TO: **MAYOR AND CITY COUNCIL**

FROM: **JON RADERMACHER, City Administrator**

SUBJECT: **2026 CEDA – Community Development Contract**

MEETING DATE: **December 2, 2025**

BACKGROUND

The City EDA has contracted with Community and Economic Development Associates (CEDA) for our Community Development staff, and we have the option to renew the contract every year. The EDA has approved the renewal of the contract for 2026 in the amount of $74,572, and this has been incorporated in the preliminary and final budget. I feel the contract has been a great partnership, and the City is benefitting well from the services that we receive from Laura Qualey.

STAFF RECOMMENDATION

Ratify and confirm the contract renewal with CEDA for 2026.

REQUESTED COUNCIL ACTION

Motion to approve the 2026 Contract Renewal with CEDA, ratifying and confirming the approval of the Cannon Falls EDA on November 6, 2025.

1500 South Hwy 52
PO Box 483
Chatfield, MN 55923
Phone - 507.867.3164
www.cedausa.com

Contract for Professional Services

This contract is made and entered into by Community and Economic Development Associates, a Minnesota nonprofit corporation exempt from income tax as an organization operated for charitable purposes within the meaning of Internal Revenue Code section 501(c)(3), hereafter "CEDA", and the City of Cannon Falls, an agency or affiliate of a political subdivision of the State of Minnesota, hereafter "the Authority", to define the terms by which CEDA shall provide technical and management expertise services to the Authority.

I. <u>Agreement scope and purpose.</u> The Authority hereby retains CEDA to perform to its benefit the services described in paragraph II, to the end of the Authority more effectively accomplishing:

* Prevention and/or combat of community and neighborhood deterioration and revitalization of deteriorated neighborhoods;
* Attraction and/or retention of businesses that would not, but for the assistance provided, choose to locate/remain in the area;
* The securing of businesses who will be required to provide jobs for unemployed and underemployed residents of the community; and
* The expansion of business opportunities for minority entrepreneurs and other entrepreneurs that are viable business opportunities to enhance the well-being of the community and/or for businesses who are unable to obtain financing from conventional sources

II. <u>Services to be provided by CEDA.</u> CEDA agrees to provide technical and management expertise in the form of staff and materials to the Authority on an as needed basis as directed by the Authority. Staff's services and associated materials, will be provided in order to facilitate and support the accomplishment of the Authority's undertakings to the ends described in the preceding paragraph. CEDA's staff and materials shall be made available toward efforts in the following specific arenas of the Authority's needs and operations:

* Grant Writing
* Business networking/marketing/discussion
* Local Foods - Cannon Roots
* Continue to work on housing projects
* Serve as staff to the EDA Board of Directors working on EDA projects as directed

III. <u>Obligations of the Authority.</u>

A. The Authority shall reimburse CEDA for staff time provided at the rate of $74,572 not to exceed annually. This is based on an average of twenty-four hours per week
B. The Authority shall be responsible to provide payment to CEDA within 30 days of the submission of each invoice provided by CEDA.

IV. <u>Obligations of CEDA.</u>

A. CEDA is performing services as an independent contractor. Accordingly, the provision of staff by CEDA to provide technical and management expertise to the Authority under this Agreement neither

CEDA
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creates a release of CEDA staff to employment at the Authority nor makes such staff subject to supervision by the Authority.

B. CEDA has no authority or right, express or implied, to assume or create any obligation or responsibility on behalf of the Authority or to bind the Authority in any manner. CEDA will not represent the contrary, either expressly or implicitly, to anyone.

C. CEDA is solely responsible for payroll tax responsibilities related to each of its staff persons whose time is provided under this Agreement and shall acquire and maintain necessary insurance related to their efforts under this Agreement, including carrying workers' compensation insurance coverage at all times. If requested, CEDA shall supply the Authority with certification of such coverage.

D. CEDA shall be responsible to invoice the Authority for staff time and materials provided under this Agreement on a periodic basis, no less frequently than quarterly. Invoicing will be kept separate for each project for tracking and billing purposes.

E. CEDA shall perform all services under this Agreement in compliance with applicable state and federal requirements.

V. Period/Termination. The term of this Agreement is through December 31, 2026, commencing January 1, 2026. The Agreement may be terminated earlier in its term upon 30 days' written notice by CEDA to the Authority or by the Authority to CEDA. Upon termination, the Authority shall be liable to pay CEDA for services performed at $74,572 per year and materials provided under this Agreement prior to and through the effective date of termination, unless otherwise specifically agreed by the parties in writing.

VI. Construction of Agreement. This Agreement is to be performed and construed under Minnesota law, and supersedes any and all prior agreements and contains the entire agreement of the parties.

CITY OF CANNON FALLS

By _____

Its _____

Date _____

By _____

Its _____

Date _____

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COMMUNITY AND ECONOMIC DEVELOPMENT ASSOCIATES

By ___ _____

Its _CEO/President_____

Date _October 23, 2025_____