

**SPONSORSHIP AND ECONOMIC DEVELOPMENT FUNDING
AGREEMENT BETWEEN
THE CITY OF TEMECULA AND
VALLEY OF THE MIST QUILTERS GUILD**

THIS AGREEMENT is made and effective as of this **22nd** day of **July, 2025**, by and between the **City of Temecula**, a municipal corporation (hereinafter referred to as "City"), and **Valley of the Mist Quilterst Guild**, a California nonprofit corporation (hereinafter referred to as the "Nonprofit"). In consideration of the mutual covenants, conditions and undertakings set forth herein, the parties agree as follows:

1. RECITALS

This Agreement is made with respect to the following facts and purposes which each of the parties acknowledge and agree are true and correct:

a. The Nonprofit shall operate the **Old Town Temecula Outdoor Quilt Show** on **October 4, 2025**. (hereinafter referred to as the "Event"). The Event is a special events which is located **throughout Old Town Temecula**.

b. The event includes quilts on display at businesses throughout Old Town, a quilters boutique and live and silent auctions.

c. Alcohol **will not** be served.

d. The City desires to be a **Co-Sponsor** of the Event by providing **Economic Development** Funding and City Support Services.

2. TERM

This Agreement shall commence on **July 22, 2025**, and shall remain and continue in effect until tasks described herein are completed, but in no event later than **June 30, 2026**, unless sooner terminated pursuant to the provisions of this Agreement.

3. CONSIDERATION

a. In exchange for providing the Nonprofit with in-kind city-support services valued at an amount not to exceed **One Thousand Five Hundred Dollars and No Cents (\$1,500.00)** and in-kind promotional services valued at an amount not to exceed **Eleven Thousand Four Hundred Fifteen Dollars and No Cents (\$11,415.00)**, as listed in **Exhibit B**, the City of Temecula shall be designated as a **Co-Sponsor** of the Event. As a **Co-Sponsor** the City shall receive sponsor benefits as listed in **Exhibit A**.

b. The City of Temecula shall also provide **Economic Development Funding** in the amount of **One Thousand Six Hundred Dollars and No Cents (\$1,600.00)** which will be allocated to pay for **printing of promotional materials and equipment rental fees**.

4. WRITTEN REPORT

Within ninety (90) days after the conclusion of the Event, the Nonprofit shall prepare and submit to the **Assistant City Manager** a written report evaluating the Event, its attendance, media coverage, and description of the materials in which the City has listed as a **Co-Sponsor**. The

report shall also include samples of media, press clippings, flyers, pamphlets, etc., in a presentation notebook format. In addition, complete financial statements including a balance sheet, income statement and budget to actual comparison report of the Event must be included in such a written report.

5. FINANCIAL REVIEW

The Nonprofit shall provide complete financial statements including a balance sheet, income statement and budget to actual comparison report of the Event. This financial review of the Event should be completed and submitted to the City no later than December 31, 2025. The financial review shall provide a general summary report on how funds were expended and used to benefit Temecula Valley residents and shall include documentation, including but not limited to, copies of invoices, receipts and cancelled checks to support the Sponsorship Funding. The financial documentation is subject to an audit, as determined by City staff.

6. PERMITS

The Nonprofit shall file an application for a Special Event Permit with the City no later than sixty (60) days prior to the first day of the Event. The City retains its governmental jurisdiction to determine whether to issue the permits and the nature and scope of Conditions of Approval. The Nonprofit shall comply with all conditions of approval of the permits. The Nonprofit shall comply with all conditions of approval for the Special Event Permit, or any other City-issued permits. Failure to comply with the Conditions of Approval of such permits shall constitute a default of this Agreement and is grounds for termination of this Agreement.

7. MEETING ATTENDANCE

The Nonprofit shall attend all City pre-event planning meetings and event recap meetings if warranted.

8. INDEMNIFICATION

The Nonprofit shall indemnify, protect, defend and hold harmless the City of Temecula, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency, its elected officials, officers, employees, volunteers, and representatives from any and all suits, claims, demands, losses, defense costs or expenses, actions, liability or damages of whatsoever kind and nature which the City of Temecula, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency, its officers, agents and employees may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property arising out of the Nonprofit's negligent or wrongful acts or omissions arising out of or in any way related to the performance or non-performance of this Agreement.

