

**MEASURE K LOAN AGREEMENT
BETWEEN THE COUNTY OF SAN MATEO AND
ABUNDANT GRACE COASTSIDE WORKER**

This Agreement is entered into this 22nd day of October, 2019 by and between the County of San Mateo, a political subdivision of the state of California, hereinafter called "County," and Abundant Grace Coastsides Worker, hereinafter called "Borrower."

* * *

WHEREAS, the Borrower has applied to the County and to the City of Half Moon Bay for loans to fund the matters set forth in the Project described in Exhibit A;

WHEREAS, the County has approved the Loan to Borrower, in an amount of up to three hundred thousand dollars (\$300,000) (the "Loan") to fund, in part, the Project, pursuant the terms set forth in this Agreement;

WHEREAS, Borrower anticipates receipt of similar funding from the City of Half Moon Bay for the Project;

NOW, THEREFORE, it is agreed by the parties to this Agreement as follows:

1. Exhibits and Attachments

The following exhibits and attachments are attached to this Agreement and incorporated into this Agreement by this reference:

- Exhibit A—Project Description and Loan Requirements
- Exhibit B—Reporting

2. Obligations of Borrower

In consideration of the Loan assistance set forth herein, Borrower shall fulfill the obligations (hereinafter referred to as the "services" or the "work" necessary to implement the Project) described in Exhibit A.

3. Disbursements

County shall disburse funds to Borrower's designated Escrow Agent as follows:

- Funds loaned under this Agreement shall not be disbursed until execution of this Agreement by County and Borrower.
- Disbursement of the full Loan amount of three hundred thousand dollars (\$300,000) upon execution of this Agreement.

In no event shall the County's total fiscal obligation under this Agreement exceed three hundred thousand dollars (\$300,000).

INVOICES: County shall disburse funds to Borrower's designated Escrow Agent upon receipt of an invoice for the disbursement, subject to the terms of this Section 3. The invoice shall be accompanied by documentation satisfactory to the County that the Loan funds disbursed to the Borrower will be used to acquire the real property that is the subject of the Project, as described in Exhibit A. Requests for Loan disbursement shall be (1) on the Borrower's organizational letterhead or on Escrow Agent's official letterhead, (2) include date of invoice, amount requested, and Agreement number, and (3) submitted to the attention of:

Jessica Pun, Accountant for Measure K
455 County Center, 4th Floor
Redwood City, CA 94063
(650) 363-4826 Email: lpun@smcgov.org

4. Term & Termination

Subject to compliance with all terms and conditions, the term of this Agreement shall begin on the date of execution by the Parties and continue through October 21, 2034, upon which date the Loan amount must be repaid to the County in full. This Agreement will not automatically renew, but may be renewed by the Board of Supervisors, in its sole discretion, upon the written request of Borrower.

County may terminate this Agreement for cause after giving the Borrower written notice of any failure to comply with the terms or conditions of this Agreement ("breach" or "default"). Borrower shall have 30 days from the date of such notice to cure said breach or default. If Borrower fails to cure said breach or default to the satisfaction of County, in County's sole discretion, County may terminate this Agreement. However, if the breach or default is curable but not of the nature which can be readily cured within 30 days, and Borrower has commenced to cure such breach or default within the 30-day period and is diligently pursuing such cure to completion, County may provide Borrower such additional time as is reasonably necessary, in the County's sole discretion, to cure the breach or default. In the event the default is not cured, County may pursue all rights and remedies available under this Agreement.

The County Manager reserves the right to waive any and all breaches of this Agreement, and any such waiver will not be deemed a waiver of any previous or subsequent breaches. In the event the County Manager chooses to waive a particular breach of this Agreement, County may condition its waiver on payment by Borrowers of actual damages occasioned by such breach of Agreement.

Notwithstanding any other provision in this Agreement, County may immediately terminate this Agreement, or any portion thereof, based upon unavailability of County funds by providing written notice to Borrower as soon as is reasonably possible after County learns of said unavailability of funding.

