

COUNTY OF MONTEREY AGREEMENT FOR PROFESSIONAL SERVICES
(MORE THAN \$100,000)*

This Professional Services Agreement ("Agreement") is made by and between the County of Monterey, a political subdivision of the State of California (hereinafter "County") and:
California Coastal Rural Development Corporation
(hereinafter "CONTRACTOR").

In consideration of the mutual covenants and conditions set forth in this Agreement, the parties agree as follows:

1. **SERVICES TO BE PROVIDED.** The County hereby engages CONTRACTOR to perform, and CONTRACTOR hereby agrees to perform, the services described in **Exhibit A** in conformity with the terms of this Agreement. The services are generally described as follows:
Provide Day to day program management of the County's Small Business Revolving Loan Fund

2. **PAYMENTS BY COUNTY.** County shall pay the CONTRACTOR in accordance with the payment provisions set forth in **Exhibit A**, subject to the limitations set forth in this Agreement. The total amount payable by County to CONTRACTOR under this Agreement shall not exceed the sum of \$ 150,000 annually.

3. **TERM OF AGREEMENT.** The term of this Agreement is from January 1, 2014 to December 31, 2016, unless sooner terminated pursuant to the terms of this Agreement. This Agreement is of no force or effect until signed by both CONTRACTOR and County and with County signing last, and CONTRACTOR may not commence work before County signs this Agreement.

4. **ADDITIONAL PROVISIONS/EXHIBITS.** The following attached exhibits are incorporated herein by reference and constitute a part of this Agreement:

Exhibit A Scope of Services/Payment Provisions

Exhibit B RFP#10400

Exhibit C California Coastal Rural Development Corporation Qualified Response to RFP #10400

5. **PERFORMANCE STANDARDS.**

5.01. CONTRACTOR warrants that CONTRACTOR and CONTRACTOR's agents, employees, and subcontractors performing services under this Agreement are specially trained, experienced, competent, and appropriately licensed to perform the work and deliver the services required under this Agreement and are not employees of the County, or immediate family of an employee of the County.

5.02. CONTRACTOR, its agents, employees, and subcontractors shall perform all work in a safe and skillful manner and in compliance with all applicable laws and regulations. All work performed under this Agreement that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

*Approved by County Board of Supervisors on _____.

5.03. CONTRACTOR shall furnish, at its own expense, all materials, equipment, and personnel necessary to carry out the terms of this Agreement, except as otherwise specified in this Agreement. CONTRACTOR shall not use County premises, property (including equipment, instruments, or supplies) or personnel for any purpose other than in the performance of its obligations under this Agreement.

6. PAYMENT CONDITIONS.

6.01. CONTRACTOR shall submit to the Contract Administrator an invoice on a form acceptable to County. If not otherwise specified, the CONTRACTOR may submit such invoice periodically or at the completion of services, but in any event, not later than 30 days after completion of services. The invoice shall set forth the amounts claimed by CONTRACTOR for the previous period, together with an itemized basis for the amounts claimed, and such other information pertinent to the invoice as the County may require. The Contract Administrator or his or her designee shall certify the invoice, either in the requested amount or in such other amount as the County approves in conformity with this Agreement, and shall promptly submit such invoice to the County Auditor-Controller for payment. The County Auditor-Controller shall pay the amount certified within 30 days of receiving the certified invoice.

6.02. CONTRACTOR shall not receive reimbursement for travel expenses unless set forth in this Agreement.

7. TERMINATION.

7.01. During the term of this Agreement, the County may terminate the Agreement for any reason by giving written notice of termination to the CONTRACTOR at least thirty (30) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

7.02. The County may cancel and terminate this Agreement for good cause effective immediately upon written notice to CONTRACTOR. "Good cause" includes the failure of CONTRACTOR to perform the required services at the time and in the manner provided under this Agreement. If County terminates this Agreement for good cause, the County may be relieved of the payment of any consideration to CONTRACTOR, and the County may proceed with the work in any manner, which County deems proper. The cost to the County shall be deducted from any sum due the CONTRACTOR under this Agreement.

8. **INDEMNIFICATION.** CONTRACTOR shall indemnify, defend, and hold harmless the County, its officers, agents, and employees, from and against any and all claims, liabilities, and losses whatsoever (including damages to property and injuries to or death of persons, court costs, and reasonable attorneys' fees) occurring or resulting to any and all persons, firms or corporations furnishing or supplying work, services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims, liabilities, and losses occurring or resulting to any person, firm, or corporation for damage, injury, or death arising out of or connected with the CONTRACTOR's performance of this Agreement, unless such claims, liabilities, or losses arise out of the sole negligence or willful misconduct of the County. "CONTRACTOR's performance" includes CONTRACTOR's action or inaction and the action or inaction of CONTRACTOR's officers, employees, agents and subcontractors.

9.0 INSURANCE.

9.01 Evidence of Coverage:

Prior to commencement of this Agreement, the Contractor shall provide a "Certificate of Insurance" certifying that coverage as required herein has been obtained. Individual endorsements executed by the insurance carrier shall accompany the certificate. In addition the Contractor upon request shall provide a certified copy of the policy or policies.

This verification of coverage shall be sent to the County's, Contracts/Purchasing Department, unless otherwise directed. The Contractor shall not receive a "Notice to Proceed" with the work under this Agreement until it has obtained all insurance required and such, insurance has been approved by the County. This approval of insurance shall neither relieve nor decrease the liability of the Contractor.

9.02 Qualifying Insurers:

All coverage's, except surety, shall be issued by companies which hold a current policy holder's alphabetic and financial size category rating of not less than A- VII, according to the current Best's Key Rating Guide or a company of equal financial stability that is approved by the County's Purchasing Manager.

9.03 Insurance Coverage Requirements:

Without limiting CONTRACTOR's duty to indemnify, CONTRACTOR shall maintain in effect throughout the term of this Agreement a policy or policies of insurance with the following minimum limits of liability:

Commercial general liability insurance, including but not limited to premises and operations, including coverage for Bodily Injury and Property Damage, Personal Injury, Contractual Liability, Broadform Property Damage, Independent Contractors, Products and Completed Operations, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Business automobile liability insurance, covering all motor vehicles, including owned, leased, non-owned, and hired vehicles, used in providing services under this Agreement, with a combined single limit for Bodily Injury and Property Damage of not less than \$1,000,000 per occurrence.