9. INSURANCE

Nonprofit shall procure and maintain for the duration of the contract insurance against claims for injuries to persons and/or damages to property, which may arise from or in connection with the performance of the work hereunder and the results of work by the Nonprofit, its agents, representatives, employees, or subcontractors.

a. Minimum Scope of Insurance. Coverage shall be at least as broad as:

1) Commercial General Liability (CGL): Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operation, property damage, bodily injury, and personal & advertising with limits no less than One Million (\$1,000,000) per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 05 09 or 25 04 05 09) or the general aggregate limit shall be twice the required occurrence limit.

2) Automobile Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Nonprofit has no owned autos, covering hired, (Code8) and non-owned autos (Code 9), with limits no less than One Million (\$1,000,000) per accident for bodily injury, including death, of one or more persons, property damage and personal injury.

3) Workers' Compensation: as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than One million (\$1,000,000) per accident for bodily injury or disease. In accordance with the provisions of Labor Code Section 3700, every contractor will be required to secure the payment of compensation to it's employees. Pursuant to Labor Code Section 1861, Nonprofit must submit to City the following certification before beginning any work on the Improvements:

I am aware of the provisions of Section 3700 of the Labor Code which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract.

By executing this Agreement, Nonprofit is submitting the certification required above.

The policy must contain a waiver of subrogation in favor of the City of Temecula, the Temecula Community Services District, the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees or volunteers.

b. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared and approved by the Risk Manager.

c. Other Insurance Provisions. The insurance policies are to contain, or be endorsed to contain, the following provisions:

1) The City of Temecula, the Temecula Community Services District, the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Nonprofit's products and completed operations of the Nonprofit's; premises owned, occupied or used by the Nonprofit. General liability coverage can be provided in the form of an endorsement to the Nonprofit Insurance (at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 if a later edition is used). The coverage shall contain no special limitations on the scope of protection afforded to the City of Temecula, the Temecula Community Services District, the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees or volunteers.

2) For any claims related to this project, the Nonprofit insurance coverage shall be primary and non-contributory and at least as broad as ISO CG 20 01 04 13 as respects the City, the Temecula Community Services District, the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the City of Temecula, Temecula Community Services

District, and/or the Successor Agency to the Temecula Redevelopment Agency, its officers, officials, employees or volunteers shall be excess of the Nonprofit's insurance and shall not contribute with it. This also applies to any Excess or Umbrella liability policies.

3) The Nonprofit may use Umbrella or Excess Policies to provide the limits as required in this agreement. The Umbrella or Excess policies shall be provided on a true "following form" or broader coverage basis, with coverage at least as broad as provided on the underlying Commercial General Liability Insurance.

4) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect the indemnification provided to the City of Temecula, the Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees, or volunteers.

5) The Nonprofit's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

6) If the Nonprofit maintains broader coverage and/or higher limits than the minimums shown above, the City requires and shall be entitled to the broader coverage and/or higher limits maintained by the Nonprofit.

7) If insurance coverage is canceled or, reduced in coverage or in limits the Nonprofit shall within two (2) business days of notice from insurer phone, fax, and/or notify the City via certified mail, return receipt requested of the changes to or cancellation of the policy.

8) Unless otherwise approved by City, if any part of the Services and Tasks is subcontracted, the Minimum Insurance Requirements must be provided by, or on behalf of, all subcontractors even if city has approved lesser insurance requirements for Nonprofit, and all subcontractors must agree in writing to be bound by the provisions of this section.

d. Acceptability of Insurers. Insurance required above, except for workers' compensation insurance, must be placed with insurers with a current A.M. Best rating of A-:VII or better, unless otherwise acceptable to the City. Self-insurance shall not be considered to comply with these insurance requirements.

e. Verification of Coverage. Nonprofit shall furnish the City with original certificates and amendatory endorsements, or copies of the applicable policy language affecting coverage required by this clause. All certificates and endorsements and copies of the Declarations & Endorsements pages are to be received and approved by the City before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Nonprofit obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

f. Special Risks or Circumstances. The City reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.

10. GOVERNING LAW

The City and the Nonprofit understand and agree that the laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with geographic jurisdiction over the City of Temecula. In the event such litigation is filed by one party against the other to enforce its rights under this Agreement, the prevailing party, as determined by the Court's judgment, shall be entitled to reasonable attorney fees and litigation expenses for the relief granted.

11. LEGAL RESPONSIBILITIES

The Nonprofit shall keep itself informed of all local, State and Federal ordinances, laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Nonprofit shall at all times observe and comply with all such ordinances, laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Nonprofit to comply with this section.