5. Relationship of Parties

Notwithstanding any publicity or other references to the County required to be made in connection with the Project as set forth in Exhibit A, Borrower understands and agrees that the Project performed under this Agreement is not performed by Borrower as an independent contractor of the County or as an employee of County and that neither Borrower nor its employees acquire any of the rights, privileges, powers, or advantages of County contractors or County employees. Borrower acknowledges and agrees that it is not, and will not hold itself out as, an agent, partner, or co-venturer of the County, and that this Agreement is not intended to and does not create an agency, partnership, joint venture between the Parties

6. Project Administration

The Parties agree that the Project as described in Exhibit A shall not be altered without a written amendment to this Agreement, signed by both the County and the Borrower. Borrower shall provide written reports to the County's authorized representative in accordance with Exhibit B.

7. Hold Harmless

Borrower shall indemnify and save harmless County and its officers, agents, employees, and servants from all claims, suits, or actions of every name, kind, and description resulting from this Agreement, the performance of any work or services performed of Borrower in furtherance of the Project under this Agreement, or payments made pursuant to this Agreement brought for, or on account of, any of the following:

(A) injuries to or death of any person, including Grantee or its employees/officers/agents/volunteers;

(B) damage to any property of any kind whatsoever and to whomsoever belonging;

(C) any sanctions, penalties, or claims of damages resulting from Grantee's failure to comply with any applicable federal, state, or local laws or regulations; or

(D) any other loss or cost, including but not limited to that caused by the concurrent active or passive negligence of County and/or its officers, agents, employees, or servants. However, Borrower's duty to indemnify and save harmless under this Section shall not apply to injuries or damage for which County has been found in a court of competent jurisdiction to be solely liable by reason of its own negligence or willful misconduct.

The duty of Borrower to indemnify and save harmless as set forth by this Section shall include the duty to defend as set forth in Section 2778 of the California Civil Code.

8. Insurance

a. General Requirements

Prior to its receipt of any funds pursuant to this Agreement, Borrower shall obtain all insurance required under this Section and such insurance shall be subject to the approval by County's Risk Management, and Borrower shall use diligence to obtain such insurance and to obtain such approval. Borrower shall furnish County with certificates of insurance evidencing the required coverage, and there shall be a specific contractual liability endorsement extending Borrower's coverage to include the contractual liability assumed by Borrower pursuant to this Agreement. These certificates shall specify or be endorsed to provide that thirty (30) days' notice must be given, in writing, to County of any pending change in the limits of liability or of any cancellation or modification of the policy.

b. Workers' Compensation and Employer's Liability Insurance

Borrower shall have in effect during the entire term of this Agreement workers' compensation and employer's liability insurance providing full statutory coverage. In signing this Agreement, Borrower certifies, as required by Section 1861 of the California Labor Code, that (a) it is aware of the provisions of Section 3700 of the California 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 the Labor Code, and (b) it will comply with such provisions before commencing or continuing the performance of Project work for which it would receive grant funds.

c. Liability Insurance

Borrower shall take out and maintain during the term of this Agreement such bodily injury liability and property damage liability insurance as shall protect Borrower and all of its employees/officers/agents while performing work covered by this Agreement from any and all claims for damages for bodily injury, including accidental death, as well as any and all claims for property damage which may arise from Borrower's operations under this Agreement, whether such operations be by Borrower, any subcontractor, anyone directly or indirectly employed by either of them, or an agent of either of them. Such insurance shall be combined single limit bodily injury and property damage for each occurrence and shall not be less than the amounts specified below:

X Comprehensive General Liability... \$1,000,000

County and its officers, agents, employees, and servants shall be named as additional insured on any such policies of insurance, which shall also contain a provision that (a) the insurance afforded thereby to County and its officers, agents, employees, and servants shall be primary insurance to the full limits of

liability of the policy and (b) if the County or its officers, agents, employees, and servants have other insurance against the loss covered by such a policy, such other insurance shall be excess insurance only.

In the event of the breach of any provision of this Section, or in the event any notice is received which indicates any required insurance coverage will be diminished or canceled, County, at its option, may, notwithstanding any other provision of this Agreement to the contrary, immediately declare a material breach of this Agreement and suspend any further payment pursuant to this Agreement.

