



## City of Solvang Grant Funding Application

The Solvang City Council recognizes the importance of human service organizations, programs and events that serve community residents. As part of the annual budget process and financial plan development, the City Council may consider appropriation of such funds as it deems prudent and reasonable to award grants to non-profit community service organizations. The grant funding process will occur every December 1<sup>st</sup> through January 30<sup>th</sup> of each year. Grant funding is based on available funds and is not guaranteed. Only complete application packets will be accepted during the application process. The City will prioritize funding for Solvang citizen services, senior citizen services, Veterans, youth and minors with disabilities and programs and events that serve the Solvang community specifically.

### **Qualifications:**

1. Non-Profit / Not for Profit. **Tax-exemption** is the result of a nonprofit organization being recognized by the IRS as being organized for any purpose allowable under 501(c)(3) – 501(c)(27).

Grants *Shall Not* be available to organizations who intend to directly or indirectly act as a conduit to provide grant funding to other organizations.

2. Applicants must be in good standing with the IRS, FTB and current with their registration with the Attorney General / Department of Justice.
3. Applicants must submit Insurance certificate naming the City as additional insured and with a An additional insured endorsement, a hold harmless endorsement, waiver of subrogation endorsement, and primary non-contributing endorsement as per insurance guidelines in contract. (See attached insurance requirements for type and amounts).
4. Applicants agree to sign the City's Standard Grant Agreement, abide by all conditions and requirements including insurance requirements.
5. Campaign Contribution Disclosure: Pursuant to Government Code Section 84308, any party to a City proceeding (which includes, but is not limited to, all contracts with the City, other than competitively bid, labor, or personal employment contracts) must disclose on the record any campaign contributions made to a member of the City Council or other elected or appointed officer of the City, any candidate for elected office of the City, or any candidate for elective office of any other agency who is also an elected or appointed officer of the City in excess of \$500 in the past 12 months. This disclosure requirement includes contributions by the party's agent, such as a consultant, and aggregated contributions from persons or entities related to the party. Consultant is required to fill out and provide the attached Exhibit C 'Applicant/Interested Party Campaign Contribution Disclosure Form' with submission of this Agreement and to update this form after each contribution and no later than the beginning of any associated proceeding.

6. Presentations at designated City Council meeting will be required, limited under 5 minutes and power point presentations only.
7. Mandatory training meeting January 15, 2026 at from 3:00 - 4 pm and January 22 at 4:00-5:00 p.m. Applicant must attend one meeting. No attendance will void the ability to apply.
8. Applicant must possess a current business license certificate.
9. The applicant must be in good standing with the City.

### **Procedures:**

- A. The application period for Organizations wishing to apply for grant funds will be opened on December 1 of current year and deadline to apply will be January 30 2026.
- B. Applicants must provide completed grant application, Campaign Disclosure form and insurance certificates with endorsements, the last three most recent 990's filed with the IRS and also provide the three most current years of profit and loss statements and balance sheets.
- C. Staff will review applications for completeness and qualifications based upon grant program parameters and will provide the Council with analysis whether the grant applications qualify under this program. Completed applications may be subsidized with additional information regarding the Organization and their programs. Email applications to [wendyb@CityofSolvang.com](mailto:wendyb@CityofSolvang.com) or deliver to City Hall (1644 Oak Street, Solvang, CA 93463) by January 30, 2026.
- D. Copies of all funding applications received will be provided to all City Council members and will be considered by Council as part of the budget adoption hearing and will be a public record.
- E. City grant funds Shall Not be used by the agency for administrative/overhead types of costs.
- F. The grant applicant must be available for questions from City staff.
- G. Grant applicants must attend and present at a designated City Council meeting. Applicants will be notified prior to the City Council meeting.
- H. Following approval by City Council, adoption of the annual City budget, execution of City standard Grant Funding Contract with the City along with submittal of all required documentation, the City will disburse approved funds within 30 days.
- I. All programs and events must include a copy of the complete program/event budget, which clearly states the anticipated revenues and expenditures. Potential City support should not be listed as a revenue line item.

### **Mandatory documents for application submittal:**

- City Application for grant funding.
- Three years most current 990's.

