

AGREEMENT
BETWEEN THE CITY OF FRANKLIN
AND THE DOWNTOWN FRANKLIN ASSOCIATION

THIS AGREEMENT made this 26th day of August, 2002 by and between the City of Franklin, Virginia, a municipal corporation (hereinafter "the City") and the Downtown Franklin Association, a Virginia non-stock corporation (hereinafter "the Association").

WHEREAS, the Association has requested that the City appropriate to it certain funds on an annual basis with which; along with other funds obtained by the Association, the Association, in conjunction with the City, will implement the Main Street Program and take such other actions as it deems appropriate to promote business in the downtown service district; and

WHEREAS, the City, in lieu of continuing to implement the Main Street Program and otherwise engage in certain promotions on behalf of Downtown Franklin exclusively through a Department of Downtown Development, has agreed to provide funding, subject to annual appropriation by City Council, for the Association, in conjunction with the City, to perform such functions.

NOW, THEREFORE, the parties hereto, in consideration of the mutual promises set forth below, agree as follows:

THE CITY AND THE ASSOCIATION AGREE TO:

1. Form a five member committee consisting of two Board members selected by the Association, the Councilmember designated as liaison between Council and the Association and two city staff members selected by the city manager to advertise for and employ an Executive Director for the Main Street Program (hereinafter "the Director") as needed from time to time;
2. Designate the Director a city employee with respect to payment of salary, the granting of employee benefits and applicability of personnel policies and procedures; and
3. Designate the Director an Association employee with respect to the determination of job duties and responsibilities, the supervision of the employee and the evaluation of such employee, city staff to assist in such matters as requested by the Association Board or the President of the Association.

THE CITY AGREES TO:

1. Appropriate the amount of \$50,000.00 plus all the revenue generated from the additional real property tax on property in the downtown service district in funding for the Association for FY 2002-03, less an amount to be withheld and used for the salary and benefits of the Executive Director following expenses of the Main Street Program;

2. Appropriate annual funds for the Association for subsequent fiscal years in an amount determined by City Council from year to year during its budgetary process to include revenue generated from the additional real property tax on property in the downtown service district and utilized as set forth in paragraph 1. above;
3. Assist the Association in obtaining further funding through donations and grants from governmental and non-governmental sources;
4. Provide in-kind services through its public works, electric, police, fire and rescue, recreation and other departments for the support of downtown activities such as festivals, parades, etc., subject to the availability of personnel and equipment of such departments, given their other duties and obligations as determined by the directors thereof or their designees;
5. Provide the Association with an office or offices for its exclusive use in the Visitors' Center/Museum and provide the Association with a waiting area and a conference room to be used by the Association on a non-exclusive basis in the Visitors' Center/Museum at the time such facility is operational;
6. Provide storage space for personal property of the Association at facilities designated by the city;
7. Assist in the advertisement of activities, promotions and festivals of the Association through City Clips, the City Web Site and the City Cable Television Channel(s);
8. Give advance notice to the Association of any capital improvements, repairs, street closings or other city activities which might have an effect on downtown business;
9. Give the Association, during regular business hours, access to all non-confidential public records which may assist it in performing its activities in the downtown service district;
10. If budgetary constraints permit, continue the downtown loan and grant programs as presently operating;
11. Cooperate with the Association in meeting the objectives of the Main Street Program;

THE ASSOCIATION AGREES TO:

1. Employ such part-time employees as the Association deems necessary to assist the Director;
2. Obtain and pay for any facilities and associated expenses such as utilities, janitorial services, etc. to be used by the Association and the Director until an office or offices are made available to the Association in the Visitors' Center/Museum.
3. Obtain and coordinate a corps of volunteers to assist in the work of the Association, particularly in staffing the Visitors' Center/Museum when it is operational and keep and provide to the City an annual record of the names of volunteers who have assisted and the total number of hours worked;

4. Utilize the office or offices, waiting area, storage room and conference room in the Visitors' Center/Museum, have a staff person or volunteer serve as a guide for members of the public who visit the facility during regular business hours and coordinate the use of any conference room or display areas in that facility with the city and with other organizations;
5. Organize, advertise and promote events, activities, promotions, shows, ribbon-cuttings for new businesses and festivals in the downtown area;
6. Publish an annual brochure or calendar of such events, promotions, shows and festivals for the calendar year;
7. Serve as a liaison with and obtain assistance for downtown activities from civic clubs, organizations and other associations;
8. Communicate with the city manager, or his designee, with respect to activities which shall occur downtown and may require city assistance and give advance reasonable and appropriate notice to the relevant departmental contact person of such activities, it being understood by the Association that failure to give reasonable advance notice may preclude assistance from the relevant city department;
9. Give advance notice to downtown businesses of capital improvements, repairs, street closings or other activities of the city upon receipt of notice of same from the city;
10. Take such actions required to ensure that the Main Street Program is carried on and thrives in the city.
11. Abide by all federal, state and local laws, regulations and procedures in conducting the various activities of the Association, it being understood that any failure to so abide will preclude assistance from the city and any of its departments in such activities;
12. Upon receiving 501 C 3 status from the IRS, failure to maintain such status shall make this agreement immediately voidable in the discretion of City Council;
13. Provide to City Council within 30 days after the conclusion of each calendar quarter a written report of its activities, including an itemized report of revenue received and expenditures made during said quarter, provide the city with a copy of its IRS Form 990 at the same time that it is mailed for filing with the Internal Revenue Service, appear before City Council from time to time at Council's request, to report orally on the activities of the Association and make such suggestions and recommendations to Council as it may deem advisable with respect to downtown activities, facilities, parking, lighting, etc; and
14. Provide to the City Manager by MARCH 1 of each year its budget request to City Council.

It is understood and agreed that at least one member of City Council, nominated by City Council and elected by the Board of Directors of the Association shall be a voting member of the Board of Directors of the Association.

This agreement shall extend from year-to year on a fiscal year July 1-June 30 basis until one of the parties hereto gives the other notice by March 1st of any year that it wishes to terminate the agreement on July 1st of that year.

This agreement may be revised by an amendment in writing adopted by the Board of Directors of the Association and by City Council.

In WITNESS WHEREOF, the parties have executed this agreement on the dates set forth below and it shall be effective on August 29, 2002.

CITY OF FRANKLIN, VIRGINIA

BY: James P. Council
Mayor

August 28, 2002
date

DOWNTOWN FRANKLIN ASSOCIATION, INC.

BY: Mary Alice Beal
President

August 29, 2002
date