

Adopted – 01/17/2023     **ADMINISTRATION CONTRACT WITH  
SOUTHEASTERN MINNESOTA MULTI-COUNTY  
HOUSING AND REDEVELOPMENT AUTHORITY**

This contract, for Administrative Services, is between the City of Cannon Falls, (hereinafter referred to as the "City") and the Southeastern Minnesota Multi-County Housing and Redevelopment Authority, (hereinafter referred to as the "HRA").

**WITNESSETH:** In consideration of the mutual covenants and agreements contained herein, the City and the HRA agree as follows:

1. The term of this contract is from April 20, 2021, through until such date the program shall close.
2. In consideration of financial reimbursement to be made specifically described below and in accordance with the City of Cannon Falls' 2022 Small Cities Development Program for Housing Rehabilitation, Grant Number CDAP-21-0054-O-FY23 attached hereto as Exhibit A, the HRA agrees to act as the Administering Agent for the City, which will receive monies from the Minnesota Department of Employment and Economic Development, (hereinafter referred to as the "DEED").
3. The City shall reimburse to the HRA an amount not to exceed \$659,425.00, which shall be federal funds appropriated to the State of Minnesota under the Community Development Block Grant Program to conduct a single purpose program. The HRA shall perform the activities that are specified under special conditions within the Grant Agreement during the period from April 20, 2021 through until such date the program shall close in accordance with all applicable provisions of Title One of the Housing and Community Development Act of 1974, as amended, its implementing regulation particularly federal statutes identified entitled twenty-four (24) of the Code of Federal Regulations, Part 570, again, "Implementation Manual" provided by DEED and all applicable state and federal laws. SEMMCHRA agrees that it will comply with all the terms and conditions of the State Contract (Exhibit A).
4. **Project Planning.** The HRA will coordinate the preparation of plans, specifications, contracts, budgets and other agreements in a consistent manner with applicable state and federal laws and regulations for all project activities.
5. **Implementation.** The HRA will implement programs authorized under the Small Cities Development Program Grant, within the respective limitations of the grant monies provided and/or in accordance with the state and federal requirements. The following activities include:
  - A. Single family and commercial rehabilitation. The HRA will develop rehabilitation program guidelines and implement them in accordance with federal and state standards. This would include, but not be limited to, environmental review, labor standards compliance, determination of eligibility, dwelling unit inspection, rehabilitation work write-up, assistance to property owners in obtaining bids, appraisals, inspections during construction, certification completion for contractor completion of work, and reporting.
  - B. Administration/Planning/Management. The HRA will be responsible for program accounting, environmental reviews, reporting and monitoring project progress.
6. **Coordination of Other Rehabilitation Programs within the Project Area.** The HRA will coordinate other applicable rehabilitation programs in the project area, such as the Minnesota

Housing Finance Agency's Home Improvement Loan Program.

7. Financial Record Keeping and Control. The HRA will keep complete and accurate records of all claims and disbursements in accordance with the following procedures:
  - A. Program Status Reports. The HRA shall prepare and maintain program status reports, including records of individual activities and program recipients in the form and manner required by DEED.
  - B. Financial Status Reports. For all expenditures of funds made pursuant to this agreement, the HRA shall keep financial records, including properly executed payrolls, time records, invoices, contracts, receipts, vouchers and other documents sufficient to evidence in proper detail the nature and propriety of the expenditure. For all personnel compensated out of such funds, the HRA shall keep time distribution records which identify each individual compensated by name and indicate the calendar dates and number of hours each day for which the individual was compensated by the source of such compensation. These time records must be signed by both the individual and the supervisor. A written record shall also be maintained that clearly indicates the amount of vacation, personal leave and compensatory time earned and taken. For contracts with individual consultants, invoices for payments must state that the work performed and invoiced is in accordance with the terms of the Consultant Contract. Furthermore, these invoices must also state the calendar dates and number of hours of each day for which the consultant is requesting compensation. Accounting methods for this program will meet the standards set forth in Common Rule "Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments".
  - C. Reporting. The HRA shall submit program status reports and financial status reports to the City for each month of the term of this contract. A final program status report shall be submitted following the 90-day liquidation period. The HRA shall submit to the City, annually, a narrative progress report. This report will be received by the city on or before the last day of October, which follows a report period. A final project report will be submitted at the close-out of the grant. The HRA shall promptly submit other reports as the City shall reasonably request.
  - D. Audit and Inspection. The HRA shall furnish the City and DEED with an acceptable independent audit prepared in compliance with the Single Audit Act. The audit must be submitted within 30 days after the completion of the audit, but no later than one year after the end of the audit period.