- Three years most current profit and loss statements and balance sheets.
- Completed campaign disclosure form.
- Completed Program/Event budget without City listed as revenue
- Current Insurance certificate with City as additionally insured, hold harmless endorsement, waiver of subrogation endorsement and primary non-contributing endorsement.
- Copy of Current Business Certificate from the City
- Financial Accountability Report on how funds were spent for **prior** years grant if prior year grant was received.

### **Ineligibility:**

The City will not provide financial support to or for:

- Events that benefit for-profit enterprises.
- Events that serve a political purpose or are sponsored by political organizations.
- Event organizers and organizations that have not fulfilled previous City grant sponsorship requirements, special event obligations or have an outstanding debt to the City of Solvang.
- Individuals.
- Invitation-only events; those not open to the general public.
- Political campaigning purposes or activities. Grantee may not endorse, fundraise, campaign or otherwise support or oppose a candidate for a City of Solvang elected office.
- Religious activities.
- Administrative/overhead types of costs.
- Incomplete applications.

### **For Special Events Only:**

- Applications will be reviewed and evaluated based on the following criteria: The event delivers substantive and measurable economic benefits to the City. The event is scheduled to take place between July 1 and June 30 of the proposed budget year and the exact date(s), time(s) and location (within Solvang) have been determined.
- The event organizers utilize strategic and measurable marketing practices in planning and implementing the event. These measurables will be included on the application and a post event performance report will be required at the conclusion of your event.
- The event enhances the quality of life within Solvang with cultural, social or educational activities of interest to the community.
- The event attracts visitors to Solvang from all regional markets.
- The event promotes Solvang as a highly desirable place to visit, recreate, live and work.
- The event directly or indirectly benefits or promotes Solvang businesses.
- The submitted post-event measurable objectives and performance measures must demonstrate how the event will provide substantive and measurable economic benefits to the City.

### **Additional Information:**

There is no guarantee that the City will be able to provide all, part, or any of the financial support requested by each applicant. Thus, applicants should not make commitments on the expectation of

receiving City support. Grant funds are allocated based on an assessment of relevant city fees and the benefits the city will gain from the program and/or events. All applications submitted by the deadline will be evaluated according to the eligibility requirements and assessment criteria outlined in the guidelines above. Any incomplete applications will be rejected. Recommendations will be forward to the City Council for final review and approval. The City Council can approve, amend or deny any recommendation.

For insurance limits and requirements see attached Insurance specifications from the grant funding contract.

**Attachments:**

Checklist of required documents

Campaign disclosure form

Grant contract with insurance requirements

## SOLVANG AGENCY GRANT FUNDING APPLICATION

Legal Organization/Agency Name and dba if applicable:

Mailing Address:

Physical Address:

Authorized signer email: (typical signers are usually CEO, CFO):

Total Funding Request:

Authorized contract signer, position, email and phone number, if different than contact number below:

1. Contact Person Name, Title within the Organization, Email and phone number:
2. Organization's purpose? Goals and objectives?
3. Provide a detailed accounting of what specific program or event and how the granted funds will be used for that program or event? Specify how City of Solvang residents will benefit from this program.
4. How many City of Solvang residents will be served by the proposed use of the grant funds?
5. What is the organization's total budget?
6. What are the sources of revenue for your organization? How are you funded? (Do not list City grant as part of your revenue).

## Agency Grant Funding Document Submittal Checklist

Grantee Initial of acknowledgement	Document	<b>City Use only</b> Submitted Yes or No
	Grant Application	
	Three (3) most recent 990s files with IRS	
	Three (3) most current P & L statements	
	Three (3) most recent Balance Sheets	
	Completed Campaign Disclosure Form	
	Completed Program/Event Budget	
	Insurance Requirements	
	Copy of current Business Certificate	
	Financial Accountability report from prior years' grant award	
	Completed W-9 (for new applicants who haven't been previously awarded only)	



**CITY OF SOLVANG**  
**GRANT FUNDING AGREEMENT**  
**FISCAL YEAR 2026-2027**

**PARTIES AND DATE.** This Agreement is made and entered into this **1st** day of **July XXX** (“Effective Date”) by and between the **CITY OF SOLVANG**, a Municipal Corporation and Charter City organized under the Constitution and laws of the State of California with its principal place of business at 1644 Oak Street, Solvang, CA 93463 (“City”) and **XXX.**, a California non-profit Corporation with its principal place of business at XXX (“Grantee”). City and Grantee are sometimes individually referred to as “Party” and collectively as “Parties” in this Agreement. The Parties hereto, in consideration of the mutual covenants contained herein, hereby agree to the following terms and conditions:

**1.0 GENERAL PROVISIONS**

1.01

**Term:** This agreement will become effective on the date of execution set forth below, and will continue in effect until terminated as provided herein.

