

GRANT AGREEMENT

This Grant Agreement is made and entered into on _____, 20___, by and between the Community Redevelopment Authority of the City of Gothenburg (“Authority”), and Gothenburg Early Childhood Agency, a Nebraska interlocal agency (“Grantee”).

WITNESSETH:

WHEREAS, the Authority is a duly organized and existing Community Redevelopment Authority, a body politic and corporate under the laws of the State of Nebraska, with lawful power and Authority to enter into this Grant Agreement; and

WHEREAS, the City of Gothenburg, Nebraska (the "City"), in furtherance of the purposes and pursuant to the provisions of the Local Option Municipal Economic Development Act, Chapter 18, Article 27, Reissue Revised Statutes of Nebraska (the “Act”), has implemented an Economic Development Program (“Program”) pursuant to the Economic Development Program Plan (“Plan”); and

WHEREAS, the Program is funded from local sources of revenue, including a one-half percent (0.5%) sales and use tax to be used for economic development and economic redevelopment, and additional funds from non-City sources (“Program Funds”); and

WHEREAS, Grantee has submitted an application to the Authority, as administrator of the Program, for use of Program Funds for Eligible Economic Activities, as such term is defined in the Plan, by a Qualifying Business, as such term is defined in the Plan; and

WHEREAS, the City has approved the application and authorized the Authority to enter into this Grant Agreement; and

WHEREAS, Authority and Grantee desire to enter into this Grant Agreement for the Eligible Economic Activities in furtherance of the Program’s purposes.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements herein set forth, Authority and Grantee do hereby covenant, agree and bind themselves as follows:

ARTICLE I
REPRESENTATIONS

Section 1.01 Representations by Authority.

Authority makes the following representations and findings:

(a) Authority is a duly organized and validly existing Community Redevelopment Authority under the Act;

(b) The Authority has control over the Program Funds to be used for the grant provided herein. The average of the annual receipts from the one-half percent (0.5%) sale and use tax for economic development and economic redevelopment for the past five years exceeds \$275,000.00.

Section 1.02 Representations of Grantee.

The Grantee makes the following representations:

(a) The Grantee will utilize the grant provided hereby to provide grants or loans to a Qualifying Business for fixed assets, personal property, including inventory and equipment, or working capital.

ARTICLE II
OBLIGATIONS OF THE AUTHORITY

Section 2.01 Grant. Upon execution hereof by the Grantee, the Authority shall be obligated to pay to the Grantee an amount equal to \$30,000.00 from Program Funds with \$15,000.00 being paid in 2022 and \$15,000.00 being paid on or before June 30, 2023, to be used to support early childhood education efforts in the community.

ARTICLE III
OBLIGATIONS OF GRANTEE

Section 3.01 Use of Program Funds; Termination.

All Program Funds granted shall be utilized only for the Eligible Economic Activities stated herein. In the event such funds are provided in the form of a loan, upon repayment, such funds repaid shall be returned by Grantee to the Authority for return to the

Program. This provision shall not be construed to inhibit Grantee's ability to forgive all or any portion of a loan made using Program Funds.

Section 3.02 Accounting.

Grantee shall provide the Authority with annual statements documenting actual expenditure of Program Funds. Grantee, upon request by the Authority, shall provide written documentation to support any stated expenditure of Program Funds.

ARTICLE IV

DEFAULT, REMEDIES; INDEMNIFICATION

Section 4.01 General Remedies of Authority.

In the event of any failure to perform or breach of this Grant Agreement or any of its terms or conditions, by the Grantee, Grantee shall, upon written notice from the Authority proceed immediately to commence such actions as may be reasonably designed to cure or remedy such failure to perform or breach which cure or remedy shall be accomplished within a reasonable time by the diligent pursuit of corrective action. In case such action is not taken, or diligently pursued, or the failure to perform or breach shall not be cured or remedied within a reasonable time, this Grant Agreement shall be in default and the Grantee shall immediately pay the sum granted to the Grantee hereby to the Authority. The Authority may institute such proceedings as may be necessary or desirable to enforce its rights under this Grant Agreement.

ARTICLE V

MISCELLANEOUS

Section 5.01 RESERVED.

Section 5.02 Governing Law.

This Grant Agreement shall be governed by the laws of the State of Nebraska, including but not limited to the Act.

Section 5.03 Binding Effect; Amendment.

This Grant Agreement shall be binding on the parties hereto and their respective successors and assigns. This Grant Agreement shall run with the Real Estate. This Grant

GECA Funding LB 840 Grant Agreement

Agreement shall not be amended except by a writing signed by all parties hereto.

IN WITNESS WHEREOF, Authority and Grantee have signed this Grant Agreement as of the date and year first above written.

COMMUNITY REDEVELOPMENT
AUTHORITY OF THE CITY OF
GOTHENBURG:

GOTHENBURG EARLY
CHILDHOOD AGENCY, A
NEBRASKA INTERLOCAL
AGENCY:

Nathan Wyatt, President

Gary Greer, Chairman

ATTEST:

City Clerk