

**AGREEMENT**  
**BETWEEN**  
**THE CITY OF KINGSPORT, TENNESSEE**  
**AND**  
**THE KINGSPORT CHAMBER FOUNDATION**

THIS AGREEMENT made and entered into as of this 1<sup>st</sup> day of July, 2026, by and between the City of Kingsport, hereafter called “CITY” and, the Kingsport Chamber Foundation hereafter called “FOUNDATION”.

**WITNESSETH:**

WHEREAS, FOUNDATION is a not-for-profit agency as defined by Tennessee Code Annotated §§6-54-111 and 48-51-101 et seq., and is eligible to receive funds for this purpose; and

WHEREAS, CITY is authorized by Tennessee Code Annotated §6-54-111 et seq. to provide financial assistance to nonprofit organizations and not-for-profit corporations; and

WHEREAS, FOUNDATION has requested financial assistance pursuant to said state law which CITY has approved; and

WHEREAS, the parties desire to set forth the terms and conditions with respect to the use of funds to be provided.

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

- 1. PURPOSE OF THE AGREEMENT.** The purpose of the Agreement is to assist FOUNDATION in continuing certain programs deemed beneficial to the general welfare of Kingsport residents and to state the terms and conditions upon which financial assistance will be provided by CITY and the manner in which the project will be carried out by FOUNDATION.
  
- 2. DESCRIPTION OF THE PROJECT.**

FOUNDATION agrees as follows:

- a. To develop and carry out short term and long term projects relating specifically to involving the community of Kingsport in responsible solutions for a clean and beautiful environment including but not limited to:
  - i. Litter Prevention

1. Trashbuster Program:
    - a. Coordinate Trashbuster program that provides community volunteer assistance for litter prevention for various community sponsored events.
    - b. Maintaining public/private partnership for the sponsorship of the program.
  2. Coordination of focused clean-ups of selected areas based upon need for removal of garbage, trash and other desirable items
  3. Areas to be reviewed and approved by CITY.
  - ii. Beautification
    1. Coordinate and maintain the Tree Planting Fund Program that is dedicated to planting of various varieties of trees.
    2. Maintain public/private partnership for the sponsorship of the Tree Planting Fund program.
  - iii. Promotion & Public Awareness
    1. Promotion of recycling.
    2. Promotion of environmental improvements.
    3. Coordinate annual Conservation Camp for 4<sup>th</sup> graders.
    4. Coordinate with CITY Public Information Staff on cross promotion of events and activities
  - iv. Recognition
    1. Establish and maintain program to recognize excellence in environmental and beautification improvements.
    2. Coordinate, prepare and present recognition at regularly scheduled Board of Mayor and Aldermen meetings
    3. Maintain public/private partnership for the sponsorship of recognition program.
- b. Develop and promote programs designed to promote positive health outcomes and provide information to improve health for the citizens of Kingsport. Such programs include but are not limited to:
- i. Programming focused on healthy initiatives that can be done year round.
  - ii. Work in coordination with CITY to promote recreational activities and create programming centered on a healthy lifestyle.
  - iii. Maintain website with up to date information on topics to general health and wellbeing as well as event and partnership opportunities.
- c. To establish and maintain a dedicated Office of Small Business Development and Entrepreneurship by:

- i. Employing an executive director and necessary support staff meeting the criteria for and qualifications established, in conjunction with CITY and implementing the job description agreed to by the parties.
  - ii. Serving as a hub for advisement, resources, and training to assist with small business startups.
  - iii. Maintain status as the Tennessee Small Business Development Affiliate Office.
  - iv. Coordinate, plan and promote the annual KOSBE awards to recognize leaders in small business.
  - v. Coordinating with CITY Public Information Staff on cross promotion of events and activities.
- d. To establish and maintain a dedicated effort to recruit quality residents to Kingsport through:
- i. Establishment and continuation of 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 for the Chamber.
  - ii. Maintaining necessary support staff to provide logistical support and advice to the Kingsport Residential Recruitment Program.
  - iii. Maintain a dedicated internet website as the primary source to recruit people.
  - iv. Establish and implement a coordinated marketing plan to promote the program with the CITY Public Information Department.
  - v. 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.
  - vi. Continue the employer assistance program in recruiting professionals to live and work in Kingsport.
- e. To continually seek out new funding opportunities through local, state and federal grants and sponsorships.