1.02 **Services** : Grantee shall perform the services listed in the program funding request of grant application described and set forth as **Exhibit A**, attached hereto and incorporated herein as though set forth in full.

Grantee shall determine the method, details and means of performing the above-referenced services.

Grantee may, at their own expense, employ such assistants as Grantee deems necessary to perform the services required of Grantee by this agreement. However, Grantee may not assign this agreement to any other person or entity in the performance of required project-related services, and City may not control, direct or supervise Grantee’s assistants or employees in the performance of those services.

1.03

**Standard of Performance:** Grantee’s services shall be performed in accordance with generally accepted professional practices and principles and in a manner consistent with the level of care and skill ordinarily exercised by members of Grantee’s profession currently practicing under similar conditions. Whenever the scope of work requires or permits approval by the City, it is understood to be approval solely for the purposes of conforming to the requirements of the scope of work and not acceptance of any professional or other responsibility for the work. Such approval does not relieve the Grantee of responsibility for complying with the standard of performance or laws, regulations, industry standards, or from liability for damages caused by negligent acts, errors, omissions, noncompliance with industry standards, or the willful misconduct of Grantee or its subcontractors. By delivery of completed work, Grantee certifies that the work conforms to the requirements of this contract and all applicable federal, state and local laws. If Grantee is retained to perform services requiring a license, certification, registration or other similar requirement under California law, Grantee shall maintain that license, certification, registration or other similar requirement throughout the term of this Contract.

1.04

**Compensation:** In consideration for the services to be performed by Grantee, City agrees to grant funds to Grantee in the amount not to exceed the sum of **XXX**. Payment of funds are contingent upon receipt of the signed Agreement and, if Grantee received a grant from the City in the prior year, submittal of all the financial documentation required in Section 5.01 for the prior year's grant.

1.05

**Billing/Payment Terms.**

All payments to Grantee for services and related expenses will be paid by City within 30 (thirty) days of receipt of the signed Agreement and, if Grantee received grant from the City in the prior year, submittal of all financial documentation required in Section 5.01 for the prior year's grant.

**2.0 OBLIGATIONS OF GRANTEE**

2.01

**Contract Management and Service Performance:** Grantee represents that it has the qualifications, experience and facilities to properly perform all services hereunder in a thorough, competent, timely, and professional manner and shall, at all times during the term of this Agreement, have in full force and affect all licenses required of it by law. The City approved Grantee representative ("Grantee representative") identified in Exhibit A is deemed to be specially experienced and is a key member of the Grantee's project team and shall be directly involved in the performing, supervising, or assisting in the performance of the services described in Exhibit A. Grantee Representative shall communicate with and periodically report to City's Project Manager on the progress of the work. No work shall be assigned to a subcontractor without City's written consent.

2.02 **Avoidance of Conflict of Interest.**

- a. Grantee may represent, perform services for, and be employed by additional individuals or entities, in Grantee's sole discretion, as long as the performance of these extra-contractual services does not interfere with or present a conflict with City's business or interfere with the timely performance and completion of Grantee's services under this Agreement.
- b. Grantee shall comply with all conflict of interest laws and regulations including, without limitation, the City's Conflict of Interest Code (on file in the City Clerk's Office). All officers, employees and/or agents of Grantee who will be working on behalf of the City pursuant to this Agreement may be required to file Statements of Economic Interest. Therefore, it is incumbent upon the Grantee to notify the City of any staff changes relating to this Agreement.
- c. In accomplishing the scope of services of this Agreement, all officers, employees and/or agents of the Grantee unless as indicated in Subsection (d), will be performing a very limited and closely supervised function, and therefore, unlikely to have a conflict of

interest arise. No disclosures are required for any officers, employees, and/or agents of Grantee, except as indicated in Subsection (d). \_\_\_\_\_(Initials).