Accounts and records related to the funds provided under this Agreement shall be accessible to authorized representatives of the Grantor for the purposes of examination and audit. In addition, Grantee will give the State of Minnesota, Minnesota Department of Employment and Economic Development, Legislative Auditors, State Auditor's Office and the Comptroller General of the United States, through any authorized representative, access to and the right to examine all records, books, papers or documents related to the grant.
  - E. Financial Closeout. Payments made under the terms of this Agreement shall not exceed the amount of funds awarded under the Grant Agreement. The HRA shall liquidate all unpaid obligations relating to the project which were incurred on or before the last day of the grant within 90 days immediately following the expiration of the grant period.

8. The HRA will perform all those tasks, which the city has agreed to perform in the SCDP Grant Agreement, which is hereto attached as Exhibit B.
9. For the purposes of this contract, the HRA shall be deemed an independent contractor and not an employee of the City. Any and all employees of the HRA or other persons while engaged in the performance of any work or services required by the HRA under this contract, shall not be considered employees of the City; and any and all claims that may or might arise on behalf of said employees or the HRA shall in no way be the obligation or responsibility of the City.
10. It is further agreed that the HRA shall defend and save the City harmless from any claims, demands, actions, or causes of action arising out of any act or admission on the part of the HRA, its agents, servants, or employees in performance of, or with relation to, any of the work or services provided to be performed or furnished by the HRA under the terms of this contract.
11. The HRA shall not assign any interest in this contract and shall not transfer any interest in the same, whether by assignment, subcontract or novation, without the prior written consent of the City.
12. Any alteration, variation, modification or waiver of the provisions of this contract shall be valid only after it has been reduced in writing, duly signed by both parties and attached to the original of this contract.
13. The waiver of any of the rights and/or remedies arising under the terms of this contract on any one occasion by either party hereto shall not constitute a waiver of any rights and/or remedies in respect to any subsequent breach or default of the terms of this contract. The rights and remedies provided or referred to under the terms of the agreement are cumulative and not mutually exclusive.
14. This contract, as well as Exhibit A and B, which are attached hereto, and incorporated herein by reference, shall constitute the entire agreement between the parties and shall supersede all prior oral or written negotiations.
15. The City shall have full access to all records relating to the performance of this agreement.
16. In performing the provisions of this contract, the HRA agrees to comply with all Federal, and State Laws and all applicable rules, regulations or standards established by any agency of such governmental units, which are now or hereafter promulgated.
17. In consideration of the prompt and efficient carrying out of the above, DEED shall reimburse the HRA dollar for dollar, for its administrative and project related costs in carrying out the above activities up to an amount not to exceed the maximum amount allowable as specified by DEED during the term of the contract said monies to come solely from the \$659,425.00 totally available to the City of Cannon Falls' 2022 Small Cities Development Program for Housing Rehabilitation and monies actually received by the City. Accurate records of administrative costs shall be kept by the HRA. For the purposes of this contract, administrative and project related costs are defined as follows:
  - A. Salary costs actually incurred by the HRA for time expended in all phases of the project.
  - B. Mileage, supplies, and publication costs.