Exemption/Modification (Justification attached; subject to approval).

Workers' Compensation Insurance, if CONTRACTOR employs others in the performance of this Agreement, in accordance with California Labor Code section 3700 and with Employer's Liability limits not less than \$1,000,000 each person, \$1,000,000 each accident and \$1,000,000 each disease.

Exemption/Modification (Justification attached; subject to approval).

Professional liability insurance, if required for the professional services being provided, (e.g., those persons authorized by a license to engage in a business or profession regulated by the California Business and Professions Code), in the amount of not less than \$1,000,000 per claim and \$2,000,000 in the aggregate, to cover liability for malpractice or errors or omissions made in the course of rendering professional services. If professional liability insurance is written on a "claims-made" basis rather than an occurrence basis, the CONTRACTOR shall, upon the expiration or earlier termination of this Agreement, obtain extended reporting coverage ("tail coverage") with the same liability limits. Any such tail coverage shall continue for at least three years following the expiration or earlier termination of this Agreement.

Exemption/Modification (Justification attached; subject to approval).

9.04

Other Insurance Requirements.

All insurance required by this Agreement shall be with a company acceptable to the County and issued and executed by an admitted insurer authorized to transact Insurance business in the State of California. Unless otherwise specified by this Agreement, all such insurance shall be written on an occurrence basis, or, if the policy is not written on an occurrence basis, such policy with the coverage required herein shall continue in effect for a period of three years following the date CONTRACTOR completes its performance of services under this Agreement.

Each liability policy shall provide that the County shall be given notice in writing at least thirty days in advance of any endorsed reduction in coverage or limit, cancellation, or intended non-renewal thereof. Each policy shall provide coverage for Contractor and additional insureds with respect to claims arising from each subcontractor, if any, performing work under this Agreement, or be accompanied by a certificate of insurance from each subcontractor showing each subcontractor has identical insurance coverage to the above requirements.

Commercial general liability and automobile liability policies shall provide an endorsement naming the County of Monterey, its officers, agents, and employees as Additional Insureds with respect to liability arising out of the CONTRACTOR'S work, including ongoing and completed operations, and shall further provide that such insurance is primary insurance to any insurance or self-insurance maintained by the County and that the insurance of the Additional Insureds shall not be called upon to contribute to a loss covered by the CONTRACTOR'S insurance. The required endorsement form for Commercial General Liability Additional Insured is ISO Form CG 20 10 11-85 or CG 20 10 10 01 in tandem with CG 20 37 10 01 (2000). The required endorsement form for Automobile Additional Insured endorsement is ISO Form CA 20 48 02 99.

Prior to the execution of this Agreement by the County, CONTRACTOR shall file certificates of insurance with the County's contract administrator and County's Contracts/Purchasing Division, showing that the CONTRACTOR has in effect the insurance required by this Agreement. The CONTRACTOR shall file a new or amended certificate of insurance within five calendar days after any change is made in any insurance policy, which would alter the information on the certificate then on file. Acceptance or approval of insurance shall in no way modify or change the indemnification clause in this Agreement, which shall continue in full force and effect.

CONTRACTOR shall at all times during the term of this Agreement maintain in force the insurance coverage required under this Agreement and shall send, without demand by County, annual certificates to County's Contract Administrator and County's Contracts/Purchasing Division. If the certificate is not received by the expiration date, County shall notify CONTRACTOR and CONTRACTOR shall have five calendar days to send in the certificate, evidencing no lapse in coverage during the interim. Failure by CONTRACTOR to maintain such insurance is a default of this Agreement, which entitles County, at its sole discretion, to terminate this Agreement immediately.

10. RECORDS AND CONFIDENTIALITY.

- 10.01 Confidentiality. CONTRACTOR and its officers, employees, agents, and subcontractors shall comply with any and all federal, state, and local laws, which provide for the confidentiality of records and other information. CONTRACTOR shall not disclose any confidential records or other confidential information received from the County or prepared in connection with the performance of this Agreement, unless County specifically permits CONTRACTOR to disclose such records or information. CONTRACTOR shall promptly transmit to County any and all requests for disclosure of any such confidential records or information. CONTRACTOR shall not use any confidential information gained by CONTRACTOR in the performance of this Agreement except for the sole purpose of carrying out CONTRACTOR's obligations under this Agreement.
- 10.02 County Records. When this Agreement expires or terminates, CONTRACTOR shall return to County any County records which CONTRACTOR used or received from County to perform services under this Agreement.
- 10.03 Maintenance of Records. CONTRACTOR shall prepare, maintain, and preserve all reports and records that may be required by federal, state, and County rules and regulations related to services performed under this Agreement. CONTRACTOR shall maintain such records for a period of at least three years after receipt of final payment under this Agreement. If any litigation, claim, negotiation, audit exception, or other action relating to this Agreement is pending at the end of the three year period, then CONTRACTOR shall retain said records until such action is resolved.
- 10.04 Access to and Audit of Records. The County shall have the right to examine, monitor and audit all records, documents, conditions, and activities of the CONTRACTOR and its subcontractors related to services provided under this Agreement. Pursuant to Government Code section 8546.7, if this Agreement involves the expenditure of public funds in excess of \$10,000, the parties to this Agreement may be subject, at the request of the County or as part of any audit of the County, to the examination and audit of the State Auditor pertaining to matters connected with the performance of this Agreement for a period of three years after final payment under the Agreement.
- 10.05 Royalties and Inventions. County shall have a royalty-free, exclusive and irrevocable license to reproduce, publish, and use, and authorize others to do so, all original computer programs, writings, sound recordings, pictorial reproductions, drawings, and other works of similar nature produced in the course of or under this Agreement. CONTRACTOR shall not publish any such material without the prior written approval of County.