- d. In accomplishing the scope of services of this Agreement, Grantee will be performing a specialized or general service for the City, and there is substantial likelihood that the Grantee's work product will be presented, either written or orally for the purpose of influencing a governmental decision. As a result, the following persons shall be subject to the City's Conflict of Interest Code.

\_None\_\_\_\_\_

2.03 **Tools and Instrumentalities**: Grantee shall provide all tools and instrumentalities to perform the services under this agreement.

2.04 **Workers' Compensation and Other Employee Benefits**: City and Grantee intend and agree that Grantee is an independent contractor of City and agree that Grantee and Grantee's employees and agents have no right to Workers' Compensation and other City- sponsored employee benefits. Grantee agrees to provide Workers' Compensation and other employee benefits, where required by law, for Grantee's employees and agents. Grantee agrees to hold harmless and indemnify City for any and all claims arising out of any claim for injury, disability, or death of Grantee and any of Grantee's employees or agents.

2.05 **Indemnification**

**Non-design, non-construction Professional Services**: To the fullest extent permitted by law (including, but not limited to California Civil Code Sections 2782 and 2782.8), Grantee shall indemnify, defend, and hold harmless the City, and its elected officials, officers, employees, volunteers, and agents ("City Indemnitees"), from and against any and all causes of action, claims, liabilities, obligations, judgments, or damages, including reasonable legal counsels' fees and costs of litigation ("claims"), arising out of the Grantee's performance or Grantee's failure to perform its obligations under this Agreement or out of the operations conducted by Grantee, including the City's active or passive negligence, except for such loss or damage arising from the sole negligence or willful misconduct of the City. In the event the City Indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from Grantee's performance of this Agreement, the Grantee shall provide a defense to the City Indemnitees or at the City's option, reimburse the City Indemnitees their costs of defense, including reasonable legal fees, incurred in defense of such claims.

**Non-design, construction Professional Services**: To the extent the Scope of Services involve a "construction contract" as that phrase is used in Civil Code Section 2783, this paragraph shall apply in place of paragraph (a). To the fullest extent permitted by law (including, but not limited to California Civil Code Sections 2782 and 2782.8), Grantee shall indemnify, defend, and hold harmless the City, and its elected officials, officers, employees, volunteers, and agents ("City Indemnitees"), from and against any and all causes of action, claims, liabilities, obligations, judgments, or damages, including reasonable legal counsels' fees and costs of litigation ("claims"), arising out of the Grantee's performance or Grantee's failure to perform its obligations under this Agreement or out of the operations conducted by Grantee, except for such loss or damage arising from the active negligence, sole negligence or willful misconduct of the City. In the event the City Indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from Grantee's

performance of this Agreement, the Grantee shall provide a defense to the City Indemnitees or at the City's option, reimburse the City Indemnitees their costs of defense, including reasonable legal fees, incurred in defense of such claims.

**Design Professional Services:** In the event Grantee is a "design professional", and the Scope of Services require Grantee to provide "design professional services" as those phrases are used in Civil Code Section 2782.8, this paragraph shall apply in place of paragraphs (a) or (b). To the fullest extent permitted by law (including, but not limited to California Civil Code Sections 2782 and 2782.8) Grantee shall indemnify, defend and hold harmless the City and its elected officials, officers, employees, volunteers and agents ("City Indemnitees"), from and against all claims, damages, injuries, losses, and expenses including costs, attorney fees, expert Grantee and expert witness fees arising out of, pertaining to or relating to, the negligence, recklessness or willful misconduct of Grantee, except to the extent caused by the sole negligence, active negligence or willful misconduct of the City. Negligence, recklessness or willful misconduct of any subcontractor employed by Grantee shall be conclusively deemed to be the negligence, recklessness or willful misconduct of Grantee unless adequately corrected by Grantee. In the event the City Indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from Grantee's performance of this Agreement, the Grantee shall provide a defense to the City Indemnitees or at the City's option, reimburse the City Indemnitees their costs of defense, including reasonable legal fees, incurred in defense of such claims. In no event shall the cost to defend charged to Grantee under this paragraph exceed Grantee's proportionate percentage of fault. However, notwithstanding the previous sentence, in the event one or more defendants is unable to pay its share of defense costs due to bankruptcy or dissolution of the business, Grantee shall meet and confer with other parties regarding unpaid defense costs.

