

CITY OF TOPEKA, KS

Contract No. 34624

GRANT AGREEMENT

THIS AGREEMENT, made and entered into this 16th day of September, 2004 by and between **Growth Organization of Topeka Shawnee County, Inc.**, hereinafter called the "Subgrantee" and the **City of Topeka**, Kansas, a duly organized municipal corporation, hereinafter called the "City".

WHEREAS, the Subgrantee has requested and desires to receive from the City of Topeka, \$2,083.33 per month of Community Development Block Grant funds (CDBG) to be provided during a project period commencing March 1, 2004 and continuing through December 31, 2005 for the purpose of providing a revolving Micro Business Loan Program.

WHEREAS, said City is desirous of granting \$2,083.33 per month of CDBG funds to Subgrantee for the purposes hereinafter described in more detail.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

1. The City agrees to grant \$ 2,083.33 per month from CDBG funds to the Subgrantee to provide the following services more fully described in the document attached hereto as Appendix A, and collectively hereinafter referred to as "services":
 - A. Provide assistance and counseling services to Micro Business Loan Program applicants; who shall be low-moderate income persons in Topeka,
 - B. Create jobs for low-moderate income persons in Topeka.
 - C. Provide a program administrator.
 - D. Coordinate program marketing.

Services shall include, but not be limited to, making verbal presentations, developing and distributing all documents and forms, initial screening of program applicants, and assisting with financial counseling to prospective applicants and facilitating program mentors. Said grant proceeds shall be used to provide services exclusively within the corporate limits of the City of Topeka, Kansas.

2. The City agrees to appoint a Coordinator herein referred to as "Coordinator", who shall review all expenditures of the Subgrantee made from grant proceeds; and shall report to the Director of the Department of Housing & Neighborhood Development of the City of Topeka.

The City agrees to provide office space, where the program administrator will administer the Micro Business Loan Program for a minimum of 1,000 hours per year.

3. The City shall retain exclusive right over the CDBG portion of the Micro Business Loan funds, including, but not limited to, all deposits, withdrawals, interest earned or reserves established in conjunction with the revolving Micro Business Loan Program.

4. The following terms and conditions shall apply to this grant from the City to the Subgrantee:

A. The Subgrantee agrees to appoint a Project Director who shall be responsible to the City for accounting for the expenditures from the grant proceeds.

B. The Subgrantee represents that it has all necessary personnel required to fulfill the purposes. Such personnel shall not be employees of the City or have any contractual relationship of any kind with the City. All of the purposes set forth herein will be performed by the Subgrantee or under its supervision and all personnel engaged in the work shall be fully qualified and shall be authorized under state and local law to perform such services.

C. In carrying out the terms and provisions of this Grant Agreement, the Subgrantee will not discriminate against any employee, applicant for employment, recipient of service, or applicant to receive services because of race, color, religion, sex, age, disability, or national origin. The Subgrantee shall take affirmative action to insure that applicants for employment, employees, applicants for service and recipients of service are treated equally and fairly without regard to their race, color, religion, sex, age, disability, or national origin. The Subgrantee shall in all solicitations or advertisements for employees or of services, placed by or on behalf of the Subgrantee, state that all qualified applicants shall receive consideration for employment or services without regard to race, color, religion, sex, age, disability, or national origin. The advertisement shall also state funds for the services are furnished in whole or in part by the City of Topeka.

D. The Subgrantee shall not assign any interest in the Grant Agreement and shall not transfer any interest in the same, whether by assignment or notation. Subgrantee may pledge grant proceeds to a bank, trust company, or to other financial institution upon

written consent of the City thereto, which consent shall contain a specific dollar amount so pledged.

E. The Subgrantee covenants that its Board of Directors and employees presently have no interest and shall not acquire any interest, direct or indirect, which conflict in any manner with the performance of services required to be performed under this Grant Agreement. Subgrantee agrees that its Board of Directors and employees presently have no interest and shall not acquire any interest which will impair the abilities of the board members and employees to perform the services required by this Grant Agreement in a proper and impartial manner. The Subgrantee further covenants that in the performance of this Grant Agreement, no person having such interests shall be employed. It is explicitly understood by Subgrantee that in no event shall a board member be employed by Subgrantee in any capacity.

F. Subgrantee shall establish and maintain records with respect to all matters covered in this Grant Agreement in accordance with the following provisions:

- (1) Documentation of Costs. All costs shall be supported by properly executed payrolls, time records, invoices, contracts, or vouchers or other official documents evidencing in proper detail the nature and propriety of the charges.
- (2) Information and Reports. The Subgrantee shall at such time and in such form as the Coordinator may require, furnish to the Coordinator, such statements, records, reports, data and information as may be requested pertaining to matters covered by this Grant Agreement.
- (3) Audits and Inspections. The Subgrantee shall at any time during normal business hours make available to the Coordinator or other designated agent of the City all of its records with respect to all matters covered by this Grant Agreement. Further, such audits and inspections shall not be limited in number or scope.
- (4) Availability of Records. Financial and project records, necessary supporting data, and programmatic reports as requested by the Coordinator shall be maintained and available for a period of at

least five [5] years after completion of this Grant Agreement. The Subgrantee shall guarantee to cover and be responsible for any deficiencies in services performed or funds expended from funds granted under this agreement.

