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3 **RESOLUTION NO. 2016-026**

4 **A RESOLUTION OF THE BOARD OF SUPERVISORS**  
5 **OF THE COUNTY OF RIVERSIDE ESTABLISHING**  
6 **THE COUNTY OF RIVERSIDE ECONOMIC DEVELOPMENT AGENCY**  
7 **REVOLVING LOAN FUND PROGRAM**

8 WHEREAS, the County of Riverside, a political subdivision of the State of California  
9 (“COUNTY”) desires to help stimulate economic development and create and retain jobs within  
10 its jurisdiction;

11 WHEREAS, the COUNTY is committed to strengthening its local economy with a focus  
12 on providing assistance to small business owners who were impacted by the recent recession;

13 WHEREAS, access to capital continues to be one of the biggest challenges faced by  
14 small businesses in the COUNTY as such one of the COUNTY’S main economic initiatives is  
15 to accelerate and grow small businesses by creating access to new sources of capital to  
16 business owners that experience difficulty securing conventional business loans;

17 WHEREAS, the Board of Supervisors (Board) desires to establish the County of  
18 Riverside Economic Development Agency Revolving Loan Fund Program (Revolving Loan  
19 Fund Program), a general lending program that will assist small businesses in obtaining access  
20 to capital to expand and grow their operations, acquire real property, construct tenant  
21 improvements and renovations, purchase necessary fixtures and equipment, provide access to  
22 short term capital, and other eligible activities;

23 WHEREAS, the Revolving Loan Fund Program is an effective funding approach with  
24 long term value since funds repaid by an initial business recipient will be used to fund future  
25 business applicants;

26 WHEREAS, in an effort to promote economic development and stimulate job growth,  
27 the COUNTY Economic Development Agency (“EDA”) staff applied for, and were awarded, on  
28 behalf of the COUNTY, a grant in the amount of \$1,222, 906 (“USEDA Grant”) from the U.S.

1 Department of Commerce’s Economic Development Administration (“USEDA”) to establish a  
2 commercial Revolving Loan Fund (“RLF”) for eligible businesses in the COUNTY;

3 WHEREAS, in accordance with the USED A Grant terms, the COUNTY is required to  
4 provide match funds in the amount of \$305,727 (“County Match”) to be used for eligible project  
5 expenses. The RLF will provide a total project budget of \$1,528,633 to provide loans to local  
6 small businesses;

7 WHEREAS, the Board desires to initially capitalize the Revolving Loan Fund Program  
8 using funds derived from the RLF in the amount of \$1,528,633;

9 WHEREAS, the Revolving Loan Fund Program will be administered and operated  
10 pursuant to the County of Riverside Economic Development Agency Revolving Loan Fund  
11 Administrative Plan, Policies and Procedures, a copy of which is attached hereto as Exhibit “A”  
12 and incorporated herein by this reference;

13 WHEREAS, commercial loans issued to small businesses under the Revolving Loan  
14 Fund Program will range from \$25,000 up to the maximum total amount of \$382,000;

15 WHEREAS, County staff anticipates that approximately 12 small businesses will be  
16 assisted with commercial loans from the RLF which may lead to the creation of approximately  
17 35 jobs within the County;

18 WHEREAS, to increase the efficiency of the County’s proposed Revolving Loan Fund  
19 Program and assist the COUNTY in achieving its objective of increased business expansion,  
20 the Board desires to Authorize the Assistant County Executive Officer/EDA, or designee, to  
21 approve, issue and modify commercial loans derived from the RLF provided the following  
22 conditions are satisfied, (i) the maximum cumulative total amount of such commercial loan does  
23 not to exceed \$75,000, (ii) the individual or entity receiving such loan operates a small business  
24 within the County of Riverside and satisfies the terms, conditions and underwriting criteria set  
25 forth in the County of Riverside Economic Development Agency Revolving Loan Fund  
26 Administrative Plan, Policies and Procedures, (iii) the recipient small business will create and  
27 retain at least one-full time employee per \$35,000 of loaned funds, (iv) the loan is documented  
28 in a loan agreement, evidenced by a promissory note with a term of no more than 5 years on