Payment by City is not a condition precedent to enforcement of the indemnities in paragraph (a), (b), or (c). In the event of any dispute between Grantee and City, as to whether liability arises from the active negligence, sole negligence or willful misconduct of the City or its officers, employees, or agents, Grantee will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating the City as having been actively negligent, solely negligent or as having engaged in willful misconduct. Except as otherwise required by Civil Code Section 2782.8, Grantee will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees and costs of litigation. The provisions of this Section 2.05 shall survive completion of Grantee's services or the termination of this Agreement.

**Insurance:** Grantee shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit C attached to and part of this agreement.

## 2.06

**Campaign Contribution Disclosure:** Pursuant to Government Code Section 84308, any party to a City proceeding (which includes, but is not limited to, all contracts with the City, other than competitively bid, labor, or personal employment contracts) must disclose on the record any campaign contributions made to a member of the City Council or other elected or appointed officer of the City, any candidate for elected office of the City, or any candidate for elective office of any other agency who is also an elected or appointed officer of the City in excess of \$250 in the past 12 months. This disclosure requirement includes contributions by the party's agent, such as a Grantee, and aggregated contributions from persons or entities related to the party. Grantee is required to fill out and provide the attached **Exhibit D** 'Applicant/Interested Party Campaign Contribution Disclosure Form' with submission of this Agreement and to update this form after each contribution and no later than the beginning of any associated proceeding.

### 3.0 OBLIGATIONS OF CITY

3.01

**City Project Manager and Services by City:** City's "Project Manager", as that person is designated by the City from time to time, is the City Manager.

### 4.0 TERMINATION OF AGREEMENT

4.01

**Termination Notice:** Notwithstanding any other provision of this agreement, any party hereto may terminate this agreement, at any time, without cause, by giving at least 30 (thirty) days' prior written notice to the other parties to this agreement.

4.02 **Termination on Occurrence of Stated Events:** This agreement shall terminate automatically on the occurrence of any of the following events:

- a. Sale of the business of any party;
- b. The end of the 30 (thirty) days as set forth in section 4.01;
- c. End of the Term; or
- d. Assignment of this agreement by Grantee without the consent of City.
- e. Death of any party.

4.03

**Termination by any Party for Default:** Should any party default in the performance of this agreement or materially breach any of its provisions, the non-breaching party, at its option, may terminate this agreement, immediately, by giving written notice of termination to the breaching party.

4.04

**Termination:** This agreement shall terminate on **XXXXX**, unless prior to the end of the Term, Parties amend the Agreement pursuant to Section 6.16 to extend the Term.

4.05

**Effect of Termination by Grantee:** If Grantee terminates this Agreement pursuant to Section 4.01, or this Agreement is terminated due to an action of Grantee described in Section 4.02(a), (b), (d), or (e) or due to Grantee's default pursuant to Section 4.03, the Project Manager may take appropriate action under this Agreement, at law or in equity, including requiring Grantee to repay City any funds received.

### 5.0 SPECIAL PROVISIONS

5.01 **Required Documentation:** Grantee shall provide the following deliverables to the City on or before the termination date of the contract and prior to receipt of any subsequent grant funding:

- (a) An itemized report detailing how the funds were expended, receipts or other proof of payment and documentation of actual costs incurred by Grantee for the Services

described in Exhibit A. Receipts of any expenditures shall be maintained for a minimum of two years and be made available upon City's request.

- (b) End-of-year financial accountability report, on the form included in Exhibit B, for each program year during the term of the Agreement and is due to the City.

#### 5.02

**Time Schedule**: Grantee is to begin work upon receipt and execution of the

Agreement. Grantee agrees to complete all work within the Term of this Agreement. If the services are incomplete by the end of the Term, the Project Manager may take appropriate action under this Agreement, at law or in equity, including requiring Grantee to repay the City any funds received.