- C. Proportionate share of allowable overhead expenses figured on a time extended basis, according to the HRA's approved indirect cost allocation plan.
  - D. Costs incurred by the attendance at applicable Small Cities Development Conferences within the term of this contract, including registration fees and travel expenses. Conference attendance shall be for the purpose of gaining additional information on community development, regulations and program implementation.
  - E. The DEED shall disburse funds to the HRA pursuant to the Agreement, based upon a payment request submitted by the HRA and reviewed and approved by the DEED. Payment requests shall be reviewed and processed on a bi-monthly basis to DEED.
18. Should any of the above provisions be subsequently determined by a court of competent jurisdiction to be in violation of any federal or state laws or to be otherwise invalid, both parties agree that only those provisions so adjudged shall be invalid and that the remainder of this contract shall remain in full force and effect.
19. Antitrust. Contractor (HRA) hereby assigns to the State of Minnesota any and all claims for overcharges as to goods and/or services provided in connection with this contract resulting from antitrust violations, which arise under the antitrust laws of the United States and the antitrust laws of the State of Minnesota.
20. The City reserves the right to terminate this contract if the HRA fails to perform any of the provisions hereof. Such termination shall occur thirty-(30) days after the HRA's receipt of written notice specifying the grounds thereof, unless, prior to the date, the HRA has cured the alleged non-performance of the provisions of this contract. In the event that the project is terminated or that the grant funds are withdrawn for any reason by the State, the City may terminate this contract without penalty or obligation upon giving thirty-(30) days written notice to the HRA.
21. Special Administrative Provisions. All records pertaining to this Agreement shall be maintained by the HRA for a period of at least ten (10) years after the expiration of the term of this Agreement.

The HRA further understands and agrees that it shall be bound by Minnesota Statutes on data privacy with respect to "data on individuals" which collects, receives, stores, uses, creates or disseminates, pursuant to this Agreement.

**NOTICE OF CONTRACTOR (HRA):** You are required by Minnesota Statutes, 1982, Section 270.66 to provide your Social Security Number or Minnesota Tax Identification Number if you do business with the State of Minnesota. This information may be used in the enforcement of federal and state tax laws. Supplying these numbers could result in action to require you to file state tax returns and pay delinquent state tax liabilities. This contract will not be approved unless these numbers are provided. These numbers will be available to federal and state tax authorities and state personnel involved in the payment of state obligations.

Minnesota Tax ID: 8021053

Federal Tax ID: 41-6005032

**IN WITNESS WHEREOF**, the parties hereto have caused this contract to be duly executed.

**SOUTHEASTERN MINNESOTA MULTI-COUNTY  
HOUSING AND REDEVELOPMENT AUTHORITY**

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Buffy J. Beranek, Executive Director

**CITY OF CANNON FALLS, MINNESOTA**

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Matt Montgomery, Mayor

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Neil L. Jensen, City Administrator

**CITY OF CANNON FALLS  
GOODHUE COUNTY, MINNESOTA**

**RESOLUTION NUMBER 2672**

**A RESOLUTION TO ENTER INTO AN ADMINISTRATIVE CONTRACT WITH THE  
SOUTHEASTERN MINNESOTA MULTI-COUNTY HOUSING AND  
REDEVELOPMENT AUTHORITY**

**WHEREAS** the City of Cannon Falls (hereinafter referred to as the "City"), has secured funding under Title I of the Housing and Community Development Act of 1974 through the Minnesota Department of Employment and Economic Development's (hereinafter referred to as "DEED"), Small Cities Development Program (SCDP); and

**WHEREAS**, the City has entered into a contract with DEED for the Project entitled City of Cannon Falls Housing Rehabilitation Project, Grant Number CDAP-21-0054-O-FY23, dated April 20, 2021, through until such date the program shall close; and

**WHEREAS** the City does not currently have staff capability to perform all the requirements necessary for the delivery of the City of Cannon Falls' 2022 Small Cities Development Program for Housing Rehabilitation and

**WHEREAS** the Southeastern Minnesota Multi-County Housing and Redevelopment Authority (hereafter referred to as the "HRA") has the ability to perform all of the activities required under the contract entitled City of Cannon Falls Housing Project, Grant Number CDAP-21-0054-O-FY23, dated April 20, 2021, through until such date the program shall close.

**NOW THEREFORE BE IT RESOLVED** that the Cannon Falls City Council hereby agrees to enter into an Administrative Contract with the HRA, effective on January 17, 2023.

Motion Made By: \_\_\_\_\_

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

Date: \_\_\_\_\_

\_\_\_\_\_  
By: Matt Montgomery, Mayor

ATTEST: \_\_\_\_\_  
Neil L. Jensen, City Administrator

I do hereby certify that at a regular meeting of the Cannon Falls City Council on the 17th day of January, 2023, at which a majority of all the members of said Council were present, the foregoing resolution was unanimously adopted.

(Seal)

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Neil L. Jensen, City Administrator