1 working capital loans, 7 years on equipment and 10 years on real estate requiring equal periodic  
2 payments, and secured by a deed of trust, or other security instrument, first approved as to form  
3 by County Counsel, (v) the loan complies with the RLF Financial Assistance Award from the  
4 USEDA dated September 25, 2015, including, all attachments thereto, which include, but are  
5 not limited to Special Award Conditions USEDA, Revolving Loan Fund Financial Assistance  
6 Award Standard Terms and Conditions, and Department of Commerce Financial Assistance  
7 Standard Terms and Conditions, as verified by County Counsel.

8 WHEREAS, the RLF and Revolving Loan Fund Program were reviewed and determined  
9 not to fall within the definition of a project under the California Environmental Quality Act  
10 (CEQA) pursuant to State CEQA Guidelines Section 15378 (b) (4).The RLF and Revolving Loan  
11 Fund Program (collectively the “Activities”) create a government funding mechanism which does  
12 not involve any commitment to any specific project which may result in a potentially significant  
13 physical impact on the environment. The Activities just allow the County to provide commercial  
14 loans to small businesses. No specific projects have been identified and committed in  
15 connection with the approval of the RLF and Revolving Loan Fund Program. Each loan derived  
16 from the RLF and/or issued in connection with the Revolving Loan Fund Program will be subject  
17 to separate CEQA and/or National Environmental Policy Act (NEPA) environmental review, as  
18 applicable, prior to taking any choice limiting action or discretionary action on those specific  
19 loans; and

20 WHEREAS, the Revolving Loan Fund Program will benefit local small businesses and is  
21 in the best interest of the County of Riverside.

22 **NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the  
23 Board of Supervisors of the County of Riverside (“Board”), in regular session assembled on  
24 \_\_\_\_\_, 2016, at 9:00 a.m., in the meeting room located on the 1<sup>st</sup> Floor of the  
25 County Administrative Center, 4080 Lemon Street, Riverside, California, as follows:

- 26 1. The Recitals set forth above are true and correct and incorporated herein by this  
27 reference.
- 28 2. The Board hereby establishes the County of Riverside Economic Development Agency

1 Revolving Loan Fund Program which will be capitalized using funds derived from the  
2 United States Department of Commerce's Economic Development Administration grant  
3 award in the amount of \$1,222,906 from its Economic Adjustment Assistance Program  
4 plus the County Match in the amount of \$305,727, for a total budget of \$1,528,633, and  
5 shall operate within the County of Riverside and benefit eligible small businesses  
6 located within the County of Riverside.

7 3. The Board hereby approves the County of Riverside Economic Development Agency  
8 Revolving Loan Fund Administrative Plan, Policies and Procedures, a copy of which is  
9 attached hereto as Exhibit "A" and incorporated herein by this reference. The County of  
10 Riverside Economic Development Agency Revolving Loan Fund Program shall be  
11 operated and administered in accordance with the attached County of Riverside  
12 Economic Development Agency Revolving Loan Fund Administrative Plan, Policies and  
13 Procedures.

14 4. The Board hereby delegates to the Assistant County Executive Officer/EDA, or  
15 designee, the authority to approve, issue and modify commercial loans derived from the  
16 RLF provided the following conditions are satisfied, (i) the maximum cumulative total  
17 amount of such commercial loan does not to exceed \$75,000, (ii) the individual or entity  
18 receiving such loan operates a small business within the County of Riverside and  
19 satisfies the terms, conditions and underwriting criteria set forth in the County of  
20 Riverside Economic Development Agency Revolving Loan Fund Administrative Plan,  
21 Policies and Procedures, (iii) the recipient small business will create and retain at least  
22 one-full time employee per \$35,000 of loaned funds, (iv) the loan is documented in a  
23 loan agreement, evidenced by a promissory note with a term of no more than 5 years  
24 on working capital loans, 7 years on equipment and 10 years on real estate, requiring  
25 equal periodic payments, and secured by a deed of trust, or other security instrument,  
26 first approved as to form by County Counsel, (v) the loan complies with the RLF  
27 Financial Assistance Award from the USEDA dated September 25, 2015, including, all  
28 attachments thereto, which include, but are not limited to Special Award Conditions

1 USEDA, Revolving Loan Fund Financial Assistance Award Standard Terms and  
2 Conditions, and Department of Commerce Financial Assistance Standard Terms and  
3 Conditions, as verified by County Counsel.