12. ASSIGNMENT

The Nonprofit shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City.

13. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, that provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by Notice:

Mailing Address: City of Temecula
Attn: City Manager
41000 Main Street
Temecula, CA 92590

To Recipient: Valley of the Mist Quilters Guild
Attn: Tamara Kope
27475 Ynez Road #435
Temecula, CA 92591

14. INDEPENDENT CONTRACTOR

a. The Nonprofit shall at all times remain as to the City a wholly independent contractor. The personnel performing the services under this Agreement on behalf of the Nonprofit shall at all times be under the Nonprofit's exclusive direction and control. Neither City nor any of its officers, employees, agents, or volunteers shall have control over the conduct of Recipient or any of the Nonprofit's officers, employees, or agents except as set forth in this Agreement. The Nonprofit shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the City. The Nonprofit shall not incur or have the power to incur any debt, obligation or liability whatever against City, or bind City in any manner.

b. No employee benefits shall be available to the Nonprofit in connection with the performance of this Agreement. Except for the fees paid to the Nonprofit as provided in the Agreement, City shall not pay salaries, wages, or other compensation to the Nonprofit for performing services hereunder for City. City shall not be liable for compensation or indemnification to the Nonprofit for injury or sickness arising out of performing services hereunder.

15. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

16. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of the Nonprofit warrants and represents that he or she has the authority to execute this Agreement on behalf of the Nonprofit and has the authority to bind the Nonprofit to the performance of its obligations hereunder. The City Manager is authorized to enter into an amendment on behalf of the City to make the following non-substantive modifications to the agreement: (a) name changes; (b) extension of time; (c) non-monetary changes in scope of work; (d) agreement termination.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF TEMECULA

VALLEY OF THE MIST QUILTERS GUILD

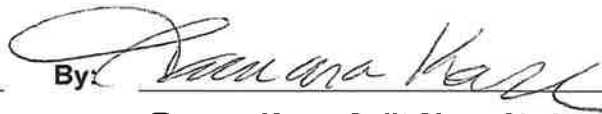
(Two Signatures of corporate officers required unless corporate documents authorize only one person to sign the agreement on behalf of the corporation.)

By: _____
Brenden Kalfus, Mayor

By: _____
Karrie Dominguez, President

ATTEST:

By: _____
Randi Johl, City Clerk

By: _____
Tamara Kope, Quilt Show Chair

APPROVED AS TO FORM:

By: _____
Peter M. Thorson, City Attorney

NONPROFIT

Valley of The Mist Quilters Guild
Attn: Tamara Kope
27475 Ynez Road #435
Temecula, CA 92591
Tamara.kope@gmail.com

EXHIBIT "A"

CITY OF TEMECULA'S SPONSORSHIP BENEFITS

CO-SPONSOR

In exchange for providing in-kind city-support services of Community Services valued at an amount not to exceed **\$1,500.00**, and in-kind City promotional services valued at **\$11,415.00** for the **Old Town Temecula Outdoor Quilt Show**, the citizens of the City of Temecula shall receive the following benefits.

- ◆ City of Temecula Logo on Printed Material
- ◆ City of Temecula Name on all Radio Promotion
- ◆ City of Temecula Name in all Press Releases

The Economic Development Funding of **\$1,600.00**, will be allocated to pay for printing of promotional materials and equipment rental fees.

EXHIBIT "B"
IN-KIND SERVICES

ESTIMATED VALUE OF CITY SUPPORT SERVICES AND COSTS

Based on the input from City departments we received estimated cost projections for the **Old Town Temecula Outdoor Quilt Show** event. The following expenses can be anticipated for the event:

Community Services:	\$ 1,500.00
TOTAL:	<u>\$ 1,500.00</u>

**ESTIMATED VALUE OF PROMOTIONAL SERVICES
PROVIDED BY THE CITY OF TEMECULA**

The estimated value for in-kind promotional assistance provided by The City of Temecula for the **Old Town Temecula Outdoor Quilt Show** is as follows:

<u>Item</u>	<u>Value</u>
Auto Mall Marquee Appears approximately once every 4 ½ minutes	\$ 3,115.00
Cable Channel Event slide appears approximately once per hour for 30 seconds	\$ 5,100.00
City Website Event listed on the City of Temecula's events calendar	\$ 2,200.00
Promotional Poster 42X66 poster displayed in the concourse at the Civic Center	<u>\$1,000.00</u>
TOTAL VALUE:	<u>\$ 11,415.00</u>