11. **NON-DISCRIMINATION.** During the performance of this Agreement, CONTRACTOR, and its subcontractors, shall not unlawfully discriminate against any person because of race, religious creed, color, sex, national origin, ancestry, physical disability, mental disability, medical condition, marital status, age (over 40), or sexual orientation, either in CONTRACTOR's employment practices or in the furnishing of services to recipients. CONTRACTOR shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination. CONTRACTOR and any subcontractor shall, in the performance of this Agreement, fully comply with all federal, state, and local laws and regulations, which prohibit discrimination. The provision of services primarily or exclusively to such target population as may be designated in this Agreement shall not be deemed to be prohibited discrimination.
12. **COMPLIANCE WITH TERMS OF STATE OR FEDERAL GRANT.** If this Agreement has been or will be funded with monies received by the County pursuant to a contract with the state or federal government in which the County is the grantee, CONTRACTOR will comply with all the provisions of said contract, to the extent applicable to CONTRACTOR as a subgrantee under said contract, and said provisions shall be deemed a part of this Agreement, as though fully set forth herein. Upon request, County will deliver a copy of said contract to CONTRACTOR, at no cost to CONTRACTOR.
13. **INDEPENDENT CONTRACTOR.** In the performance of work, duties, and obligations under this Agreement, CONTRACTOR is at all times acting and performing as an independent contractor and not as an employee of the County. No offer or obligation of permanent employment with the County or particular County department or agency is intended in any manner, and CONTRACTOR shall not become entitled by virtue of this Agreement to receive from County any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. CONTRACTOR shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of CONTRACTOR's performance of this Agreement. In connection therewith, CONTRACTOR shall defend, indemnify, and hold County harmless from any and all liability, which County may incur because of CONTRACTOR's failure to pay such taxes.
14. **NOTICES.** Notices required under this Agreement shall be delivered personally or by first-class, postage pre-paid mail to the County and CONTRACTOR'S contract administrators at the addresses listed below:

| FOR COUNTY: | FOR CONTRACTOR: |
|---|--|
| David Spaur, Economic Development Director | Karl Zalazowski, President |
| Name and Title | Name and Title |
| 168 West Alisal St. 3rd Floor Salinas, CA 93901 | 221 South Main St. Suite 301 Salinas, CA 93901 |
| Address | Address |
| 831.755-5390 | 831.424-1099 |
| Phone | Phone |

15. MISCELLANEOUS PROVISIONS.

- 15.01 Conflict of Interest. CONTRACTOR represents that it presently has no interest and agrees not to acquire any interest during the term of this Agreement, which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the professional services required to be rendered under this Agreement.
- 15.02 Amendment. This Agreement may be amended or modified only by an instrument in writing signed by the County and the CONTRACTOR.
- 15.03 Waiver. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the County and the CONTRACTOR. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 15.04 Contractor. The term "CONTRACTOR" as used in this Agreement includes CONTRACTOR's officers, agents, and employees acting on CONTRACTOR's behalf in the performance of this Agreement.
- 15.05 Disputes. CONTRACTOR shall continue to perform under this Agreement during any dispute.
- 15.06 Assignment and Subcontracting. The CONTRACTOR shall not assign, sell, or otherwise transfer its interest or obligations in this Agreement without the prior written consent of the County. None of the services covered by this Agreement shall be subcontracted without the prior written approval of the County. Notwithstanding any such subcontract, CONTRACTOR shall continue to be liable for the performance of all requirements of this Agreement.
- 15.07 Successors and Assigns. This Agreement and the rights, privileges, duties, and obligations of the County and CONTRACTOR under this Agreement, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors, permitted assigns, and heirs.
- 15.08 Compliance with Applicable Law. The parties shall comply with all applicable federal, state, and local laws and regulations in performing this Agreement.
- 15.09 Headings. The headings are for convenience only and shall not be used to interpret the terms of this Agreement.
- 15.10 Time is of the Essence. Time is of the essence in each and all of the provisions of this Agreement.
- 15.11 Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of California.
- 15.12 Non-exclusive Agreement. This Agreement is non-exclusive and both County and CONTRACTOR expressly reserve the right to contract with other entities for the same or similar services.

- 15.13 Construction of Agreement. The County and CONTRACTOR agree that each party has fully participated in the review and revision of this Agreement and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Agreement or any amendment to this Agreement.
- 15.14 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Agreement.
- 15.15 Authority. Any individual executing this Agreement on behalf of the County or the CONTRACTOR represents and warrants hereby that he or she has the requisite authority to enter into this Agreement on behalf of such party and bind the party to the terms and conditions of this Agreement.
- 15.16 Integration. This Agreement, including the exhibits, represent the entire Agreement between the County and the CONTRACTOR with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the County and the CONTRACTOR as of the effective date of this Agreement, which is the date that the County signs the Agreement.
- 15.17 Interpretation of Conflicting Provisions. In the event of any conflict or inconsistency between the provisions of this Agreement and the Provisions of any exhibit or other attachment to this Agreement, the provisions of this Agreement shall prevail and control.



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IN WITNESS WHEREOF, County and CONTRACTOR have executed this Agreement as of the day and year written below.

COUNTY OF MONTEREY

CONTRACTOR

By: _____
Purchasing Officer

Date: _____

By: _____
Department Head (if applicable)

Date: _____

By: _____
Board of Supervisors (if applicable)

Date: _____

Approved as to Form¹

By: Rebecca M. Puccio
County Counsel

Date: 11/21/2013

Approved as to Fiscal Provisions²

By: Ed Neelid
Auditor/Controller

Date: 11/21/13

Approved as to Liability Provisions³

By: _____
Risk Management

Date: _____

California Coastal Rural Development Corp.
Contractor's Business Name*

By: _____
(Signature of Chair, President, or Vice-President)*

Karl Zalazowski, President
Name and Title

Date: _____

By: _____
(Signature of Secretary, Asst. Secretary, CFO, Treasurer or Asst. Treasurer)*

Name and Title

Date: _____

County Board of Supervisors' Agreement Number: _____

*INSTRUCTIONS: If CONTRACTOR is a corporation, including limited liability and non-profit corporations, the full legal name of the corporation shall be set forth above together with the signatures of two specified officers. If CONTRACTOR is a partnership, the name of the partnership shall be set forth above together with the signature of a partner who has authority to execute this Agreement on behalf of the partnership. If CONTRACTOR is contracting in an individual capacity, the individual shall set forth the name of the business, if any, and shall personally sign the Agreement.

