

**AGREEMENT**

**BETWEEN**

**THE CITY OF KINGSPORT, TENNESSEE**

**AND**

**THE KINGSPORT CHAMBER FOUNDATION, INC.  
“MOVE TO KINGSPORT PROGRAM”**

THIS AGREEMENT made and entered into as of the 1st day of July, 2023, by the City of Kingsport, hereinafter called "CITY", and the Kingsport Chamber Foundation, Inc., hereinafter called "CHAMBER".

**W I T N E S S E T H:**

WHEREAS, CHAMBER is a not-for-profit agency as defined by Tenn. Code Ann. §§6-54-111 and 48-51-101 *et seq.*, and is eligible to receive funds for the purpose contained herein; and

WHEREAS, CITY is authorized by Tenn. Code Ann. §6-54-111 *et seq.*, and the official compilation of the Rules and Regulations of the State of Tennessee, Rules of the Comptroller of the Treasury, Division of Special Audit, chapter 0380-3-7, relating to Standard Procedures for Appropriating and Disbursing Municipal Funds to Non-Profit Charitable Organizations, to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, the parties desire to work together in the common effort to enhance current efforts and to actively recruit residents of quality to Kingsport; and

WHEREAS, CITY has decided to contract with and provide financial resources to an outside entity for residential recruitment support and CITY has requested that CHAMBER be that outside entity pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the responsibilities and obligations of the parties in this effort and the terms and conditions with respect to the use of funds provided.

NOW THEREFORE, in consideration of the premises, the parties agree as follows:

1. **TERM.** The term for this Agreement is from July 1, 2023, to June 30, 2024. Accordingly, funds allocated by CITY to CHAMBER can be used to reimburse CHAMBER for eligible project expenses beginning on July 1, 2023. In no event will CITY participate in project expenses incurred after June 30, 2024.

## 2. SCOPE OF WORK.

- a) The scope of work for this Agreement will be to assist in the enhancement and formulation of the Chamber's program of processing relocation inquiries and relocation recruiting as a non-traditional form of economic development.
- b) Except as otherwise specified in this Agreement, the specific strategies, plans and efforts to provide such services will be determined and implemented by CHAMBER with input from CITY and other members of the community.
- c) CHAMBER will seek to accomplish the items listed below and positively affect the measures described in the Appendix. It is understood that unusual circumstances affecting the economy may impact the achievement of these items.
- d) The parties may make changes as mutually agreed upon in the scope of the work of this Agreement. Such changes will be incorporated in written amendments to this Agreement.
- e) Accordingly, the CHAMBER agrees:
  - i. Establish and continue on with a Program Council consisting of representatives of the City, Chamber, NETWORKS, Real Estate professionals and others. The responsibilities of this Council are as advisory and oversight. The Chair of said Council will serve as a Vice President on the Board of Directors of the Chamber; and
  - ii. To maintain the necessary support staff to provide logistical support and advice to the Kingsport Residential Recruitment program; and
  - iii. To provide some or all of the following, as needed:
    - Maintain a dedicated internet web site (movetokingsport.com) as the primary source to recruit people to move to Kingsport.
    - Establish and implement a marketing plan to promote said web site. Coordinate marketing efforts with CITY Public Information Department.
    - Enhance, expand, and synergize existing materials used to respond to relocation inquiries, including a 4-color relocation guide to Kingsport, movetokingsport.com information, Kingsport map, real estate information, employment information and other community information.
    - Coordinate and assist with NETWORKS in their link to the state of Tennessee's Recruitment Co Op, American Association of Retirement Communities' membership and other related efforts.

- Continue the employer assistance program in recruiting professionals to live and work in Kingsport.

3. **MONITORING AND REPORTING REQUIREMENTS.** CHAMBER will provide CITY with quarterly written reports delivered to the Board of Mayor and Aldermen. The report will detail the efforts taken by CHAMBER toward accomplishment of the items listed in Section II, as well as a statement of other efforts and accomplishments within the scope of the Agreement not specifically included in Section II. Within the same report, CHAMBER will assess the impact its efforts have had on residential recruitment and will annually report on the measures in the Appendix of this Agreement.

4. **COMPENSATION.**

- a) CITY will pay CHAMBER TWENTY-FIVE THOUSAND and NO/100 DOLLARS (\$25,000.00) for the term of this agreement for services provided as described in Section II Scope of Work.
- b) CITY will review all quarterly reports; however, reimbursement of any cost pursuant to this Section will not constitute a final determination by CITY of the allowability of such costs and will not constitute a waiver of any violation of the terms of the Agreement.
- c) CHAMBER prior to receiving funds pursuant to this Agreement it must file with the city clerk a copy of an annual report of its business affairs and transactions that includes, but is not limited to:
  - i. Either a copy of the entity's most recently completed annual audit or an annual report detailing all receipts and expenditures in a form prescribed by the comptroller of the treasury and prepared and certified by the chief financial officer of such nonprofit organization;
  - ii. A description of the program that serves the residents of the municipality; and
  - iii. The proposed use of the municipal assistance.
  - iv. A listing of revenue sources detailing what percent of the total operating budget they cover.