G. The Subgrantee shall provide reports, at least quarterly on the number of families and/or individuals serviced under this program. Reports shall include sex, race, and other information as may be requested by the Coordinator.

H. Grant proceeds and any program income which is retained by the Subgrantee shall only be used to fund the activities contemplated under the terms of this Grant Agreement. Grant proceeds retained by the Subgrantee shall be subject to the same terms of this Grant Agreement as the original grant made pursuant to this Grant Agreement. If the Subgrantee ceases to provide services under Grant Agreement, all grant proceeds and any program income in hand shall be paid to the City of Topeka immediately.

5. The parties mutually agree that no expenditures shall be made from grant funds except as specified in the budget submitted by the Subgrantee, approved by the Director of the Department of Housing & Neighborhood Development of the City of Topeka, attached hereto as Appendix "B", and incorporated into this Agreement as if fully set forth herein.

6. The Parties agree that the City of Topeka shall have absolute and unqualified authority to terminate this grant at any time during the duration of the Grant Agreement for failure to produce the services described in Paragraph 1 within the prescribed time frames or for any violation of the terms and condition of this Grant Agreement. If the Subgrantee shall fail to fulfill in a timely manner its obligations under this Grant Agreement, or if the Subgrantee shall violate any of the terms and conditions of this Grant Agreement, then the City upon ten [10] days written notice to the Subgrantee shall exercise its absolute and unqualified authority and terminate the grant. If the Coordinator determines after careful scrutiny of the project that the effectiveness of the project is not sufficient to merit its continuation, the Coordinator shall so report in writing to the City Council. Upon receipt and review of the Coordinator's report, the Council by a majority vote may cancel the grant and no further disbursement of grant proceeds will be authorized. The Coordinator shall provide written notice to Subgrantee of such recommendation ten [10] days prior to consideration of the report by the City Council.

7. The City may require changes in the scope of services of the Subgrantee to be performed hereunder. Such changes, including any increase or decrease in the amount of compensation which are mutually agreed upon by and between the City and the Subgrantee or which may be required by the City hereunder, shall be incorporated by written amendments to this Grant Agreement.

8. No elected official, appointee or employee of the City of Topeka, who exercises any functions or responsibilities in the review or approval of this grant, shall participate in any decision relating to this Grant Agreement which affects his/her personal interest nor shall such person have any personal or pecuniary interest, direct or indirect, in this Grant Agreement or the proceeds thereof.

9. No reports, records, or other documents produced in whole or in part under this grant Agreement shall be the subject of an application for copyright by or on behalf of the Subgrantee or any employees.

10. The Coordinator and the Department of Housing & Neighborhood Development Director shall be notified of all meetings of the Subgrantee's Board of Directors and provided an advance agenda and copies of the official minutes of said meetings.

11. The Subgrantee agrees to hold harmless and indemnify the City of Topeka, and its agents or employees from any and all liability for claims or causes of action of any person, firm or corporation, or of any entity for damages of any type whatsoever that may be sustained or are alleged to be sustained by virtue of any activities carried out by the Subgrantee.

12. The Subgrantee acknowledges receipt of a copy of this Grant Agreement. Two [2] copies of this Grant Agreement are executed, and both shall be deemed an original.

13. This Grant Agreement may be amended by mutual, written agreement of the parties only.

14. The parties agree that the effective date of this Grant Agreement shall be March 1, 2004

IN WITNESS WHEREOF, the City and Subgrantee have executed this Grant Agreement,
as of the day and year first above written.



CITY OF TOPEKA, KANSAS

James A. McClinton

Mayor

ATTEST:

Iris Walker

Iris E. Walker, City Clerk

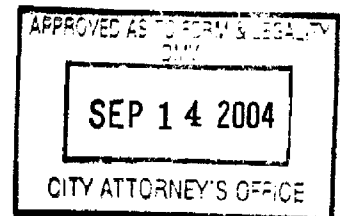
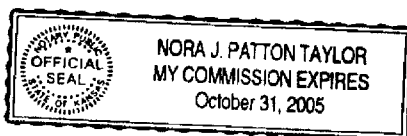
Growth Organization of Topeka Shawnee Co. Inc.

Douglas S. Kinsinger

Douglas S. Kinsinger
President/CEO

ATTEST:

Nora J. Patton Taylor



GO Topeka, GO Connection &
Department of Housing & Neighborhood Development

2004 First Connection Opportunity Fund

Program Statement: To provide a revolving Micro Loan Program that promotes entrepreneurship, self-employment, new business and job creation. The program will target the socially and economically disadvantaged business community in Topeka.

First Connection Opportunity Fund Program is a partnership among GO Topeka, GO Connection and The City of Topeka Department of Housing & Neighborhood Development (HND). The role of GO Topeka/First Connection Opportunity Fund consists of marketing the revolving micro/ small business loan program, and providing assistance and counseling services to program applicants.