**3. MAXIMUM PAYMENT:** It is expressly understood and agreed that the total amount to be paid by CITY to FOUNDATION under this Agreement will not exceed TWO HUNDRED TWENTY SEVEN THOUSAND AND TWO HUNDRED FORTY DOLLARS and NO/100 (\$227,240.00).

- a. Historical funding distribution as follows, however, funding allocations are to be distributed to meet criteria in Section 2:

- i. Keep Kingsport Beautiful: \$52,240
- ii. Healthy Kingsport: \$50,000
- iii. KOSBE: \$100,000
- iv. Move to Kingsport: \$25,000

**4. REQUEST FOR REIMBURSEMENT.** CITY will pay the amount set out in Section 3 in two payments ONE HUNDRED THIRTEEN THOUSAND SIX HUNDRED AND TWENTY DOLLARS and NO/100 (\$113,620.00) each. FOUNDATION is to send to CITY reports of the actual net operating cost on a semi-annual basis.

**5. REIMBURSEMENT BY CITY.** CITY will review all semi-annual 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.

**6. AUDITS.** FOUNDATION 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:

- a. 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;
- b. A description of the program that serves the residents of the municipality; and
- c. The proposed use of the municipal assistance.
- d. 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 T.C.A. § 6-56-105.

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

**7. ACCOUNTING, RECORD KEEPING AND REPORTING REQUIREMENT.**

FOUNDATION 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. FOUNDATION 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 government.

- 8. CHANGES.** Any changes in this Agreement will require a written amendment executed by all parties hereto.
- 9. ASSIGNMENT AND SUBLETTING.** FOUNDATION will not assign any rights to funds without prior written authorization from CITY.
- 10. 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, FOUNDATION will be entitled to receive just and equitable compensation for any eligible operating expenses paid or incurred as of the termination date.
- 11. CHANGED CONDITIONS AFFECTING PERFORMANCE.** FOUNDATION will immediately notify CITY of any change in conditions or of any other event which may significantly affect its ability to perform the Project in accordance with the provisions of this Agreement.
- 12. ASSURANCES.** FOUNDATION hereby assures CITY that FOUNDATION is legally entitled to funds from CITY.
- 13. OPERATING INFORMATION.** FOUNDATION will provide any relevant information requested by CITY concerning FOUNDATION'S Keep Kingsport Beautiful Program including, but not limited to contracts for third party financial arrangements, annual financial statements and audit reports, schedules and fees.
- 14. PROJECT TERM.** PROJECT TERM. CITY and FOUNDATION have previously agreed that the project term for this contract is from July 1, 2026 to June 30, 2027. Accordingly, funds allocated by CITY to FOUNDATION can be used to reimburse FOUNDATION for eligible project expenses beginning on July 1, 2026. In no event will CITY participate in project expenses incurred after June 30, 2027.
- 15. REPORTING.** FOUNDATION will submit to the City Managers Office a quarterly report setting out how funds allocated by CITY to FOUNDATION assist in carrying out the purpose of the project as described under the terms of this Agreement. The report shall be transmitted to the Board of Mayor and Aldermen.

**16. INDEPENDENT CONTRACTOR.** FOUNDATION’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. FOUNDATION is not the agent of the CITY and is not authorized to make any representation, contract or commitment on behalf of CITY. Neither FOUNDATION nor its 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 wrong doing by FOUNDATION, or its employees or agents.

**17. INDEMNIFICATION FOR DAMAGES, TAXES AND CONTRIBUTIONS.**

FOUNDATION 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 FOUNDATION'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 FOUNDATION and third persons.
- b. Any and all Federal, State and Local taxes, charges, fees, or contributions required to be paid with respect to FOUNDATION and its 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 signatures of the parties hereto as of the date and year first written in duplicate original form.

**Kingsport Chamber Foundation**

**City of Kingsport, Tennessee**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Paul W. Montgomery, Mayor**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Printed Name**

**Attest:**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Angela Marshall, Deputy City Recorder**

**Approved as to form:**

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

