this \_\_ day of \_\_\_\_\_, 2020, between the City of Spring Lake Park, a municipal corporation and political subdivision of the State of Minnesota (“Grantor”), and \_\_\_\_\_, a Minnesota \_\_\_\_\_ (“Grantee”).

### RECITALS

A. Grantor has duly established its COVID-19 Emergency Grant Program (the “Program”) and has approved policy and guidelines for said Program (the “Program Guidelines”).

B. Grantee has submitted an application for a grant (the “Grant Application”) pursuant to the Program Guidelines, and Grantor has approved a grant to the Grantee in the maximum principal amount of \$ \_\_\_\_\_ (the “Grant”) to pay a portion of the costs of qualifying expenditures under the Grant Guidelines as set forth in the Grant Application, in connection with Grantee’s \_\_\_\_\_ business located at \_\_\_\_\_ in the City of Spring Lake Park, Minnesota (the “City”) (the “Grant Activities”).

C. The Grantor and Grantee have negotiated the terms of the Grant, and now desire to memorialize such terms in this Agreement.

ACCORDINGLY, to induce Grantor to make the Grant to Grantee, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Grant Amount. Subject to and upon the terms and conditions of this Agreement, the Program Guidelines, and the Grant Application (together, the “Grant Documents”), Grantor agrees to grant to Grantee the sum of \_\_\_\_\_ and no/100ths Dollars (\$ \_\_\_\_\_). Proceeds of the Grant shall be disbursed for the Grant Activities approved pursuant to the Grant Documents in accordance with Section 2 hereof.

2. Disbursement of Grant Proceeds.

(a) All Grant proceeds shall be paid to Grantee in accordance with the terms and conditions of the Grant Documents. Notwithstanding anything to the contrary herein, any costs of the Grant Activities exceeding the amount to be reimbursed under this Agreement shall be the sole responsibility of the Grantee.

(b) On the date of closing on the Grant, all Grant proceeds shall be disbursed to the Grantee. The disbursement of proceeds of the Grant will be made subject to the conditions precedent that prior to or as of the date of disbursement:

(i) The Grantor has received from Grantee, without expense to Grantor, an executed copy of this Agreement;

(ii) Grantee is in compliance with the terms of the Grant Documents.

3. Representations and Warranties. Grantee represents and warrants to Grantor that:

(a) Grantee is duly authorized and empowered to execute, deliver, and perform this Agreement and to receive the Grant from Grantor.

(b) The execution and delivery of this Agreement, and the performance by Grantee of its obligations under the Grant Documents, do not and will not materially violate or conflict with any applicable provision of law and do not and will not materially violate or conflict with, or cause any default or event of default to occur under, any material agreement binding upon Grantee.

(c) The execution and delivery of this Agreement has been duly approved by all necessary action of Grantee, and this Agreement has in fact been duly executed and delivered by Grantee and constitutes its lawful and binding obligation, legally enforceable against it.

(d) Grantee warrants that it shall keep and maintain books, records, and other documents relating directly to the receipt and disbursements of Grant proceeds and that any duly authorized representative of Grantor shall, with reasonable advance notice, have access to and the right to inspect, copy, audit, and examine all such books, records, and other documents of Grantee pertaining to the Grant until the completion of all closeout procedures and the final settlement and conclusion of all issues arising out of this Grant.

(e) Grantee warrants that to the best of its knowledge, it has fully complied with all applicable state and federal laws reasonably relevant to this Agreement and will continue to comply throughout the terms of this Agreement. If at any time Grantee receives notice of noncompliance from any governmental entity, Grantee agrees to take any necessary action to comply with the state or federal law in question.

(f) Grantee warrants that it will use the proceeds of the Grant made by Grantor solely for the Grant Activities, and that within 90 days after the date of this Agreement, Grantee shall provide to Grantor, in writing, a brief report in substantially the form included in the Grant Application, specifying how the entirety of the Grant funds have been utilized and providing evidence in the form of paid invoices, statements, or similar. At the time of that report, any unused portion of the Grant shall be returned to Grantor.

4. No Business Subsidy. The parties agree that the Grant is not a business subsidy as defined in Minnesota Statutes, Sections 116J.993 to 116J.995, as amended (the “Business Subsidy Act”), because the assistance is in an amount less than \$150,000.

5. Event of Default by Grantee. The following shall be Events of Default under this Agreement:

(a) failure to complete any part of the Grant Activities within 60 days after the date of this Agreement;

(b) any representation or warranty made by Grantee herein is false when made;

(c) any material breach or failure of Grantee to perform any material term or condition of this Agreement not specifically described as an Event of Default in this Agreement and such breach or failure continues for a period of thirty (30) days after Grantor has given written notice to Grantee specifying such default or breach, unless Grantor agrees in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Grantor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Grantee within the applicable period and is being diligently pursued until the Event of Default is corrected, but no such extension shall extend the period for corrective action beyond the date that is ninety (90) days from the original notice of default or breach, and no extension shall be given for an Event of Default that can be cured by the payment of money (i.e., payment of taxes, insurance premiums, or other amounts required to be paid hereunder).