9. Assignability and Subcontracting

Borrower shall not assign this Agreement or any portion of it to a third party. Except as set forth in Exhibit A, Borrower shall not subcontract with a third party to perform the Project. Any such assignment or subcontract without County's prior written consent shall give County the right to automatically and immediately terminate this Agreement without penalty or advance notice and the County shall have the right to a refund of all funds disbursed under this Agreement.

10. Compliance With Laws

All services to be performed by Borrower in connection with the Project shall be performed in accordance with all applicable Federal, State, County, and municipal laws, ordinances, and regulations, including, but not limited to, any laws related to payment of prevailing wages pursuant to the California Labor Code. In connection with the Project, Borrower bears responsibility to obtain, at Borrower's expense, any license, permit, or approval required from any agency.

11. Retention of Records; Right to Monitor and Audit

Borrower shall maintain all records related to this Agreement for no fewer than five (5) years after the County makes final payment or after termination of this Agreement and all other pending matters are closed. All records shall be subject to the examination and/or audit by agents of the County, the State of California, and/or other regulatory agencies.

12. Merger Clause; Amendments

This Agreement, including the Exhibits, constitutes the sole Agreement of the parties to this Agreement and correctly states the rights, duties, and obligations of each party as of this document's date. In the event that any term, condition, provision, requirement, or specification set forth in the body of this Agreement conflicts with or is inconsistent with any term, condition, provision, requirement, or specification in any Exhibit to this Agreement, the provisions of the body of the Agreement shall prevail. Any prior agreement, promises, negotiations, or representations between the parties not expressly stated in this document are not binding. All subsequent modifications or amendments shall be in writing and signed by the parties.

13. Controlling Law; Venue

The validity of this Agreement and of its terms, the rights and duties of the parties under this Agreement, the interpretation of this Agreement, the performance of this Agreement, and any other dispute of any nature arising out of this Agreement shall be governed by the laws of the State of California without regard to its choice of law or conflict of law rules. Any dispute arising out of this Agreement shall be venued either in the San Mateo County Superior Court or in the United States District Court for the Northern District of California.

14. Notices

Any notice, request, demand, or other communication required or permitted under this Agreement shall be deemed to be properly given when both: (1) transmitted via email to the email address listed below; and (2) sent to the physical address listed below by either being deposited in the United States mail, postage prepaid, or deposited for overnight delivery, charges prepaid, with an established overnight courier that provides a tracking number showing confirmation of receipt.

<p>In the case of County, to: County Manager c/o Rosalinda Jen, Administrative Assistant 400 County Center, 1st Floor Redwood City, CA 94063 (650) 363-4122 rjen@smcgov.org</p>	<p>In the case of Grantee, to: Eric DeBode, Executive Director Abundant Grace Coastside Worker P.O. Box 702 Half Moon Bay, CA 94019 (650) 458-7907 ericdebode@gmail.com</p>
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15. Electronic Signature

If both County and Grantee wish to permit this Agreement and future documents relating to this Agreement to be digitally signed in accordance with California law and County’s Electronic Signature Administrative Memo, both boxes below must be checked. Any party that agrees to allow digital signature of this Agreement may revoke such agreement at any time in relation to all future documents by providing notice pursuant to this Agreement.

For County: If this box is checked by County, County consents to the use of electronic signatures in relation to this Agreement.

For Grantee: If this box is checked by Grantee, Grantee consents to the use of electronic signatures in relation to this Agreement.

Agreement No. _____

Board Resolution No. _____

* * *

THIS AGREEMENT IS NOT VALID UNTIL SIGNED BY ALL PARTIES. NO FUNDS WILL BE DISTRIBUTED UNTIL THIS DOCUMENT HAS BEEN SIGNED BY THE COUNTY'S AUTHORIZED DESIGNEE.

