The Good Karma Coll Item # 21
Date: 11/9/26

RESOLUTION NO. 049 (2026/2027)

A RESOLUTION APPROVING A DEVELOPMENT AGREEMENT WITH THE GOOD KARMA COLLECTIVE UNDER THE REVITALIZE NEVADA SMALL BUSINESS GRANT PROGRAM

WHEREAS, the City of Nevada, Iowa, in partnership with the Nevada Economic Development Council (NEDC), established the Revitalize Nevada Small Business Grant Program to encourage new businesses to locate within the City; and

WHEREAS, The Good Karma Collective has been awarded a grant of up to $4,000 to assist with eligible equipment, marketing, and utility expenses associated with establishing a new business at 923 6th Street, Nevada, Iowa; and

WHEREAS, the Development Agreement establishes a project completion deadline of October 15, 2027, and requires the business to create or retain at least one full-time-equivalent job by that date; and

WHEREAS, the Development Agreement requires The Good Karma Collective to remain open and actively operate within the City of Nevada for a minimum of twenty-four (24) months from its actual opening date, with provisions for repayment of grant funds in the event of early closure, relocation, or failure to comply with the agreement; and

WHEREAS, grant funds shall be disbursed on a reimbursement basis for eligible expenses, subject to the terms and conditions outlined in the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NEVADA, IOWA:

SECTION 1. The Development Agreement between the City of Nevada, Nevada Economic Development Council, and The Good Karma Collective, providing grant assistance of up to $4,000 through the Revitalize Nevada Small Business Grant Program, is hereby approved, subject to the terms and conditions contained therein.

SECTION 2. The Mayor and City Clerk are hereby authorized to execute the Development Agreement on behalf of the City of Nevada.

SECTION 3. This resolution takes effect immediately upon adoption.

PASSED AND APPROVED this 9th day of November, 2026.

_____
Ryan Condon, Mayor

ATTEST:

_____
Erin Mousel, City Clerk

Moved by Council Member __, seconded by Council Member __, that Resolution No. 049 (2026/2027) be adopted.

AYES: __

NAYS: __

ABSENT: __

The Mayor declared Resolution No. 049 (2026/2027) adopted.

I hereby certify that the foregoing is a true copy of a record of the adoption of Resolution No. 049 (2026/2027) at the regular Council Meeting of the City of Nevada, Iowa, held on the 9th day of November, 2026.

_____

Erin Mousel, City Clerk

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DEVELOPMENT AGREEMENT

Revitalize Nevada Small Business Grant

This Development Agreement ("Agreement") made this ___ day of November, 2026 by and between the CITY OF NEVADA, IOWA ("City"), NEVADA ECONOMIC DEVELOPMENT COUNCIL (NEDC) and _The Good Karma Collective__ ("Business").

WHEREAS the City and NEDC have created the Revitalize Nevada Small Business Grant program (the "Program") for the purpose of encouraging new businesses to locate in Nevada. The Business will lease property at __923 6th Street, Nevada, IA 50201_ for the purpose of establishing a new business; and

WHEREAS the Business will create and retain jobs in Nevada, as described in the application; and

WHEREAS, the City Council previously determined under Iowa Code section 15A.1 that a public purpose will reasonably be accomplished by the Grant; and

WHEREAS the Business accepts the grant upon the terms and conditions set out in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement and other good and valuable consideration, the Parties agree as follows:

1. PROJECT. "Project" means the activities and other obligations to be performed or accomplished by the City, NEDC and the Business as described in this Agreement, as further described in the application submitted to NEDC (the "Application"), a copy of which is attached as Exhibit A. "Grant" means the funds provided under Section 7.

2. PROJECT COMPLETION PERIOD. The "Project Completion Period" commences with the Date of the Award Letter from NEDC, October 15th, 2026, and ends with the Project Completion Date of October 15th, 2027, unless extended by NEDC for good cause.

3. COSTS TO BE REIMBURSED. The costs to be reimbursed under this agreement are those costs that are directly related to the Project and approved in the Award Letter ("Eligible Costs"), specifically to include:

- Equipment, Marketing, Utility Expenses

Costs not listed above, or not documented by invoices and proof of payment, are not Eligible Costs.

4. PRIOR EXPENSES. No expenditures made prior to the Date of the Award Letter may be included as Eligible Costs.

5. PROPERTY MAINTENANCE. The Business shall maintain the project property in good repair and condition, ordinary wear and tear excepted, and shall not suffer or commit waste or damage upon the project property. The Business shall keep its lease of the project property in effect throughout the Required Operating Period (Section 12), obtain all required permits and licenses, and comply with all applicable laws, codes and ordinances.

6. WORK RESPONSIBILITIES. Subject to the terms of this Agreement, the Business will be solely responsible for completing all work on the Project. Neither party will be considered an agent of the other for purposes of this Project, and each will hold harmless and indemnify the other for any damages suffered by any person or entity as a result of its own or its agents' acts or failures to act in performance of its obligations under this Agreement. The Business shall defend, indemnify, and hold harmless the City, NEDC, Main Street Nevada, and their respective officials, officers, employees, and agents from all claims, damages, liabilities, and expenses (including reasonable attorney fees) arising out of the Project or the acts or omissions of the Business or its contractors. Neither the City nor NEDC designs, supervises, or inspects the Project and neither assumes responsibility for its design, construction, or code compliance. Nothing in this Agreement waives any immunity, defense, or limitation of liability available to the City under Iowa Code chapter 670 or other law. The Business shall maintain commercial general liability insurance of at least $1,000,000 per occurrence, naming the City and NEDC as additional insureds, and provide a certificate before the first reimbursement.