#### 5.03

**Restriction and Limitation on Use of Funds**: Grantee warrants that funds granted by the Agreement shall be used solely for the purpose and services described in Exhibit A. If the activity that is to be funded under this Agreement is canceled or substantially altered, Grantee agrees to notify City immediately and to refund the grant amount in full or in part as directed by City. City determines that the funds granted under this agreement are for a project that provides a public benefit within the City of Solvang. Grant funds granted by this Agreement shall not be used:

- (a) To construct a public works project as that term is defined in California Labor Code Section 1771, or any administrative or judicial authorities interpreting that section;
- (b) for political campaigning purposes or activities or to endorse, fundraise, campaign, or otherwise support or oppose a candidate for a City or Solvang elected office;
- (c) religious activities; or
- (d) administrative or overhead costs.

#### 5.04

**Nondiscrimination**: Grantee shall not discriminate on the basis of race, color, gender, gender identity/expression, pregnancy, and sexual orientation.

#### 5.05

**Audit of Records**: At any time during normal business hours and as often as it may deem necessary, Grantee shall make available to a representative of City for examination of all its records with respect to all matters covered by this Agreement and will permit City to audit, examine and/or reproduce such records. Grantee will retain such financial records, time sheets, work progress reports, invoices, bills and project records for at least two years after termination or final payment under this Agreement.

#### 5.06

**Prevailing Wages**: To the extent any work performed by or for the Grantee pursuant to this Agreement requires that the payment and reporting of payment of prevailing wages pursuant to State law, such obligation is the responsibility of Grantee.

## 6.0 MISCELLANEOUS

6.01

**Notices:** Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this agreement or by law to be served on or given to any party to this agreement shall be in writing and delivered or, in lieu of such personal service, when deposited in the United States mail, first class postage prepaid, to the following address for each respective party:

**PARTY**

**ADDRESS**

**TO: CITY OF SOLVANG**

City of Solvang  
1644 Oak Street  
Solvang, CA 93463  
Attention: City Clerk

Copy to:

Chelsea O’Sullivan  
City Attorney  
Richards, Watson & Gershon  
847 Monterey Street, Suite 206  
San Luis Obispo, CA 93401

**TO GRANTEE:**

XXXXXX  
XXXXXX  
XXXXXX  
XXXXXX

6.02

**Governing Law:** This agreement and all matters relating to this agreement shall be governed by the laws of the State of California in force at the time, should any need for interpretation of this agreement or any decision or holding concerning this agreement arise.

6.03

**Binding Effect:** This agreement shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereto, but nothing in this Section shall be construed as consent by City to any assignment of this agreement or any interest in the agreement.

6.04

**Remedies:** The remedies set forth in this agreement shall not be exclusive, but shall be cumulative with, and in addition to, all remedies now or hereafter allowed by law or equity.

6.05

**Due Authority:** The parties hereby represent that the individuals executing this agreement are expressly authorized to do so on and in behalf of the parties.

6.06

**Ownership of Work Product:** The work product, including without limitation, all original reports, writings, recordings, drawings, files, and detailed calculations developed under this Agreement are the property of the Grantee. City may request any drawings, designs, data, photographs, report and other documentation directly related to the project (other than Grantee's drafts, notes and internal memoranda), including duplication of same, prepared by Grantee in the performance of these services.

6.07. **Integration and Modification:**

- (a) This contract represents the entire understanding and agreement of the City and Grantee as to those matters contained herein. This agreement correctly sets forth the obligations of the parties hereto to each other as of the date of this Agreement. All agreements or representations respecting the subject matter of this Agreement not expressly set forth or referred to in this Agreement are null and void. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This contract may not be modified, amended, or altered except in writing signed by the City and Grantee.
  
- (b) In the event of any conflict between the terms of this Agreement and the terms of an exhibit, the terms of this Agreement shall control, even if the exhibit purports to modify this Agreement. In the event an exhibit incorporates by reference any additional physical documents, websites, web links or other electronic location not under the control of the City, the parties agree that such additional documents shall have no impact on this Agreement and shall be deemed to be void unless actually attached to the exhibit that purports to incorporate such additional document. Notwithstanding the foregoing sentence, the provisions of Section 2.05 of this agreement shall not be altered, amended, limited or otherwise affected in any manner by any language included in an exhibit to this Agreement, even if such exhibit purports to affect the provisions of Section 2.05. Furthermore, any attempt to limit liability to City that is expressed in an exhibit shall have no force or effect unless City has expressly agreed to such limitation by providing the initials of its authorized representative here: \_\_\_\_\_.