¹Approval by County Counsel is required

²Approval by Auditor-Controller is required

³Approval by Risk Management is necessary only if changes are made in paragraph 8 or 9

EXHIBIT A
SCOPE OF SERVICES TO
PROFESSIONAL SERVICE AGREEMENT
BETWEEN THE
COUNTY OF MONTEREY AND
CALIFORNIA COASTAL RURAL DEVELOPMENT CORPORATION

WHEREAS, the County of Monterey (hereinafter the "COUNTY") has received grant funds from the U.S. Department of Commerce Economic Development Administration ("EDA"), the California Department of Housing and Community Development ("HCD") State Community Development Block Grant ("CDBG") program, the California Department of Trade and Commerce, and various local sources (the "Original Funding Entities") specifically for the purpose of establishing a Small Business Revolving Loan Fund (the "SBRLF");

WHEREAS, the COUNTY issued Request for Proposals #10400 ("Attachment 1") to competitively select a Program Administrator for the SBRLF;

WHEREAS, the California Rural Development Corporation ("CALCOASTAL") is an established business lending organization;

WHEREAS, CALCOASTAL submitted a qualified proposal in response to RFP #10400 ("Attachment 2"); and

WHEREAS, the COUNTY and CALCOASTAL wish to enter into an agreement for CALCOASTAL to provide day-to-day management of the SBRLF;

The following is the Scope of Services (Exhibit A) to that Professional Services Agreement entered into as of January 1, 2014:

Article I. Shared Responsibilities

The COUNTY and CALCOASTAL shall share responsibility for ensuring that the SBRLF is operated in a manner consistent with achieving the County's overall economic development goals as identified in the SBRLF Administrative Plan as it is currently written or as it maybe amended from time to time in the future.

The following program elements are considered essential elements for the overall success of the SBRLF.

Section 1.01 The SBRLF program is one of the County's economic development tools for assisting small businesses. The SBRLF program requires that sound underwriting standards be applied to all loans.

Section 1.02 Both parties to this Agreement have a responsibility to make the other party aware of ways in which the SBRLF could be modified to address changing lending conditions or market needs.

Section 1.03 In order to best meet the business finance needs or in response to requirements of the original grant agencies, the COUNTY may from time to time amend the Small Business Revolving Loan Fund Administrative Plan. If such amendments are not imposed by the Original Funding Entities, then the COUNTY shall only amend the SBRLF Administrative Plan after consultations with CALCOASTAL.

Section 1.04 The SBRLF requires that businesses meet additional goals to meet the County's economic development objectives and grant agency requirements, as outlined in the SBRLF Administrative Manual (Appendix A and A1 of RFP #10400), or as subsequently amended which include but are not limited to:

- (a) Job creation or retention: For every \$20,000 of SBRLF dollars loaned, one full-time job must be created or retained.
- (b) Private sector leveraging: The borrower is expected to match one to one every SBRLF dollar loaned with either a new equity contribution or private loans.
- (c) Up to 70% of the portfolio can be for commercial enterprises. The remaining 30% is intended to assist industrial businesses.
- (d) Each portfolio has additional, specific requirements including geographic limitations and who should principally benefit from the program.

Section 1.05 The COUNTY and CALCOASTAL shall cooperatively work to adopt appropriate underwriting guidelines and collections procedures for delinquent loans.

- (a) The guidelines and collections procedures shall be developed and approved by the County Board of Supervisors and updated as necessary.
- (b) The collections procedures will be developed to maximize the return of capital to the SBRLF and minimize the period loans remain delinquent and subject to inclusion in the calculation of fees as described in Article IV of this Agreement.

Section 1.06 The following documents are incorporated by reference into this document so that all parties are aware of the original and ongoing requirements of the SBRLF:

- (a) Monterey County Small Business Revolving Loan Fund Administrative Manual (Appendix A and A1 of RFP #10400).
- (b) Selected chapters from the California Department of Housing and Community Development Grant Management Manual (the "GMM") that apply to small business lending, environmental review, operation of revolving loan accounts, and meeting national objectives (Appendices B1 – B8 of RFP #10400).
 - (i) At the time this Agreement was entered into, HCD did not have a current GMM chapter describing how small business loans should be underwritten, documented or managed. This Chapter is included as part of this reference and will be provided to CALCOASTAL by the COUNTY when it becomes available.
 - (ii) Until such time as HCD has adopted a GMM Chapter on Small Business Loans, the parties shall use Appendix B8 of the RFP.

- (c) US Department of Commerce, Economic Development Administration Revolving Loan Fund Financial Assistance Award Standard Terms and Conditions dated October 9, 2007 or as subsequently amended by EDA (Appendix C of RFP #10400).

Article II. CALCOASTAL's Responsibilities

Section 2.01 MARKETING

- (a) Implement a marketing strategy that will reach the population targeted by each program.
- (b) Ensure that the marketing strategy is in compliance with all HCD and EDA grant regulations and the County's SBRLF Administrative Manual.
- (c) Consistent with requirements of the Original Funding Entities, CALCOASTAL shall cause one printed notice of availability to be published annually in the Monterey Herald and the Salinas Californian, or such other newspaper as may be mutually agreed upon.

Section 2.02 UNDERWRITING AND APPROVAL:

- (a) Prepare loan applications in compliance with the County's SBRLF Administrative Manual and all EDA and HCD grant regulations.
- (b) Prepare all loan applications proposed for CDBG funding for submittal to the State Department of Housing and Community Development for approval, prior to the loan request being submitted to the CALCOASTAL Loan Committee.
 - (i) This preparation must meet all HCD requirements and use any document templates provided by HCD for this purpose.
 - (ii) HCD approval must be received before local approval of the loan.
- (c) Document jobs created divided by retained.
- (d) CALCOASTAL will utilize their own Loan Committee to review and recommend action on loans proposed for the County's SBRLF program.
- (e) For purposes of this Section, the CALCOASTAL Loan Committee shall include a representative from the COUNTY as a voting member of the Loan Committee when loans proposed for funding with SBRLF dollars are being considered.

Section 2.03 LOAN MANAGEMENT:

- (a) Document and book approved loans.
- (b) Prepare monthly statements for each individual borrower
- (c) Receive and post borrower payments.
- (d) Prepare annual tax statements for borrowers.
- (e) Monitor, on an ongoing basis, loans to insure that all terms and conditions of the loans are being met.
- (f) Conduct annual on-site visits of all current borrowers.
- (g) Maintain security interest in collateral, e.g. renew UCC filings as necessary

days, including meeting with borrowers if requested by CALCOASTAL.

Section 3.04 Prepare and submit all grant reports required by the Original Funding Agencies.