For Grantee:


(signature)
Authorized Representative
Grantee

10/17/19

Date

ABUNDANT GRACE COASTSIDE
WORKER

Name of Grantee

ERIC DEBODE

(please print name)
Authorized Representative
Grantee

For County:

(Signature)
Authorized Designee
County of San Mateo

Date

DEPUTY COUNTY MANAGER

Job Title (please print)

80125-6265

Budget Unit

BOSD3

Measure K JL Code

ILIANA RODRIGUEZ

(please print name)
Authorized Designee
County of San Mateo

Exhibit A

In consideration for the Loan proceeds paid to Borrower described below, Borrower shall undertake the following activities and comply with the following restrictions and requirements (collectively referred to as the “services” or “work”):

1. Project Description and Use of Funds:

Borrower shall acquire an already-developed commercial property (Property) for the purpose of creating a Workforce Development Center. The Property is commonly known as 515 Kelly Avenue, Half Moon Bay, and has been assigned Assessor Parcel Number 056-150-160. The legal description of the Property is attached to this Exhibit A of this Agreement as Attachment A-1 and is incorporated herein by reference. The Workforce Development Center will provide homeless individuals with employment and development of life-skills, and offer those individuals storage space, meals, and shower and laundry facilities.

Borrower will use the Workforce Development Center as a centralized meeting place to gather, organize, coordinate and provide services to homeless individuals. Borrower's existing services include:

- The Farm Employment Opportunities Program, which provides employment opportunities for homeless and/or low-income individuals.
- Distribution of harvested food for free to low-income families at community distribution points.
- The Coastside Clean Team program, in which Borrower hires people experiencing homelessness to clean the beach in Half Moon Bay and nearby side streets.

These existing services will be located in the Workforce Development Center. Borrower will expand its range of services with the establishment of the Workforce Development Center to include services such as:

- Serving breakfast
- Providing laundry and shower facilities
- Offering internet access
- Employment and job search counseling services
- Day laborer support
- Storage of small items
- Life skills and cash management courses
- Telephone access and mail services
- Clothing and toiletries distribution
- Space for Alcoholics Anonymous meetings
- Providing volunteer opportunities

Borrower will use County Loan funds to contribute toward a down payment for the Property where the Workforce Development Center will be located. In addition, Borrower anticipates receipt of funds from the City of Half Moon Bay to further support its purchase of the Property and development of the Workforce Development Center.

2. Restrictions and Requirements:

The County will monitor the Project to ensure that the Property is being used in compliance with the requirements herein. Borrower agrees to provide County access and records, upon reasonable advance request, in furtherance of this monitoring.

- a. The Property shall be used for a Workforce Development Center in a manner consistent with the purposes and uses described in Section 1, above, and in the Board memorandum dated October 22, 2019, which is attached hereto as Attachment A-2 and incorporated herein by reference.

- b. The Property may not, during the full term of the Agreement, be used for for-profit activities.
- 3. Property Standards: Construction, if any, conducted by Borrower must fully comply with all applicable local and State building codes and regulations.
- 4. Contract Number: All correspondence, invoices, payments, and reports must include the County contract number.
- 5. Loan Terms: Funding will be provided in the form of a loan, in accordance with the terms of this Exhibit A. The outstanding principal balance of the Loan shall bear no interest. The full amount of the Loan shall be repaid upon the expiration or other termination of the Agreement, or any default of the Borrower as provided herein.
- 6. Due on Failure to Receive Permits to Operate: In the event that Borrower fails to obtain any and all permits and approvals required to operate the Workforce Development Center prior to October 31, 2020, including, for example only, a Coastal Development Permit from the City of Half Moon Bay, the Borrower shall immediately return the full Loan amount to the County.
- 7. Due on Sale, Refinance or Transfer of Title: Borrower shall not assign its rights under this Agreement without obtaining the prior written consent of the County Manager or his/her designee or sell or refinance the Property or Project. In the event of a sale or transfer of the Project or any interest therein by Borrower without such consent, the entire remaining principal balance of the Loan will be immediately due and payable.
- 8. Due on Termination of Services: In the event Borrower breaches any of the terms and conditions of this Agreement, including the obligation to provide services as described in this Exhibit A, after thirty (30) days written notice to Borrowers and failure to correct the breach, the Borrower will be in default of the terms and conditions of this Agreement, and the County may demand immediate and full payment of any remaining principal amount of the Loan.