6.08.

**Advice of Counsel:** The parties agree that they are aware that they have the right to be advised by counsel with respect to the negotiations, terms, and conditions of this contract, and that the decision of whether or not to seek the advice of counsel with respect to this contract is a decision which is the sole responsibility of each of the parties hereto. This contract shall not be construed in favor or against either party by reason of the extent to which each party participated in the drafting of the contract.

6.09.

**Independent Review:** Each party hereto declares and represents that in entering this contract it has relied and is relying solely upon its own judgment, belief and knowledge of the nature, extent, effect and consequence relating thereto. Each party further declares and represents that this contract is being made without reliance upon any statement or representation not contained herein of any other party, or any representative, agent, or attorney of any other party.

6.10.

**Attorney Fees:** In the event of any controversy, claim or dispute between the parties hereto, arising out of or relating to this agreement, or the breach hereof, the prevailing party shall be entitled, in addition to other such relief as may be granted, to a reasonable sum as and for attorney fees.

6.11 **No waiver:** The waiver of any breach by any party of any provision of this agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of this agreement.

6.12.

**Assignment:** This agreement is specifically not assignable by Grantee to any person or entity. Any assignment or attempt to assign by Grantee whether it be voluntary or involuntary, by operation of law or otherwise, is void and is a material breach of this agreement, giving rise to a right to terminate as set forth in Section 4.03.

6.13.

**Time for Performance:** Except as otherwise expressly provided for in this Agreement, should the performance of any act required by this Agreement to be performed by either party be prevented or delayed by reason by any act of God, strike, lockout, labor trouble, inability to secure materials, epidemics, pandemics, or any other cause, except financial inability, which is the fault of the party required to perform the act, the time for performance of the act will be extended for a period of time equivalent to the period of delay and performance of the act during the period of delay will be excused: provided, however, that nothing contained in this Section shall exclude the prompt payment by either party as required by this Agreement of the performance of any act rendered difficult or impossible solely because of the financial condition of the party required to perform the act.

6.14 **Severability:** Should any provision of this Agreement be held by a court of competent jurisdiction or by a legislative or rule making act to be either invalid, void or unenforceable, the remaining provisions of this agreement shall remain in full force and effect, unimpaired by the holding, legislation or rule.

6.15.

**Construction:** The provisions of this Agreement shall be construed as a whole according to its common meaning of purpose of providing a public benefit and not strictly for or against any party. It shall be construed consistent with the provisions hereof, in order to achieve the objectives and purposes of the parties. The captions of the sections are for convenience and reference only, and are not intended to be construed to define or limit the provision to which they relate. Wherever required by the context, the singular shall include the plural and vice versa, and the masculine gender shall include the feminine or neutral genders or vice versa.

6.16.

**Amendments:** Amendments to this agreement shall be in writing and shall be made only with the mutual written consent of all the parties to this agreement.

6.17.

**Signatures:** The individuals executing this contract represent and warrant that they have the legal capacity and authority to do so on behalf of their respective legal entities.

IN WITNESS WHEREOF, the parties have executed this contract on the following date.

**CITY OF SOLVANG**

**GRANTEE**  
**XXXXXX.**

By: \_\_\_\_\_

By:

\_\_\_\_\_  
Randy Murphy, City Manager

[Name, Title]

**APPROVED AS TO FORM**  
Richards, Watson & Gershon

By: \_\_\_\_\_  
Chelsea O'Sullivan, City Attorney

EXHIBIT A

SCOPE OF PROPOSAL

AND

FINANCIAL ACCOUNTABILITY YEAR END REPORT

1. DESCRIPTION OF SERVICES:

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EXHIBIT B

Financial Accountability Report

JULY 1, 2026 – JUNE 30, 2027

Agency Name:

Contract Amount: \$

Activity or Program Name:

Activity Location:

Agency Contact Name:

Agency Contact Number:

1. Please describe the activity or program accomplishments.
2. How and what was the grant money spent on?
3. Comment on areas of significant deviation from the description of services/activity/program goals and objectives, if any.
4. Comment on any areas of significant deviation from the budget proposal submitted with the activity/project application, if any.
5. Number of residents served within City of Solvang limits:
6. Number of residents served outside of City of Solvang limits:

EXHIBIT C  
INSURANCE REQUIREMENTS

*Prior to the beginning of and throughout the duration of the Work, Grantee will maintain insurance in conformance with the requirements set forth below. Grantee will use existing coverage to comply with these requirements. If that existing coverage does not meet the requirements set forth here, Grantee agrees to amend, supplement or endorse the existing coverage to do so. Grantee acknowledges that the insurance coverage and policy limits set forth in this section constitute the minimum amount of coverage required. Any insurance proceeds available to City in excess of the limits and coverage required in this agreement and which is applicable to a given loss, will be available to City.*

*Grantee shall provide the following types and amounts of insurance:*

Commercial General Liability Insurance using Insurance Services Office “Commercial General Liability” policy form CG 00 01, or a City approved equivalent. Defense costs must be paid in addition to limits. There shall be no cross liability exclusion for claims or suits by one insured against another. Limits are subject to review but in no event less than \$1,000,000 per occurrence and in the aggregate.

Business Auto Coverage on ISO Business Auto Coverage form CA 00 01 including symbol 1 (Any Auto) or the equivalent. Limits are subject to review, but in no event to be less than \$1,000,000 per accident. If Grantee owns no vehicles, this requirement may be satisfied by a non-owned auto endorsement to the general liability policy described above. If Grantee or Grantee’s employees will use personal autos in any way on this project, Grantee shall provide evidence of personal auto liability coverage for each such person.

Workers Compensation on a state-approved policy form providing statutory benefits as required by law with employer’s liability limits no less than \$1,000,000 per accident or disease.

Waived Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the Grantee and “Covered Professional Services” as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate.

The policy must “pay on behalf of” the insured and must include a provision establishing the insurer’s duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

*Insurance procured pursuant to these requirements shall be written by insurers that are admitted carriers in the state of California and with an A.M. Bests rating of A- or better and a minimum financial size VII.*

General conditions pertaining to provision of insurance coverage by Grantee. Grantee and City agree to the following with respect to insurance provided by Grantee:

1. Grantee agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992, or a City approved equivalent. Grantee also agrees to require all contractors, and subcontractors to do likewise.
2. No liability insurance coverage provided to comply with this Agreement shall prohibit Grantee, or Grantee’s employees, or agents, from waiving the right of subrogation prior to a loss. Grantee agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.
3. All insurance coverage and limits provided by Grantee and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this

Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.

4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.
5. Grantee's general liability policy shall not contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.
6. All coverage types and limits required are subject to approval, reasonable modification and reasonable additional requirements by the City, as the need arises. Grantee shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.
7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Grantee's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Grantee or deducted from sums due Grantee, at City option.
8. Certificate(s) are to reflect that the insurer will provide 30 days notice to City of any cancellation of coverage by the carrier.
9. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Grantee or any subcontractor, is intended to apply first and on a primary, noncontributing basis in relation to any other insurance or self insurance available to City.
10. Grantee agrees to require that subcontractors, and any other party involved with the project who is brought onto or involved in the project by Grantee, provide the same minimum insurance coverage required of Grantee. Grantee agrees to monitor and review all such coverage and assumes responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Grantee agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.
11. If Grantee's existing coverage includes a deductible or self-insured retention, the deductible or selfinsured retention must be declared to the City. At that time the City shall review options with the Grantee, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions. Grantee shall be responsible for paying any deductibles or self-insured retentions on its policies.
12. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Grantee ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Grantee, the City will negotiate additional compensation proportional to the increased benefit to City.
13. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

14. Grantee acknowledges and agrees that any actual or alleged failure on the part of City to inform Grantee of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.
15. Grantee will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies

whether or not the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

16. Grantee shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Grantee's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City within five days of the expiration of the coverages.
17. The provisions of any workers' compensation or similar act will not limit the obligations of Grantee under this agreement. Grantee expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials and agents.
18. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.
19. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.
20. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.
21. Grantee agrees to be responsible for ensuring that no contract used between itself and its subGrantees' reserves the right to charge City or Grantee for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.
22. Grantee agrees to provide immediate notice to City of any claim or loss against Grantee arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.