Article IV. Payment Provisions

Section 4.01 Total Compensation

Total compensation paid under this agreement:

- (a) Cannot exceed the amount of RLF Income, as defined in Section 4.02, earned during the invoice period. The maximum compensation paid in any one County fiscal year shall be \$150,000 in the event that RLF Income for that year is greater than \$150,000.
- (b) The amount due for services under this Agreement is calculated as follows:
 - (i) Determining the amount due for loans in good standing or delinquent (defined in Section 4.03);
 - (ii) Determining the amount due for loans that have defaulted on their original repayment plan or are subject to an alternative repayment plan or bankruptcy payment plan (defined in Section 4.04); and
 - (iii) Determining amount payable which is calculated as follows:
 - 1) Adding either (a) RLF Income or the amount due for loans in good standing or delinquent to (b) the amount due for loans that have defaulted on their original repayment plan or are subject to an alternative repayment plan or bankruptcy payment plan.
- (c) For purposes of determining the amount due for services rendered under this Agreement, the County's SBRLF Loan Portfolio consists of three distinct portfolios, each having two sub-sets.
 - (i) The portfolios are: 1) Countywide CDBG, 2) Countywide EDA, and 3) Rural
 - (ii) The portfolio sub-sets are: 1) loans in good standing or delinquent and 2) loans That Have Defaulted on Their Original Repayment Plan or are subject to an alternative repayment plan or bankruptcy payment plan

A template for calculating the amount due under this Section 4.01 is attached to this Exhibit A as Attachment A.1.

Section 4.05 Direct third party costs including, but not limited to, UCC searches, filings, recordings, appraisals and fees to release liens on paid off loans shall be collected from the borrower by CALCOASTAL.

Section 4.06 CALCOASTAL warrants that the cost charged for services under the terms of this contract are not in excess of those charged any other client for the same services performed by the same individuals.

Article V. Other Provisions

Section 5.01 County Standard Agreement Section 7.01 TERMINATION shall be deleted and replaced in its entirety with the following:

- (a) During the term of this Agreement, the County or CALCOASTAL may terminate the Agreement for any reason by giving written notice of termination to the other party at least ninety (90) days prior to the effective date of termination. Such notice shall set forth the effective date of termination. In the event of such termination, the amount payable under this Agreement shall be reduced in proportion to the services provided prior to the date of termination.

Section 5.02 RFP #10400 Article 7.1, Section 9, Bonds

- (a) The COUNTY agrees to amend the RFP requirement that the CALCOASTAL have Fidelity Bond Insurance in the amount of Two Million Six Hundred Thousand Dollars (\$2,600,000.00) to Two Hundred Thousand Dollars. The \$2,600,000 represents the full amount of original capitalization for the SBRLF and was required at the time the original grants were made to the COUNTY. Since the SBRLF is now actively revolving and most funds should be loaned out, a lower level of Fidelity Bond Insurance is appropriate because there are fewer idle funds which may be misappropriated due to employee dishonesty. In addition, CALCOASTAL has provided the County with documentary evidence of its inability to obtain bonds greater than Two Hundred Thousand Dollars (\$200,000).
- (b) The COUNTY will accept evidence that CALCOASTAL has Fidelity Bond Insurance in the amount of Two Hundred Thousand Dollars (\$200,000.00) at the time this Agreement is executed.

Section 4.02 Source of Funds to Pay for Services

- (a) For all loans that are current or delinquent on payments, two sources of funds are used to compensate CALCOASTAL for services under this Agreement – 1) Program Income and 2) RLF Income.
 - (i) Program Income - Loans funded using CDBG dollars generate Program Income (defined in Section in 4.02 (b)).
 - (ii) RLF Income - Loans funded using EDA dollars generate RLF Income (defined in Section 4.02 (c)).
 - (iii) EDA Regulations require that only RLF Income be used to pay administrative and non-recurring costs of managing the SBRLF.
 - 1) Due to this EDA restriction, it is necessary to calculate both the available Program Income and available RLF Income generated by CDBG funded loans; the source with the lesser amount is available to compensate CALCOASTAL.
- (b) Program Income - Program Income is defined as all principal, interest and fees received. Under CDBG Regulations, the County must use 51% of Program Income to fund new loans. The County may use up to 49% of Program Income for non-revolving activities (such fees for underwriting and documentation of new loans as described in Sections 4.03 (c) (i) and (ii). The County may use up to 18% of Program Income for administrative costs, such as the fees described in Sections 4.03 (c) (iii), (iv), and (v), below. The 18% allowed for Program Income is applied against the 49% limit on non-revolving activities.
- (c) RLF Income - RLF Income is defined as fees, interest earned on idle funds and interest earned on outstanding principal. RLF Income may not be used to pay costs in periods other than the one in which the RLF Income was received. RLF Income does not include interest earned on cash held in sequestration at the direction of an Original Funding Entity. This interest, in excess of the first \$100, must be remitted to the U.S. Treasury.

A template for calculating the amount available to compensate CALCOASTAL under this Section 4.02 is attached to this Exhibit A as Attachment A.2

Section 4.03 Invoicing for Loans in Good Standing or Delinquent

- (a) Amounts paid under this Section 4.03 shall be the lesser of the calculated invoice due, as defined in Sections 4.03 (c) (i) through (vii) below, or RLF Income, as defined in Section 4.02 (c) above, received during the same period as covered by the invoice.
- (b) Fees described in Section 4.03 (c) (i), (ii), and (iii) are allocated directly to the portfolio where the loan is funded from. Fees described in Section 4.03 (b) (iv) and (v) are prorated based on the formula outlined in Section 4.03 (d).
- (c) CALCOASTAL shall submit quarterly invoices based on the following schedule for all loans not subject to alternative repayment plans, subject to bankruptcy payment plans, or otherwise in default (EDA considers a loan in default if repayment is 90 or more days outside of the approved payment schedule) of their approved repayment plan:
 - (i) Underwriting of New Loans - "Origination Fees"
 - 1) \$2,000 on loans up to \$50,000
 - 2) 2.5% of loan value of loans between \$50,000.01 and \$100,000
 - 3) 2% of loan value of loans greater than \$100,000.01
 - 4) These fees are allocated directly to the program that the loan is funded from and are to

be recaptured as part of the loan closing costs with the borrower.

