

**CONTRACT FOR COMMUNITY LAND TRUST IMPLEMENTATION SERVICES
BY AND BETWEEN THE CITY OF MANKATO AND THE
SOUTHWEST MINNESOTA HOUSING PARTNERSHIP**

THIS CONTRACT for Administrative, Outreach and Training Services related to the implementation of the Partnership Community Land Trust ("PCLT") in the city of Mankato, Minnesota (hereinafter the "Project") is entered into on July 26th 2022, by and between the City of Mankato (hereinafter the "City") and the Southwest Minnesota Housing Partnership (hereinafter the "SWMHP").

WHEREAS, the City supports the creation of a community land trust in the community to assist homebuyers at or below 60% of the Area Median Income (AMI) to acquire and rehabilitate existing affordable single-family home ownership and desires to contract with SWMHP for these services.

WHEREAS, SWMHP is willing to provide these services to the City in accordance with the provisions of this agreement; and,

NOW, THEREFORE, the parties do hereby mutually agree in consideration of the mutual covenants contained herein as follows:

SWMHP agrees to provide the following services:

- A. SWMHP will provide outreach and training to local realtors, lenders and appraisers to ensure that a community land trust will be supported and successful in the community.
 - B. SWMHP will provide outreach and training to prospective PCLT homebuyers to ensure they understand the benefits and differences of homeownership through a community land trust; and, will assist the homebuyers through the purchase and financing of the PCLT home acquisition.
 - C. SWMHP will purchase and facilitate the rehabilitation (for health and safety improvements of up to three (3) single-family homes within the City of Mankato for prospective homebuyers at or below 60% of AMI.
1. Payment for Services and Project Funding. The City hereby agrees to pay the SWMHP in the following manner:

- A. For services rendered for the outreach and training to lenders, appraisers, realtors and prospective homebuyers, and the administrative expenses for the establishment of the community land trust the City shall pay to SWMHP an amount not to exceed \$5,000 per home established in the PCLT. Payment is due upon receipt of an invoice provided to the City from SWMHP.
 - B. For home acquisition support, the City shall provide up to \$83,333 in project write down grant funding per home for up to three (3) homes to be acquired by homeowners into the PCLT at or below 60% of AMI in the city of Mankato corporate limits. Payment is due at the homebuyer's closing on the home.
 - C. For home rehabilitation to address health and safety improvements the City will provide up to \$35,000 of funding per home under the City of Mankato's Owner Occupied Housing Rehabilitation Program Guidelines and Policies. Provided the home is made part of the PCLT, the deferred loan provisions of the City of Mankato's Owner Occupied Housing Rehabilitation Program Guidelines and Policies shall not be required. The City also waives the requirement for the home to be located within a targeted area as required in the City of Mankato's Owner Occupied Housing Rehabilitation Program Guidelines and Policies provided the home is made part of the PCLT.
2. Covenants and Representations by the City. The City covenants and represents that the execution and delivery of this agreement and the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions of this agreement, do not and will not conflict with or result in a breach of any of the term or conditions of any restrictions contained in any agreement or any instrument to which the City is now a party or by which it is bound.
3. Covenants and Representation of the SWMHP. The SWMHP covenants and represents that it is a non-profit corporation, duly organized and existing under the laws of the State of Minnesota and is duly authorized to conduct its activities in the State of Minnesota, has the power to enter into this agreement, and has by proper action authorized the execution and delivery of this agreement. The SWMHP further covenants and represents that the execution and delivery of this agreement and the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereby do not and will not conflict with or result in the breach of any of the terms or conditions of any restriction contained

in any agreement or instrument to which the SWMHP is now a party or by which it is bound or, and do not and will not constitute a default under any of the foregoing.

4. **Termination.** **This agreement shall remain in effect until December 31, 2022.**

This agreement may be terminated with or without cause by either party upon thirty (30) days prior written notice to the other party. In the event that a petition in bankruptcy is filed by or against either the SWMHP, or in the event that either shall make an assignment for the benefit of creditors to take advantage of any insolvency act, either party hereto may immediately terminate this agreement without notice, but prompt advice of such action shall be given to the other party. In the event of a termination the SWMHP shall receive compensation for services provided prior to the date of such termination.

5. **Governing Law.** This agreement shall be construed and interpreted in accordance with the laws of the State of Minnesota.

6. **Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, with proper addresses and indicated below. Any party may, by written notice given to the other party designate any address or addresses to which notices, certificates or other communications to them should be sent when required as contemplated by this agreement. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

City of Mankato

City of Mankato

Attn: Susan MH Arntz, City Manager
10 Civic Center Plaza
PO Box 3368
Mankato, MN 56002-3368

SWMHP:

Southwest Minnesota Housing Partnership
Attn: Chief Executive Officer
2401 Broadway Ave
Slayton, MN 56172

7. **Counterparts.** This agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

8. Captions. The captions or headings of this agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions hereof.
9. Binding Effect. This agreement shall inure to the benefit and shall be binding upon the City and the SWMHP and their respective successors and assigns until this agreement is terminated.
10. Amendment or Waiver of this Agreement. This agreement and every part hereof may not be waived or amended except by a writing executed by the City and the SWMHP.
11. Assignments. This agreement shall inure to the benefit of and constitute a binding obligation upon the SWMHP and the City, and their respective successors and assigns, provided that neither party assign this agreement or any of its duties hereunder without the prior written consent of the other party.
12. Conflict of Interest. The SWMHP will identify, disclose and remove itself from any inspection or consulting activities pertaining to properties owned, managed or controlled by the SWMHP or its affiliate companies or organizations. The City will be solely responsible for ensuring that qualified services are available, in a timely manner, to those identified properties.
13. Independent Contractor. For the purposes of this Contract, the SWMHP shall be deemed an independent contractor and not an employee of the City and all employees of the SWMHP or other persons while engaged in the performance of any work or services required by the SWMHP under this Contract, shall not be considered employees of the City.
14. Liability. It is agreed that the City shall defend, indemnify and save the SWMHP harmless from any claims, demands, actions, or causes of action, damages, costs (including attorneys' fees) arising out of any act or omission on the part of the City, its agents, servants or employees in performance of, or with relation to any of the work or services under this Contract. Furthermore, SWMHP shall defend, indemnify and save the City harmless from any claims, demands, actions, or causes of action, damages, costs (including attorneys' fees) arising out of any act or omission on the part of the SWMHP, its agents, servants or employees in performance of, or with relation to any of the work or services under this Contract.

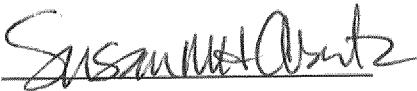
IN WITNESS WHEREOF, the parties hereunto have executed this Contract for Services the day and year first above written.

**SOUTHWEST MINNESOTA
HOUSING PARTNERSHIP**

By: 

Its: Chief Executive Officer

CITY OF MANKATO

By: 

Its: City Manager