Go Topeka/First Connection Opportunity Fund shall provide service on behalf of the City of Topeka Department of Housing & Neighborhood Development, funded with Community Development Block Grant Funds (CDBG). These services shall include, but not be limited to:

- Administer the CDBG Microenterprise revolving loan portion of the First Connection Opportunity Fund, following all U.S. Department of Housing and Urban Development (HUD) rules, regulation and guidelines.
- Provide technical assistance to new or existing Microenterprise or to persons developing a Microenterprise.
- Provide general support to owners of Microenterprise or to persons developing a Microenterprise.

The CDBG funded portion of the First Connection Opportunity Fund shall provide assistance to:

- Owners of and/or persons developing a Microenterprise who are Low/Moderate (L/M) income persons (*or*)
- If the assistance is provided to owners/persons developing a Microenterprise who are not L/M income persons, the Microenterprise shall create a job(s) for an L/M income person(s).

For the purpose of this agreement the following definitions shall apply:

- "Microenterprise" is defined by HUD as a for profit business having five or fewer employees, one or more of whom owns the business.
- "Person developing a Microenterprise" is defined by HUD as any person who has expressed an interest and who is, after an initial screening, expected to be actively working toward developing a business that is expected to be a Microenterprise at the time it is formed.
- "Low/Moderate Income Person" is defined, for the purpose of this agreement, as a person whose household income does not exceed Eighty percent (80%) of median income. HUD determines Median Income annually.

**POSITION DESCRIPTION
GREATER TOPEKA CHAMBER OF COMMERCE/GO TOPEKA**

- Title of Position:** First Connection Opportunity Loan Fund Manager
- Reporting Relationship:**
- Basic Functions:** This position will oversee the development and operations of the micro business loan program (First Connection Opportunity Fund) targeted towards low to moderate income individuals and the socially and economically disadvantaged business community in Topeka and Shawnee County. The individual will be responsible for carrying out and conducting all aspects of the loan process including the identification and recommendation of educational training for entrepreneurs, existing business owners, and new business start-ups which is critical to the success of all business.
- Specific Duties:**
- Become knowledgeable in HUD and SBA rules and regulations as applicable to the micro business loan program.
 - Promote business development among entrepreneurs, as well as new and existing businesses resulting in the creation of new jobs.
 - Provide review and analysis of financial documents, conduct credit background screening, and make recommendations to loan review committee as to possible funding and approval.
 - Maintain communication with borrowers regarding business stability and initiate collection procedures when appropriate.
 - Ability to work with potential financial mentors to be assigned to borrowers to ensure they are financially successful.
 - Maintain microloan policies and procedures.
 - Maintain client demographics (both loan applicants and borrowers) to fulfill reporting criteria to funders.
 - Establish loan orientations and training seminars geared to provide guidance to individuals seeking financial assistance.
 - Prepare and distribute all types of documents including but not limited to policies, RFP's contracts, loan documents, promissory notes, agendas, contact lists, agendas, memos, handouts, training materials, etc.
 - Schedule meetings, prepare and distribute documents, agendas and handouts, etc.
 - Meet with various groups, business organizations and individuals to identify additional sources of funding for micro loans.

Monitor progress on all activities related to the micro loan program on a monthly basis.
Complete and coordinate other tasks and projects as requested by the President of the Chamber of Commerce/GO Topeka and or Vice President of Economic Development.

Contacts:

Chamber, GO Topeka staff members, GO Connection representatives, City of Topeka representatives including Housing and Neighborhood Development representatives. Regular and on-going contact in a team-oriented environment.

Volunteers: Contact with volunteers is extensive including: correspondence, setting appointments, notification of meetings, problem solving, etc.

Customers: Contacts with walk-ins, phone-calls, local business people, scheduled appointments, etc. Requires courteous, professional communications.

Required Qualifications:

Resident of Topeka/Shawnee County

Education

Bachelor's Degree in Business Administration, Marketing, Economics or related experience.

Experience

Minimum of five years work experience in related field such as banking, finance, economic development loans, economic development initiatives, commercial lending to small businesses, program administration.

Job Skills

Ability to perform duties independently and in team settings.

Ability to work with individuals within the economically disadvantaged business community.

Ability to effectively communicate, both orally and in writing.

Ability to be a self-starter, exercise initiative and good professional judgment and be able to prioritize tasks and projects.

Ability to provide technical assistance and advice to individuals seeking assistance.

Ability to handle detailed transactions, multitask, keep detailed records and follow up on commitments.

Strong computer skills-MS Office, Word, Excel Spreadsheet.

Physical Demands:

Must be able to lift files and boxes, operate office equipment and capable of using a keyboard.

The Greater Topeka Chamber of Commerce/GO Topeka is an EOE Employer.

Exhibit B

2004 Proposed Expenditures

The following reflects a monthly expenditure reimbursement request to the City of Topeka to receive grant proceeds from the Community Development Block Grant funds to cover a portion of the costs associated with the Micro Loan Program. These funds will be used to cover a portion of the costs associated with staffing of a Micro Loan Manager and other related costs.

Salary, equipment, and overhead costs of \$2,083.33 on a monthly basis.