- (ii) Documentation of New Loans – “Documentation Fee”
 - 1) \$1,000 if documenting business assets only
 - 2) \$2,000 if documenting business and personal assets
 - 3) These fees are allocated directly to the program that the loan is funded from and are to be recaptured as part of the loan closing costs with the borrower.
- (iii) Annual Loan Administration Fee
 - 1) \$1,000 per loan paid in quarterly installments
 - 2) Formula for determining quarterly fee is:
 - a) $((\# \text{ loans outstanding month 1 plus month 2 plus month 3}) \text{ divided by } 3) \text{ times } 1000$ divided by 4)
 - 3) This fee is allocated directly to the program from which the loan was funded.
- (iv) Annual Management Fee
 - 1) \$12,000 flat fee paid in quarterly installments to manage the program.
 - 2) The quarterly amount of the fee is prorated by program as outlined in Section 4.03 (d), below.
- (v) Loan Servicing Fee
 - 1) Variable fee based on the outstanding principal of all loans in good standing or delinquent (last payment was within 90-days of agreed payment schedule).
 - 2) Formula for determining quarterly fee is:
 - a) $(\text{Outstanding principal month 1 plus month 2 plus month 3}) \text{ divided by } 3$ equals average principal balance
 - b) $(7.5\% \text{ times } \$250,000) \text{ divided by } 4$
 - c) Plus $(5\% \text{ times } \$250,000) \text{ divided by } 4$
 - d) Plus $(2.5\% \text{ times average principal balance greater than } \$500,000.01 \text{ and less than } \$1,500,000) \text{ divided by } 4$
 - e) Plus $(2\% \text{ times average principal balance greater than } \$1,500,000.01) \text{ divided by } 4$
 - f) Equals Quarterly Loan Servicing Fee
 - 3) The Quarterly Loan Servicing Fee is prorated by program as described in Section 4.03 (d), below.
- (d) Proration of Fees
 - (i) Because the SBRLF was capitalized from a variety of grant sources, each of which require the County to report on income and expenses based on the original source of funding, it is necessary to prorate the Annual Management fee and Loan Administration fee set forth in Section 4.03 (iv) and (v), above. These fees shall be allocated based on the following formula:
 - (ii) Calculating Quarterly Outstanding Principal for each Portfolio
 - 1) Countywide CDBG outstanding principal of all loans in good standing or delinquent at the end of Month 1 plus Month 2 plus Month 3 equals Countywide CDBG outstanding principal of all loans in good standing or delinquent for quarter.
 - 2) Countywide EDA outstanding principal of all loans in good standing or delinquent at the end of Month 1 plus Month 2 plus Month 3 equals Countywide EDA outstanding principal of all loans in good standing or delinquent for quarter.
 - 3) Rural outstanding principal of all loans in good standing or delinquent at the end of Month 1 plus Month 2 plus Month 3 equals Rural outstanding principal of all loans in

good standing or delinquent for quarter.

- (iii) Calculating the Quarterly Outstanding Principal for the Combined Portfolios
 - 1) Countywide CDBG outstanding principal plus Countywide EDA plus Rural outstanding principal (as determined pursuant to Section 4.03 (d) (ii), above) equals the outstanding portfolio for the Combined Portfolios.
- (iv) Proration of Combined Portfolio
 - 1) Countywide CDBG divided by outstanding principal equals the Countywide CDBG share
 - 2) Countywide EDA divided by outstanding principal equals the Countywide EDA share
 - 3) Rural divided by outstanding principal equals the Rural share

A template for calculating the amount due under this Section 4.03 (c) (i-vi) is attached to this Exhibit A as Attachment A.3

Section 4.04 Quarterly Invoicing for Loans That Have Defaulted on Their Original Repayment Plan or are Subject to an Alternative Repayment Plan or Bankruptcy Payment Plan

- (a) This Section establishes CALCOASTAL's compensation for loans that have defaulted on their original repayment plan or are subject to an alternative repayment plan or bankruptcy payment plan. Ordinarily, in these circumstances, payments are applied to principal and there is no RLF Income to pay administrative costs. EDA allows RLF recipients to use payments from a borrower who has defaulted on their RLF loan to first pay to costs of collections. (The complete requirements are found on page 52 of at RLF Standard Terms and Conditions, May 1, 2013, RLF Recipients' Management and Administrative Requirements F.3.).
- (b) Payments made under this Section 4.04 are subject to the annual cap described in Section 4.01 (a).
- (c) Payments made under this Section 4.04 shall be calculated on each payment made by any borrower whose loan is in default on their original repayment plan, or are subject to an alternative repayment plan or bankruptcy payment plan.
- (d) The amount due for each loan subject to alternative repayment plans, subject to bankruptcy payment plans, or otherwise in default of their originally approved repayment obligations based is (5%) percent of the principal outstanding at the time of invoicing, divided by twelve (12).
 - (i) (Outstanding principal of loan at the time the payment is made times 5%) divided by 12
 - (ii) In no event shall the amount payable under this Section 4.04 exceed 50% of the loan payment amount.

A template for calculating invoices subject to this Section 4.04 is attached to this Exhibit A as Attachment A.4.

Determination of Invoice Due

CCRDC Invoice # _____

Invoice Period _____

**Section 4.01
Invoice Due**

| | | |
|-------------------|----|------------------|
| Countywide - CDBG | \$ | 622.21 |
| Countywide - EDA | \$ | 13,547.21 |
| Rural RLF | \$ | 2,192.29 |
| Total Due | \$ | <u>16,361.71</u> |

Section 4.02**RLF Income Available**

| | | |
|----------------------|----|------------------|
| Countywide - CDBG | \$ | 275.09 |
| Countywide - EDA | \$ | 13,542.21 |
| Rural RLF | \$ | 2,192.29 |
| Total P.I. Available | \$ | <u>16,009.59</u> |

Section 4.03**Calculated Amount Due**

| | | |
|--------------------|----|------------------|
| Countywide - CDBG | \$ | 727.48 |
| Countywide - EDA | \$ | 22,619.39 |
| Rural RLF | \$ | 3,664.38 |
| Total Section 4.03 | \$ | <u>27,011.25</u> |

Section 4.04 Invoice Due**Alternative Payment and Defaulted Loans**

| | | |
|--------------------|----|---------------|
| Countywide - CDBG | \$ | 347.12 |
| Countywide - EDA | \$ | 5.00 |
| Rural RLF | \$ | - |
| Total Section 4.04 | \$ | <u>352.12</u> |