4 5. The Board hereby finds that the RLF and Revolving Loan Fund Program are  
5 determined not to fall within the definition of a project under the California  
6 Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines Section 15378  
7 (b) (4).The RLF and Revolving Loan Fund Program (collectively the “Activities”) create  
8 a government funding mechanism which does not involve any commitment to any  
9 specific project which may result in a potentially significant physical impact on the  
10 environment. The Activities just allow the County to provide commercial loans to small  
11 businesses. No specific projects have been identified and committed in connection with  
12 the approval of the RLF and Revolving Loan Fund Program. Each loan derived from the  
13 RLF and/or issued in connection with the Revolving Loan Fund Program will be subject  
14 to separate CEQA and/or National Environmental Policy Act (NEPA) environmental  
15 review, as applicable, prior to taking any choice limiting action or discretionary action on  
16 those specific loans.

17 6. The Board hereby authorizes the Assistant County Executive Officer/EDA, or designee,  
18 to sign all documents necessary and appropriate to carry out and implement the County  
19 of Riverside Economic Development Agency Revolving Loan Fund Program and RLF  
20 and to administer the County’s obligations, responsibilities, and duties to be performed  
21 under the County of Riverside Economic Development Agency Revolving Loan Fund  
22 Administrative Plan, Policies and Procedures and RLF Financial Assistance Award from  
23 the USEDA dated September 25, 2015, including, all attachments thereto, which  
24 include, but are not limited to Special Award Conditions USEDA, Revolving Loan Fund  
25 Financial Assistance Award Standard Terms and Conditions, and Department of  
26 Commerce Financial Assistance Standard Terms and Conditions, subject to approval  
27 by County Counsel.

28 7. The Board hereby finds that this Resolution shall take effect upon its adoption.

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**PASSED, APPROVED AND ADOPTED THIS \_\_\_\_\_ day of July, 2016.**

AYES:

NOES:

ABSENT:

ABSTAIN:

COUNTY OF RIVERSIDE

\_\_\_\_\_  
John J. Benoit, Chairman  
BOARD OF SUPERVISORS

ATTEST:

Kecia Harper-Ihem  
Clerk of the Board of Supervisors

\_\_\_\_\_  
Deputy

SPECIAL AWARD CONDITIONS  
U.S. DEPARTMENT OF COMMERCE  
Economic Development Administration (EDA)

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**Revolving Loan Fund Projects: Economic Adjustment Assistance Program**

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**Project Title: Revolving Loan Fund**

**Recipient Name: County of Riverside Economic Development Agency**

**Project Number: 07-79-07282**

1. This EDA Award supports the work described in the approved final scope of work that will be outlined in the most recent RLF Plan, which EDA will approve prior to first disbursement of funds, and will be incorporated by reference into this Award, as the *Authorized Scope of Work*. All work on this project should be consistent with this *Authorized Scope of Work*, unless the Grants Officer has authorized a modification of the scope of work in writing through an amendment memorialized through execution of a Form CD-451.

