



County Executive Office

Eric Rood Administrative Center | 950 Maidu Avenue, Suite 220, Nevada City, CA 95959

Phone: 530-265-7040 | Fax: 530-265-9839

CEO@NevadaCountyCA.gov

DATE: February 25, 2025

TO: Board of Supervisors

FROM: Alison Lehman, County Executive Officer

SUBJECT: Resolution approving a loan agreement between the County of Nevada and Western Gateway Park and Recreation District for a not to exceed amount of \$1,144,634, and authorizing the County Executive Officer to enter into and execute such loan agreement

RECOMMENDATION: Adopt the Resolution.

FUNDING: Funding includes a General Fund loan for a not to exceed amount of \$1,144,634 to Western Gateway Park and Recreation District, to be paid back to the County as project expenses are reimbursed by the State Rural Recreation and Tourism (RRT) grant funds. The loan will be repaid with proceeds from the 2018 Parks and Water Bond Act (Proposition 68), that the District will receive as the project proceeds.

BACKGROUND:

Western Gateway Park and Recreation District (District) received a \$1,144,634 Rural Recreation & Tourism (RRT) Grant from California State Parks for park improvements, funded by Proposition 68. The County funded the grant writing for the application. The awarded grant funds will help the park address its damaged creek crossing to the ball fields, fix parking areas, improve ball fields, and build a new RV Park which will provide an opportunity for visitors to Nevada County to stay and spend their tax dollars with our local businesses in Penn Valley.

Rural Recreation & Tourism funding from the State is provided on a reimbursement basis, whereby the District must pay for contracted services before requesting and receiving related grant dollars. It may take up to ten weeks for the District to receive the reimbursement from the State. Reimbursement timing will create cash flow problems that will present a significant hardship for the District, which does not have sufficient reserves to fund this project without the County's assistance. As such, the District has requested a loan from the County to mitigate the cash flow problem, avoid financial hardship, and allow it to complete the project.

The District is currently in the process of requesting an advance of 80% from the State for this project. If approved, the District will only request the needed balance of 20% or \$228,926.80.

If this Resolution is approved, the County Executive Officer will execute the loan agreement with the District to provide cash flow assistance to enable the District to complete the project and pay contractors and other costs in anticipation of, and to mitigate, fiscal complications that may arise from the timing of State funding for the Project. Said funds may be used for any expenditure approved through the grant for the project, with a loan repayment period through June 30, 2028.

Item Initiated by: Sarah Holyhead, Senior Management Analyst (by way of Shavati Karki-Pearl, Senior Administrative Analyst)



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Approved by: Alison Lehman, County Executive Officer

Submittal Date: February 7, 2025