Default may result from:

- a) Failure of Borrower to perform or observe any terms or provisions of this Agreement, including but not limited to provision of services described in Exhibit A;
- b) Use of funds under this Agreement for purposes not approved by the County; or
- c) Occurrence of any other event (whether termed default, event of default, or otherwise) which under the terms of this Agreement will entitle the County to exercise rights or remedies hereunder.

Attachment A-1**LEGAL DESCRIPTION**

Real property in the City of Half Moon Bay, County of San Mateo, State of California, described as follows:

PARCEL I:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF KELLY AVENUE (EXTENDED WESTERLY), DISTANCE THEREON 618.85 FEET WESTERLY FROM THE INTERSECTION THEREOF WITH THE WESTERLY LINE OF OCEAN AVENUE, AS SAID AVENUES APPEAR IN THE MAP ENTITLED "MAP OF SPANISH-TOWN", FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY ON JANUARY 22, 1884 IN BOOK A OF MAPS AT PAGE 53 AND A COPY ENTERED IN BOOK 1 OF MAPS AT PAGE 60; RUNNING THENCE FROM SAID POINT OF BEGINNING NORTHERLY AT RIGHT ANGLES TO KELLY AVENUE, 100 FEET; THENCE EASTERLY PARALLEL WITH KELLY AVENUE 50 FEET; THENCE AT RIGHT ANGLES SOUTHERLY 100 FEET TO THE NORTHERLY LINE OF KELLY AVENUE AND THENCE WESTERLY ALONG SAID LINE 50 FEET TO THE POINT OF BEGINNING.

PARCEL II:

BEGINNING AT A POINT ON THE NORTHERLY LINE OF KELLY AVENUE, DISTANT THEREON 618.85 FEET WESTERLY FROM THE INTERSECTION THEREOF WITH THE WESTERLY LINE OF OCEAN AVENUE AS SAID AVENUES APPEAR ON THE MAP ENTITLED "MAP OF SPANISH-TOWN", FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN MATEO COUNTY ON JANUARY 22, 1884 IN BOOK A OF MAPS AT PAGE 53 AND A COPY ENTERED IN BOOK 1 OF MAPS AT PAGE 60; SAID POINT OF BEGINNING ALSO BEING THE SOUTHWESTERLY CORNER OF LANDS CONVEYED TO ERNEST JOSEPH BARSUGLIA AND RITA ISABELLE BARSUGLIA, HIS WIFE, BY DEED RECORDED JUNE 6, 1957 IN [BOOK 3229 OF THE OFFICIAL RECORDS AT PAGE 694](#), RECORDS OF SAN MATEO COUNTY, CALIFORNIA; THENCE FROM SAID POINT OF BEGINNING ALONG THE WESTERLY LINE OF SAID LAST MENTIONED LANDS NORTH 8° 30' EAST 100 FEET; THENCE NORTH 81° 30' WEST 1.50 FEET; THENCE SOUTH 8° 30' WEST 100 FEET TO THE NORTHERLY LINE OF KELLY AVENUE; THENCE ALONG SAID NORTHERLY LINE OF KELLY AVENUE SOUTH 81° 30' EAST 1.50 FEET TO THE POINT OF BEGINNING.

[APN: 056-150-160](#), [JPN: 056-015-150-16A](#)

Agreement No. _____

Board Resolution No. _____

Attachment A-2

[October 22, 2019 Board memo]

Exhibit B

In accordance with the terms of this Agreement, Borrower will provide, or cause to be provided the services for the Project detailed in Exhibit A and will report back to the County regarding various performance measures including, but not limited to, those noted below. Such reporting data shall be delivered to the County no later than June 30, 2020. Within 45 days after the end of each fiscal year thereafter (i.e., on or before August 15 each year during the term of the Agreement), Borrower shall submit a written report to the County, in a format reasonably prescribed by the County, describing the Workforce Development Center’s operational status, the programs and services offered during the preceding fiscal year,, and the number of individuals served during that fiscal year. In addition, Borrower agrees to provide descriptive information about the Project funded by the Measure K grant upon reasonable request of the County, including, but not limited to, the County Manager’s Office, the County Communications Officer, or the Supervisorial District Office.

<u>Performance Measure</u>	<u>Target</u>
Coastside Workforce Development Center providing services to target population	Operational