2. The Recipient Contact's name, title, address, and telephone number are:

Mr. Joaquin Tijerina Economic Development Regional Manager Phone: (760) 863-2529 Email: jtijerina@rivcoeda.org	County of Riverside Economic Development Agency 1325 Spruce Street, Suite 110 Riverside, California 92507
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3. The Grants Officer is authorized to award, amend, suspend, and terminate financial assistance awards. The Grants Officer is:

A. Leonard Smith Regional Director Fax: (206)220-7657	Economic Development Administration Seattle Regional Office 915 Second Avenue, Suite 1890 Seattle, WA 98174
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4. The Federal Program Officer (Area Director) oversees the programmatic aspects of this Award. The Federal Program Officer is:

Kristine Skrinde Area Director Phone: (206)220-7700 FAX: (206)220-7669 Email: KSkrinde@eda.gov	Economic Development Administration Seattle Regional Office 915 Second Avenue, Suite 1890 Seattle, WA 98174
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5. The Project Officer is responsible for day-to-day administration and liaison with the Recipient and receives all reports and payment requests. The Project Officer is:

Bill O'Neil Community Planner Phone: (206) 220-7732 FAX: (206) 220-7669 Email: boneil@eda.gov	Economic Development Administration Seattle Regional Office 915 Second Avenue Suite 1890 Seattle, WA 98174
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6. **ADDITIONAL INCLUDED DOCUMENTS:**

In addition to the regulations, documents, or authorities incorporated by reference on the Financial Assistance Award form (CD-450) the following additional documents are included with and considered to be part of the Award's terms and conditions:

- A Recipient's final completed Application (this item not enclosed in this Award package);
- Instructions on how to enroll and access funds in ASAP (Attachment 1);
- The May 2013 Economic Development Administration Revolving Loan Fund Financial Assistance Standard Terms and Conditions are currently in the process of being updated to address, where appropriate: (i) the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (effective Dec. 26, 2014) as set forth at 2 C.F.R. part 200 and (ii) the amended EDA regulations (effective Jan. 20, 2015) (79 Fed. Reg. 76108) (Dec. 19, 2014). When the revised version of Economic Development Administration Revolving Loan Fund Financial Assistance Standard Terms and Conditions (Revised Version) becomes available, the Revised Version will supersede the May 2013 Economic Development Administration Revolving Loan Fund Financial Assistance Standard Terms and Conditions (attached hereto). At such time, the Recipient(s) shall execute an Amendment to Financial Assistance Award (Form CD-451) that will incorporate the Revised Version into the award that will replace the Department of Commerce Financial Assistance Standard Terms and Conditions (December 26, 2014) and superseded Economic Development Administration Revolving Loan Fund Financial Assistance Standard Terms and Conditions (May 2013) previously incorporated into the award. Until such time as EDA and Recipient(s) execute the referenced CD-451, the two (2) attached sets of Standard Terms and Conditions shall be interpreted as one harmonious document but the Department of Commerce Financial Assistance Standard Terms and Conditions (December 26, 2014) shall control as to any inconsistencies between the two (2) attached sets of Standard Terms and Conditions. ; and,
- RLF Plan/*Authorized Scope of Work* (this item not enclosed in this Award package).

Should there be a discrepancy with the Application, these Special Award Conditions and the attachments hereto shall control.

7. **PROJECT DEVELOPMENT TIME SCHEDULE:** The Recipient agrees to the following Project development time schedule:

Time allowed in Financial Assistance Award after EDA Award date:



Return of Executed Financial Assistance Award.....	30 calendar days after receipt of Form CD-450/CD-451
Authorized Award End Date.....	N/A
Submission of Final Financial Document (SF-425) .....	Due no later than 90 calendar days after September 30, 2018

The Recipient shall diligently pursue the development of the Project so as to ensure completion within this time schedule. Moreover, the Recipient shall promptly notify EDA in writing of any event that could substantially delay meeting any of the proscribed time limits for the Project as set forth above. The Recipient further acknowledges that failure to meet the development time schedule may result in EDA’s taking action to terminate the Award in accordance with the regulations set forth at 2 C.F.R. §200.338 through § 200.342.

**8. PROJECT REPORTING AND FINANCIAL DISBURSEMENTS INSTRUCTIONS:**

**A. AWARD DISBURSEMENTS:** EDA will make Award payments using the Department of Treasury’s Automated Standard Application for Payments (ASAP) system. The Recipient is required to furnish documentation as required by ASAP including but not limited to Recipient and Requestor Identification Numbers. Complete information concerning the ASAP system may be obtained by visiting [www.fms.treas.gov/asap](http://www.fms.treas.gov/asap).

