

LOAN AGREEMENT BETWEEN THE COUNTY OF NEVADA AND THE OAK TREE PARK AND RECREATION DISTRICT

This Agreement for a loan to complete an essential park and recreation district capital improvement project ("Agreement") is made and entered into by and between the COUNTY OF NEVADA , a political subdivision of the State of California, ("COUNTY"), and the Oak Tree Park and Recreation District, a special district ("DISTRICT"), with respect to the following facts:

WHEREAS, in 2020 the California Department of Parks and Recreation announced nearly 200 million dollars available for more than 700 agencies under the Proposition 68 Per Capita Grant Program, which provides non-competitive grant funding to support the rehabilitation, creation and improvement of local parks and to address deficiencies in neighborhoods lacking access to outdoor recreation facilities; and

WHEREAS, the opportunity for Parks and Recreation districts within Nevada County to enhance their facilities through the use of Per Capita Grant funds serves a public benefit that is a high priority to our community as "Natural Environment" is ranked as one of the top three contributing factors to quality of life within Nevada County in the 2017 NCS National Citizens Survey and support for the improvement of recreation open space infrastructure within Nevada County is a key strategy related to the Board of Supervisors Economic Development Objective for 2021; and

WHEREAS, each Nevada County park district was allocated \$177,952 in Per Capita Grant funding from California State Parks for park improvements; and

WHEREAS, Per Capita Grant funding from the State is on a reimbursement basis, where the park district must pay for contract services before requesting and receiving related grant dollars, and it may take up to six weeks to receive the dollars from the State, and the State will retain twenty-percent of the project amount until the project is complete and final approval is received from the State; and

WHEREAS, the reimbursement timing may create cash flow problems that will be a significant hardship for the District; and

WHEREAS, the District has requested a loan from the County to mitigate the cash flow problem, avoid significant hardship, and allow them to complete a grant funded capital improvement project.

A. COUNTY and DISTRICT now wish to enter into this Agreement to provide a loan for a maximum of ninety-one thousand dollars (\$91,000.00) to DISTRICT.

B. Under this Agreement, COUNTY is to provide cash flow assistance to enable the DISTRICT to complete the Per Capita Grant Program project ("Project"); to pay contractor 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 expense approved through the grant for the Project through the period of June 30, 2022.

C. Upon adoption of the authorizing resolution and execution of this Agreement, the Auditor-Controller has the authority to transfer funds to and from designated funds of the District. Auditor-Controller shall coordinate with the County Executive Officer or her/his designee, who will act as the administrator on behalf of the COUNTY for this Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. TERM: The term of this Agreement shall be May 11<sup>th</sup>, 2021 through June 30<sup>th</sup>, 2022.
2. LOAN: The loan is generally described as a short-term loan provided by COUNTY to DISTRICT.
  - a. DISTRICT will submit a request letter to the COUNTY identifying the amount requested to be advanced and a project manager and providing a short outline of the proposed Project to be funded.
  - b. COUNTY will transfer to the DISTRICT one half of the total loan amount, forty-five thousand five hundred dollars (\$45,500.00), within two weeks of the full execution of this Agreement or at a later time if requested by the District in writing.
  - c. COUNTY will transfer to the DISTRICT the second half of the total amount, forty-five thousand five hundred dollars (\$45,500.00) within two weeks of demonstration that at least 50% of the initial funds have been spent toward the project.
  - d. DISTRICT agrees to provide copies to COUNTY, upon submittal, of any and all Payment Request Forms to the State for grant revenue.
  - e. DISTRICT agrees to make payments toward loan with any or all of subsequent Per Capita Grant reimbursements received until the loan is paid in full.
3. PAYMENT:
  - a. Payment or payments from the DISTRICT to the COUNTY will be made on or before the date upon which final Per Capita Grant revenue is received by the District, which will occur after final approval from the State.
  - b. If loan is not repaid in full by June 20, 2023 (one-year after end of Agreement term), DISTRICT agrees to pay interest at the Treasurer's pooled rate on the

outstanding loan balance until paid in full.

4. MUTUAL HOLD HARMLESS. The parties agree to hold each other, their elected officials, employees, contractors and agents mutually harmless from any and all claims, demands and liability, including attorney's fees, arising from each party's performance of this Agreement except to the extent that such liability is caused by the negligence of the other party.

5. ENTIRE AGREEMENT. This Agreement sets forth the entire agreement between the parties with respect to the subject matter hereof and all prior negotiations and dealings pertaining to the subject matter hereof shall be deemed merged herein.

6. AMENDMENT. This Agreement shall not be modified except by written consent of the parties.

7. ADMINISTRATION. The County Executive Officer, or her/his designee, shall administer this Agreement on behalf of COUNTY.

8. SEVERABILITY. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

9. TERMINATION. After repayment of any amount advanced with interest, this Agreement will be of no further force or effect, with the exception of Section 4, above.

10. ASSIGNMENT. Neither this Agreement nor the duties or obligations under this Agreement shall be assigned by either party without prior written consent of the other party. This does not prohibit COUNTY however from performing its duties or obligations hereunder by way of subcontract.

11. NONDISCRIMINATION. Except as provided in Section 12940 of the California Government Code, during DISTRICT'S performance of the contract, DISTRICT shall not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical handicap, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related hereto, marital status, sex or sexual orientation in the selection and retention of employees and subcontractors and the procurement of materials and equipment.

12. NOTICES. All correspondence and notices required or contemplated by this Agreement shall be delivered to the respective parties at the addresses set forth below and are deemed submitted one (1) day after their deposit in the United States Mail, postage prepaid:

OAK TREE PARK AND RECREATION  
DISTRICT

COUNTY OF NEVADA

Alison Lehman

County Executive Officer, County of Nevada

Signature Block to go below