Attachment A.2
Section 4.02 - Source of Funds to Pay for Services

| | Month 1 | Month 2 | Month 3 | Quarterly Total |
|--|--------------------|--------------------|---------------------|---------------------|
| <u>Countywide - CDBG (Section 4.02 (b))</u> | | | | |
| Principal Payments | \$ 841.73 | \$ 818.82 | \$ 821.94 | \$ 2,482.49 |
| Interest Collected | \$ 84.42 | \$ 107.77 | \$ 82.90 | \$ 275.09 |
| Interest on Accounts | \$ - | \$ - | \$ - | \$ - |
| Late Fees Collected | \$ - | \$ - | \$ - | \$ - |
| Fees Collected Subject to Section 4.03 (b) (ii) | \$ - | \$ - | \$ - | \$ - |
| Fees Collected Subject to Section 4.03 (b) (iii) | \$ - | \$ - | \$ - | \$ - |
| Gross Program Income | \$ 926.15 | \$ 926.59 | \$ 904.84 | \$ 2,757.58 |
| Program Income Available for Administrative Costs | \$ 166.71 | \$ 166.79 | \$ 162.87 | \$ 496.36 |
| Program Income Available for fees payable under Sections 4.03 (b) (ii) and (iii) | \$ - | \$ - | \$ - | \$ - |
| Net Program Income Available | \$ 166.71 | \$ 166.79 | \$ 162.87 | \$ 854.85 |
| RLF Income (Section 4.02 (c)) | \$ 84.42 | \$ 107.77 | \$ 82.90 | \$ 275.09 |
| Lesser of Program Income or RLF Income (Section 4.02 (a)) | \$ 84.42 | \$ 107.77 | \$ 82.90 | \$ 275.09 |
| <u>Countywide - EDA (Section 4.02 (c))</u> | | | | |
| Interest Collected | \$ 1,217.48 | \$ 1,011.36 | \$ 813.24 | \$ 3,042.08 |
| Interest on Accounts | \$ 17.40 | \$ 17.24 | \$ 15.99 | \$ 50.63 |
| Late Fees Collected | \$ 43.38 | \$ 15.56 | \$ 15.56 | \$ 74.50 |
| Fees Collected Subject to Section 4.03 (b) (ii) | | | \$ 6,375.00 | \$ 6,375.00 |
| Fees Collected Subject to Section 4.03 (b) (iii) | | | \$ 4,000.00 | \$ 4,000.00 |
| | \$ 1,278.26 | \$ 1,044.16 | \$ 11,219.79 | \$ 13,542.21 |
| <u>Rural (Section 4.02 (b))</u> | | | | |
| Interest Collected | \$ 745.89 | \$ 557.53 | \$ 878.78 | \$ 2,182.20 |
| Interest on Accounts | \$ 3.52 | \$ 3.45 | \$ 3.12 | \$ 10.09 |
| Late Fees Collected | \$ - | \$ - | \$ - | \$ - |
| Fees Collected Subject to Section 4.03 (b) (ii) | \$ - | \$ - | \$ - | \$ - |
| Fees Collected Subject to Section 4.03 (b) (iii) | \$ - | \$ - | \$ - | \$ - |
| | \$ 749.41 | \$ 560.98 | \$ 881.90 | \$ 2,192.29 |
| Total RLF Income Earned | \$ 2,953.82 | \$ 2,531.73 | \$ 13,006.53 | \$ 18,492.08 |

Interest Collected, Interest on Accounts, Late Fees and outstanding principal are actual amounts between April and June 2013. Fees for new loan underwriting and documentation are for example purposes only.

Attachment A.3
Calculation of Fees for Loans in Good Standing or Delinquent

Proration of Fees

Section 4.03 (d)

| | Month 1 | Month 2 | Month 3 | Quarterly Average |
|---|----------------------|----------------------|----------------------|----------------------|
| Proration Formula (Section 4.03 (d) (ii)) | | | | |
| Countywide - CDBG | \$ 31,033.15 | \$ 30,211.21 | \$ 29,426.63 | \$ 30,223.66 |
| Countywide - EDA | \$ 589,846.20 | \$ 570,884.38 | \$ 563,093.63 | \$ 574,608.07 |
| Rural RLF | \$ 201,206.14 | \$ 200,193.76 | \$ 199,502.63 | \$ 200,300.84 |
| Total Outstanding Principal | \$ 822,085.49 | \$ 801,289.35 | \$ 792,022.89 | \$ 805,132.58 |

| | |
|-------------------|-------|
| Countywide - CDBG | 3.8% |
| Countywide - EDA | 71.4% |
| Rural RLF | 24.9% |

Underwriting of New Loans

Section 4.03 (c) (i)

| | <u>Loan Amount</u> | <u>Factor</u> | <u>Portfolio</u> | |
|------------|--------------------|---------------|------------------|-------------|
| Borrower X | \$ 45,000.00 | Flat fee | EDA | \$ 2,000.00 |
| Borrower Y | \$ 75,000.00 | 2.5% | EDA | \$ 1,875.00 |
| Borrower Z | \$ 125,000.00 | 2.0% | EDA | \$ 2,500.00 |

Documentation of New Loans

Section 4.03 (c) (ii)

| | <u>Business Assest Only</u> | <u>Business & Personal Assets</u> | <u>Portfolio</u> | |
|------------|-----------------------------|---------------------------------------|------------------|-------------|
| Borrower X | \$ 1,000.00 | | EDA | \$ 1,000.00 |
| Borrower Y | \$ 1,000.00 | | EDA | \$ 1,000.00 |
| Borrower Z | | \$ 2,000.00 | EDA | \$ 2,000.00 |

Calculation of Annual Loan Administration Fee

Section 4.03 (c) (iii)

| Number of Active Loans | | | | |
|------------------------|-------------|-------------|-------------|-------------|
| Countywide - CDBG | 1 | 1 | 1 | 1.00 |
| Countywide - EDA | 13 | 12 | 13 | 12.67 |
| Rural RLF | 2 | 2 | 2 | 2 |
| Countywide - CDBG | \$ 250.00 | \$ 250.00 | \$ 250.00 | \$ 250.00 |
| Countywide - EDA | \$ 3,250.00 | \$ 3,000.00 | \$ 3,250.00 | \$ 3,166.67 |
| Rural RLF | \$ 500.00 | \$ 500.00 | \$ 500.00 | \$ 500.00 |