In order to receive reimbursements, the Recipient shall submit a *Request for Reimbursement (Form SF-270)* to the Project Officer only to close a loan or disburse RLF funds to a borrower. The Recipient must disburse the RLF funds to a borrower within thirty (30) days of receipt of the Award funds. Any Award funds not disbursed within the thirty (30) day period shall be refunded to EDA. The amount of the disbursement shall not exceed the difference, if any, between the RLF Capital and the amount of a new RLF loan, less the amount, if any, of the Matching Share required to be disbursed concurrent with the Grant funds.

Please note that prior to the initial disbursement, Recipients must complete the attached Form SF-3881, “*ACH Vendor/Miscellaneous Payment Enrollment Form*” and submit it to NOAA’s Accounting Office by FAX to 301-528-3675 (*FAX is required to secure confidentiality of sensitive information*). The form must be completed by the respective parties (EDA, Recipient Bank, and Recipient) at the start of each new award.

**B. REPORTS:**

a. *Financial Reports:* The Recipient shall submit a “*Federal Financial Report*” (Form SF-425) on a semi-annual basis for the periods ending **March 31** and **September 30**, or any portion thereof. Form SF-425 (and instructions for completing this form) is available at: [http://www.whitehouse.gov/omb/grants/grants\\_forms.html](http://www.whitehouse.gov/omb/grants/grants_forms.html). Reports are due no later than 1 month following the end of the period.

A final Form SF-425 must be submitted no more than 90 calendar days after the expiration date of the Award (e.g., the Award end date specified on the Form CD-450 or Form CD-451). Final financial reports should follow the guidance outlined by the form instructions for submitting mid-term financial reports, but

should ensure that all fields accurately reflect the total outlays for the entire project period, and that all matching and program income (if applicable) is fully reported. Final grant rate and determinations of final balances owed to the government will be determined by the information on the final Form SF-425, so it is imperative that this final financial form is submitted in a timely and accurate manner.

Form SF-425 is required only during the disbursement phase of the grant award.

- b. RLF Income and Expense Statement: The Recipient shall submit an RLF Semiannual Income and Expense Statement Report for the periods ending **March 31 and September 30**, or any portion thereof, electronically on Form ED-209 or any successor form. This report is required during the grant period and during revolving period. Additionally, the Recipient shall submit Form ED-209I electronically along with the Form ED-209 submission if required, as outlined in EDA regulations. Reports are due no later than 30 calendar days following the end of the period.

- 9. **ALLOWABLE COSTS AND AUTHORIZED BUDGET:** Total allowable costs will be determined at the conclusion of the award period in accordance with the administrative authorities applicable pursuant to the *Financial Assistance Award* (Form CD-450), including 2 C.F.R. Part 200 – Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards, after Final Financial Documents are submitted.

Line Item Budget:

- A. Under the terms of the Award, the total approved/authorized budget is:

Federal Share (EDA)	\$1,222,906.00
Non-Federal Matching Share	\$305,727.00
Total Project Cost	\$1,528,633.00

- B. Under the terms of this Award, the total line item budget is:

Categories	Federal Share	Recipient Share	Total
Other	\$1,222,906.00	\$305,727.00	\$1,528,633.00

- 10. **FEDERAL SHARE:** The EDA participation in total eligible project costs will be limited to the EDA grant amount or the EDA share of total allowable project costs, based on the area’s grant rate eligibility at the time of award, whichever is less.
- 11. **MATCHING SHARE:** The Recipient agrees to provide the Recipient’s non-Federal Matching Share contribution for eligible project expenses in proportion to the Federal share requested for such project expenses. The Recipient also certifies that, in accepting the Financial Assistance

Award, the Recipient's Matching Share of the project costs is committed and unencumbered, from authorized sources, and shall be available as needed for the project.