7. FINANCIAL OBLIGATION. In addition to the Grant funding, the parties agree to the following financial commitments.

The City in partnership with the NEDC will provide a grant of up to $4,000 in grant funding to support the establishment of this business in Nevada.

Any additional amounts necessary to complete the project shall be the responsibility of the Business.

8. ASSIGNMENT OF AGREEMENT. The Parties may not assign, transfer, or convey in whole or in part this Agreement, or any right to Grant funds, without the consent of each Party.

9. WRITING REQUIRED. No change, modification, or termination of any of the terms, provisions or conditions of this Agreement shall be effective unless made in writing and signed by all Parties.

10. PAYMENT PROCEDURES FOR GRANT FUNDS. Payment under the Grant shall be made on a reimbursement basis. Each request for reimbursement will include itemized invoices, proof of payment, lien waivers where applicable, and reports of the work completed, including photographs of the Project. Payments will be made to Business within thirty (30) days of the

submission of required information, provided the Business is not in default of this Agreement. NEDC may decline to reimburse any cost that is not an Eligible Cost.

11. MISCELLANEOUS.

A) The Business agrees to an in-person status check by NEDC and/or Main Street Nevada at 6 months and 12 months after the Award Letter.

B) Any publications or media releases related to the Project will contain the following. "This Project is Sponsored in part by the City of Nevada, Nevada Economic Development Council, and Main Street Nevada."

C) The City's Mayor, City Council members, employees, and their immediate family members, will not be paid for any work they perform on the Project through contracts with the Business or Developer unless that work was contracted through a competitive bidding process.

12. REQUIRED BUSINESS OPERATING PERIOD. The Business shall remain open and actively operate in Nevada, Iowa, for a minimum of twenty-four (24) months from the date the Business opens for regular business operations ("Opening Date"), the "Required Operating Period." For an existing business receiving a grant for a new concept, the twenty-four (24) month period begins on the date the grant-funded concept opens for regular business operations. The Opening Date shall be confirmed in writing by the Business and NEDC upon opening. The required operating period is measured from the actual Opening Date, rather than the date of the award letter, execution of this Agreement, or disbursement of grant funds.

13. REPAYMENT UPON EARLY CLOSURE. If the Business permanently closes, relocates outside Nevada, Iowa, or discontinues the grant-funded business or new concept before completing the Required Operating Period from the Opening Date, the Business may be required to repay some or all grant funds disbursed under this Agreement.

The Business shall promptly notify NEDC in writing of any planned or actual closure, relocation outside Nevada, or discontinuation of the grant-funded business or new concept during the Required Operating Period. This repayment obligation survives closure of the Business and termination of this Agreement.

14. PROMOTIONAL PERMISSION AND PARTNER RECOGNITION. The Business grants permission to the City of Nevada, Nevada Economic Development Council (NEDC), Small Business Development Center (SBDC), and Main Street Nevada to identify the Business as a Revitalize Nevada grant recipient and to use the Business's name, logo, grant award amount, and Business-provided or authorized photographs in websites, social media, newsletters, publications, media releases, presentations, and other promotional materials highlighting the Business, the Project, and the organizations involved. The Business agrees to reasonably cooperate with these promotional activities. Items will be presented to the Business before publication of any material.

Permission to use photographs of identifiable individuals shall be obtained from those individuals. This permission does not authorize disclosure of confidential financial information.

15. REPRESENTATIONS. The Business represents and warrants that: (a) it is duly organized, in good standing, and authorized to enter this Agreement; (b) the Application and all information submitted to NEDC are true and complete; (c) it owes no delinquent taxes, fees, or charges to the City, Story County, or the State of Iowa; (d) no litigation or claim is pending that would materially affect its ability to perform; and (e) Grant funds will not pay costs reimbursed or funded from another source.

16. JOBS. The Business shall create or retain at least __1__full-time-equivalent jobs in Nevada by __October 15th, 2027_____ and maintain them through the Required Operating Period, and shall report employment numbers to NEDC annually and on request. Jobs created by displacing jobs at similar Iowa businesses do not count.

17. DEFAULT AND REMEDIES. Each of the following is an event of default: (a) failure to open by the outside date or to operate as required by Section 12; (b) material misstatement in the Application or any reimbursement request; (c) use of Grant funds for non-Eligible Costs; (d) failure to pay any amount when due under this Agreement; (e) bankruptcy or insolvency of the Business; or (f) any other breach not cured within thirty (30) days after written notice. On default, NEDC and the City may terminate this Agreement, withhold further payments, require repayment under Section 13 (or repayment of all funds spent on non-Eligible Costs), and pursue any other remedy at law or in equity. Remedies are cumulative, and delay or failure to enforce is not a waiver.

18. RECORDS; AUDIT; PUBLIC RECORDS. The Business shall keep records of Project costs and operations for at least three (3) years after the end of the Required Operating Period and allow the City and NEDC to inspect and copy them on reasonable notice. The Business acknowledges that records submitted to the City may be public records subject to Iowa Code chapter 22. The Business should mark any information it considers confidential, and the City will handle such information as chapter 22 requires, but the City makes no guarantee of confidentiality.

19. GOVERNING LAW; VENUE. Iowa law governs. Venue lies exclusively in the Iowa District Court for Story County.

20. ENTIRE AGREEMENT. This Agreement contains the entire understanding between the City, NEDC and the Business with respect to the Project contained herein.

IN WITNESS WHEREOF the parties have executed this Agreement at City of Nevada, Story County, Iowa, the day and year first stated.

City of Nevada

BY: _____
Mayor

Date: _____

ATTEST: _____
City Clerk

Nevada Economic Development Council

BY: _____
Executive Director

Date: _____

The Good Karma Collective

BY: _____
Name/Title: _____
Date: _____