Calculation of Annual Management Fee

Section 4.03 (c) (iv)

| | |
|---|-------------|
| \$12,000 Annual Fee Quarterly Installment | \$ 3,000.00 |
| Proration per Section 4.03 (b) (i) | |
| Countywide - CDBG | \$ 112.62 |
| Countywide - EDA | \$ 2,141.04 |
| Rural RLF | \$ 746.34 |

Attachment A.3
Calculation of Fees for Loans in Good Standing or Delinquent

Calculation of Loan Servicing Fee

Section 4.03 (c) (v)

| | | | | |
|---|---------------|---------------|---------------|---------------|
| Principal Balance Subject to 2.5% Rate (4.03) (b) (vi) (d) | \$ 322,085.49 | \$ 301,289.35 | \$ 292,022.89 | \$ 305,132.58 |
| Principal Balance Subject to 2% Rate (4.03) (b) (vi) (e) | \$ - | \$ - | \$ - | \$ - |

Step 1

| | | | | |
|--------------------------------------|--------------|--------------|--------------|--------------|
| Annual Cost | | | | |
| Servicing Fee 7.5% first \$250,000 | \$ 18,750.00 | \$ 18,750.00 | \$ 18,750.00 | \$ 18,750.00 |
| Servicing Fee 5% second \$250,000 | \$ 12,500.00 | \$ 12,500.00 | \$ 12,500.00 | \$ 12,500.00 |
| Servicing Fee 2.5% up to \$1,500,000 | \$ 8,052.14 | \$ 7,532.23 | \$ 7,300.57 | \$ 7,628.31 |
| Servicing Fee 2% over \$1,500,000.01 | \$ - | \$ - | \$ - | \$ - |
| Total Due | \$ 39,302.14 | \$ 38,782.23 | \$ 38,550.57 | \$ 38,878.31 |

Step 2

| | | | | |
|--------------------------------------|-------------|-------------|-------------|-------------|
| Quarterly Proration | | | | |
| Servicing Fee 7.5% first \$250,000 | \$ 4,687.50 | \$ 4,687.50 | \$ 4,687.50 | \$ 4,687.50 |
| Servicing Fee 5% second \$250,000 | \$ 3,125.00 | \$ 3,125.00 | \$ 3,125.00 | \$ 3,125.00 |
| Servicing Fee 2.5% up to \$1,500,000 | \$ 2,013.03 | \$ 1,883.06 | \$ 1,825.14 | \$ 1,907.08 |
| Servicing Fee 2% over \$1,500,000.01 | \$ - | \$ - | \$ - | \$ - |
| Total Due | \$ 9,825.53 | \$ 9,695.56 | \$ 9,637.64 | \$ 9,719.58 |

Proration of Loan Servicing Fee (Section 4.03) (c) (v))

| | |
|-------------------|-------------|
| Countywide - CDBG | \$ 364.86 |
| Countywide - EDA | \$ 6,936.68 |
| Rural RLF | \$ 2,418.04 |
| Total Due | \$ 9,719.58 |

Calculated Invoice Due by Program

| | |
|-----------------------------|--------------|
| Countywide - CDBG | |
| Section 4.03 (c) (i) Fees | \$ - |
| Section 4.03 (c) (ii) Fees | \$ - |
| Section 4.03 (c) (iii) Fees | \$ 112.62 |
| Section 4.03 (c) (iv) Fees | \$ 250.00 |
| Section 4.03 (c) (v) Fees | \$ 364.86 |
| Sub-Total EDA Funded | \$ 727.48 |
| Countywide - EDA | |
| Section 4.03 (c) (i) Fees | \$ 6,375.00 |
| Section 4.03 (c) (ii) Fees | \$ 4,000.00 |
| Section 4.03 (c) (iii) Fees | \$ 2,141.04 |
| Section 4.03 (c) (iv) Fees | \$ 3,166.67 |
| Section 4.03 (c) (v) Fees | \$ 6,936.68 |
| Sub-Total CDBG Funded | \$ 22,619.39 |
| Rural RLF | |
| Section 4.03 (c) (i) Fees | \$ - |
| Section 4.03 (c) (ii) Fees | \$ - |
| Section 4.03 (c) (iii) Fees | \$ 746.34 |
| Section 4.03 (c) (iv) Fees | \$ 500.00 |
| Section 4.03 (c) (v) Fees | \$ 2,418.04 |
| Sub-Total Rural | \$ 3,664.38 |

Attachment A.4

Invoicing for Loans That Have Defaulted on Their Original Repayment Plan
or are Subject to an Alternative Repayment Plan or Bankruptcy Payment Plan

Calculation of Alternate Payments (Section 4.04)

| <u>Borrower & Portfolio</u> | <u>Principal Amount</u> | <u>Payment Amount</u> | <u>Calculated Payment</u> | <u>Payment Amount</u> |
|---------------------------------|-----------------------------|---------------------------|-------------------------------|---------------------------|
| Borrower A (EDA) | \$ 83,309.35 | \$ 2,500.00 | \$ 347.12 | \$ 347.12 |
| Borrower B (CDBG) | \$ 2,297.47 | \$ 10.00 | \$ 9.57 | \$ 5.00 |

Monterey County Small Business Revolving Loan Fund

Portfolio Overview

Since 1990, the SBRLF has made loans valued at more than \$9.1 million and supported the creation or retention of more than 1,000 full time equivalent jobs throughout the County. The following table provides additional information on the Supervisorial Districts where loans have been made and the job creation/retention impact for each District.

| District | # of Loans | RLF \$ Loaned | Total Project Financing | Jobs Created or Retained |
|--------------|------------|------------------|-------------------------|--------------------------|
| 1 | 28 | 1,941,240 | 4,509,355 | 225 |
| 2 | 16 | 1,316,840 | 6,173,694 | 166 |
| 3 | 21 | 1,163,989 | 6,629,989 | 114 |
| 4 | 25 | 1,807,731 | 6,014,800 | 175 |
| 5 | 46 | 2,959,477 | 10,374,183 | 391 |
| Total | 136 | 9,189,277 | 33,702,021 | 1,071 |

| <u>Type of Business</u> | | <u>Purpose of Loan</u> | |
|-------------------------|-----|------------------------|-----|
| Industrial | 20% | Business Start Up | 38% |
| Commercial | 38% | Business Expansion | 39% |
| Service | 42% | Business Retention | 23% |

| <u>Use of Loan Funds</u> | |
|--------------------------|-----|
| Working Capital | 48% |
| Fixed Assets | 52% |