The report filed pursuant hereto shall be open for public inspection during regular business hours of the city clerk's office. Financial reports shall be available to fiscal officers of the CITY and shall be subject to audit under Tenn. Code Ann. §6-56-105. CHAMBER will permit CITY or its representatives to inspect all work, materials, payrolls, and other records with regard to the project, and to audit the books, records,

and accounts of CHAMBER with regard to the project. Such records will be retained for this purpose for a period of not less than three years.

CHAMBER will establish and maintain an accounting, record-keeping, and reporting system consistent with generally accepted accounting principles and no less than those recommended in the Accounting Manual for Recipients of Grant Funds in Tennessee, published by the Comptroller of the Treasury, State of Tennessee. CHAMBER further agrees to submit to CITY a copy of its most recent audited report at the same time said report is submitted to the State.

5. **ASSIGNMENT, SUBCONTRACTING OR ACQUISITION OF CONSULTANTS.** The CHAMBER will not assign or subcontract any portion of this Agreement without the prior written approval of the CITY. CHAMBER will not assign any rights to funds provided herein without the prior written authorization of the CITY.
6. **CHANGED CONDITIONS AFFECTING PERFORMANCE.** CHAMBER will immediately notify CITY of any change in conditions or of any other event that may significantly affect its ability to perform the project in accordance with the provisions of this Agreement.
7. **STAFFING.**
  - a) CHAMBER will pay its employees under this Agreement at least the Federal Minimum Wage.
  - b) In carrying out the work of this Agreement, CHAMBER will not discriminate against any employee or applicant for employment because of race, color, religion, creed, gender, national origin, age, disability, or any other legally protected status.
8. **TERMINATION.** This Agreement may be terminated by either party by giving written notice to the other at least 30 days before the effective date of such termination. In the event of such termination, CHAMBER will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date, but in no event will this amount exceed TWENTY-FIVE THOUSAND and NO/100 DOLLARS (\$25,000.00)
9. **EXTENSION OF AGREEMENT.** The parties may extend this Agreement for subsequent years subject to any applicable negotiated changes.
10. **OPERATING INFORMATION.** The parties agree to respond to inquiries made by designated representatives of the parties or their designees in a timely fashion. CITY designates the City Manager as its representative for this Agreement. CHAMBER designates the Corporate Secretary as its representative for this Agreement. CHAMBER will provide any relevant information requested by CITY concerning the small business program of CHAMBER, including, but not limited to contracts for third party financial arrangements,

annual financial statements, and audit reports, schedules, and fees.

11. **CITY-DESIGNATED REPRESENTATIVES.** The City Manager will serve as the CITY representative on the Board of CHAMBER and will be entitled to attend all meetings of CHAMBER and participate on all issues before the Board.
12. **ASSURANCES.** CHAMBER hereby assures CITY that CHAMBER is legally entitled to funds from CITY.
13. **INDEPENDENT CONTRACTOR.** CHAMBER'S relationship with CITY is that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture, or employer-employee relationship. CHAMBER is not the agent of the CITY and is not authorized to make any representation, contract, or commitment on behalf of CITY. Neither CHAMBER nor their employees will, under any circumstances, be considered servants, agents, partners or a joint venture of CITY, and CITY will at no time be legally responsible for any negligence or other wrongdoing by CHAMBER, or their employees or agents.
14. **INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.** CHAMBER will indemnify, defend, and hold harmless CITY, including without limitation, its officers, agents, employees, and volunteers from and against:
  - a. Any and all claims, demands, losses, damages, defense costs, or liability of any kind or nature which CITY may sustain or incur or which may be imposed upon it for injury to or death of persons, or damage to property as a result of, arising out of, or in any manner connected with CHAMBER'S performance under the terms of this Agreement, excepting any liability arising out of the sole negligence of the CITY. Such indemnification includes any damage to the person(s), or property(ies) of CHAMBER and third persons.
  - b. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to CHAMBER and their officers, employees and agents engaged in the performance of this Agreement (including, without limitation, unemployment insurance, social security and payroll tax withholding).

IN WITNESS WHEREOF, the parties have set their hand to this Agreement in duplicate originals effective the date first above written.

[Signatures on Next Page.]

**Kingsport Chamber Foundation**

**City of Kingsport, Tennessee**

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**Miles Burdine, Secretary**

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**Patrick W. Shull, Mayor**

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**Date**

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**Date**

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**Printed Name**

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**Attest:**

**Attest:**

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**Angela Marshall, Deputy City Recorder**

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**Frank Lett, Director  
Visit Kingsport**

**Approved as to form:**

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**Rodney B. Rowlett, III, City Attorney**