6. Grantor's Remedy upon Grantee's Default. Upon an Event of Default by Grantee and after provision by Grantor of written notice, Grantor shall have the right to suspend or terminate its performance under this Agreement and demand reimbursement of the Grant funds. In addition, Grantee will be ineligible for future grants under the Program.

7. Indemnification.

(a) Grantee shall and does hereby agree to indemnify Grantor against and to hold Grantor, and its officers, agents, and employees, harmless of and from any and all liability, loss, or damage that Grantor may incur, directly or indirectly, under or by reason of this Agreement, and of and from any and all claims and demands whatsoever that may be asserted against Grantor by reason of any alleged failure to comply with the obligations or undertakings on Grantee's part to perform or discharge any of the terms, covenants, or agreements contained herein.

(b) This indemnification and hold harmless provision shall survive the execution, delivery, performance and termination of this Agreement and the payment by Grantor of any portion of the Grant.

(c) Nothing in this Agreement shall constitute a waiver of or limitation on any immunity from or limitation on liability to which Grantor is entitled under law.

8. Miscellaneous.

(a) Waiver. The performance or observance of any promise or condition set forth in this Agreement may be waived, amended, or modified only by a writing signed by Grantee and Grantor. No delay in the exercise of any power, right, or remedy operates as a waiver thereof, nor shall any single or partial exercise of any other power, right, or remedy.

(b) Assignment. This Agreement shall be binding upon the parties, their successors, and assigns. All rights and powers specifically conferred upon Grantor may be transferred or delegated by Grantor to any of its successors and assigns. Grantee's rights and

obligations under this Agreement may be assigned only when such assignment is approved in writing by Grantor; except that if such assignment is made to a wholly-owned affiliate or subsidiary of Grantee, Grantee may assign any of its rights or obligations to such wholly-owned affiliate or subsidiary upon written notice to the Grantor.

(c) Governing Law, Venue. This Agreement is made and shall be governed in all respects by the laws of the state of Minnesota. Any disputes, controversies, or claims arising out of this Agreement shall be heard in the state or federal courts of Anoka County, Minnesota, and all parties to this Agreement waive any objection to the jurisdiction of these courts, whether based on convenience or otherwise.

(d) Severability. If any provision or application of this Agreement is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications that can be given effect, and this Agreement shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby.

(e) Notice. All notices required hereunder shall be given by depositing in the U.S. mail, postage prepaid, certified mail, return receipt requested, to the following addresses (or such other addresses as either party may notify the other):

To Grantor:                      City of Spring Lake Park  
    1301 81st Avenue NE  
    Spring Lake Park, MN 55432  
    Attn: Administrator, Clerk/Treasurer

To Grantee:

Attn: \_\_\_\_\_

(f) Termination. Upon receipt by the Grantor of Grantee's written report on Grantee's expenditure of Grant proceeds as described in paragraph 3(f) of this Agreement, Grantor shall verify Grantee's compliance with the terms of the Grant Documents. If Grantee's submission is found not to comply, Grantor shall provide notice of the same to Grantee and a reasonable opportunity to cure. If Grantee's submission is found to comply with the Grant Documents, this Agreement shall terminate and neither party shall have any further obligation to the other, except that Grantee's obligations under paragraph 7 "Indemnification" shall survive termination of this Agreement.

(g) Entire Agreement. This Agreement, together with the Grant Documents, which are incorporated by reference, constitutes the complete and exclusive statement of all mutual understandings between the parties with respect to this Agreement, superseding all prior or contemporaneous proposals, communications, and understandings, whether oral or written, concerning the Grant.

(h) Headings. The headings appearing at the beginning of the several sections contained in this Agreement have been inserted for identification and reference purposes only and shall not be used in the construction and interpretation of this Agreement.

(i) Compliance with Minnesota Government Data Practices Act. The parties acknowledge that Grantor is a public entity, bound by the Minnesota Government Data Practices Act (Minnesota Statutes Chapter 13) and Grantee agrees to cooperate with and reasonably assist Grantor in fulfilling its obligations under the same as it may apply to any information exchanged as a part of the Grant Documents or related thereto.

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the proper officers thereunto duly authorized on the day and year first written above.

GRANTOR: CITY OF SPRING LAKE PARK

By:

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Robert Nelson  
Mayor

By:

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Daniel R. Buchholtz  
Administrator, Clerk/Treasurer

**[SIGNATURE PAGE TO GRANT AGREEMENT – GRANTOR]**

GRANTEE:

\_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

**[SIGNATURE PAGE TO GRANT AGREEMENT – GRANTEE]**