12. **CASH CONTRIBUTION.** The Recipient agrees to provide the cash contribution for eligible project expenses to be loaned and re-loaned in accordance with the approved Revolving Loan Fund Plan and the terms of this Award. The Recipient's cash contribution must be available at the time needed for loan closings. The cash Matching Share of the RLF may only be used for lending purposes. The cash Matching Share must be used either in proportion of the Grant funds or at a faster rate than the Grant funds. The full amount of the cash Matching Share shall remain for use in the RLF.
  
13. **RLF ADMINISTRATIVE EXPENSES and RLF ADMINISTRATIVE COSTS AND INCOME RESTRICTIONS.** Administrative costs/expenses for the operation of this Revolving Loan Fund project are not included as eligible expenses in the authorized budget. The Recipient agrees to cover the administrative expenses for this project without relying on additional financial assistance from EDA with this or any other Award except as expressly allowed by EDA. The Recipient agrees that costs to administer this RLF Award will be paid by the Recipient and or by the "RLF Income".
  
14. **INTEREST BEARING ACCOUNT.** All Award funds disbursed by EDA to reimburse the Recipient for loan obligations already incurred must be held in an interest-bearing account (an "EDA funds account") by the Recipient until disbursed to the borrower. (*See* 13 C.F.R. § 307.11(d).) Any such interest should be treated as RLF Income in accordance with the definition of RLF Income at 13 C.F.R. § 307.8 and the requirements of 13 C.F.R. § 307.12.
  
15. **REQUIREMENTS PRIOR TO INITIAL DISBURSEMENT (For RLF Awards):** Prior to the initial disbursement of the Award, the Recipient shall submit to EDA the following items for approval:
  - a. Evidence satisfactory to EDA, from an independent account that their accounting system is adequate to identify the source and application of Award funds, including program income.
  - b. Evidence of employee dishonesty insurance or fidelity bonds coverage or other insurance coverage acceptable to EDA for all employees and officials who handle or have access to funds under this award. The Recipient agrees to maintain this fidelity bond insurance for persons authorized to handle funds under the award, for the life of the RLF, in an amount sufficient to protect the interest of EDA and the RLF. At a minimum, the amount of coverage shall be the greater of the maximum loan amount allowed for in the EDA approved RLF Plan, or 25 percent of the RLF Capital Base. Such coverage must exist at all times during the duration of the RLF's operation and the Recipient shall provide EDA with evidence of such coverage.
  - c. Standard RLF loan documents and certification stating loan documents necessary for lending are in place and the documents have been reviewed by Recipient's legal counsel for adequacy and compliance with the terms and conditions of the award, and applicable state and local laws. The standard loan documents to be submitted shall include, at a minimum, the following:

- i. Loan Application
- ii. Loan Agreement
- iii. Board of Director's meeting minutes approving the RLF loan
- iv. Promissory Note
- v. Deed of Trust or Mortgage (as applicable)
- vi. Security Agreement(s)
- vii. Agreement of prior lien holder (as applicable), and
- viii. Signed bank turn-down letter demonstrating that credit is not otherwise available on terms and conditions that permit the completion or successful activity to be financed. EDA will permit the RLF Recipient to accept alternate documentation only if such documentation is allowed in the Recipient's EDA-approved RLF Administrative Plan.

16. **LOAN CLOSING AND DISTRIBUTION SCHEDULE:** The Recipient agrees to make loans at a rate such that no less than **100 percent** of the RLF capital (defined as the EDA award plus the Recipients' cash Matching Share contribution) is disbursed to business entities by September 30, 2018. EDA funds not disbursed in accordance with the above schedule may be retained by the Government. Any award funds retained by the Government will cease to be available to the Recipient.

17. **REFUND CHECKS, INTEREST, OR UNUSED FUNDS:** Treasury has given the EDA two options for having payments deposited to EDA's account:

- i. The first one is Pay.Gov. This option allows the payee to pay EDA through the Internet. The payee will have the option to make a one-time payment or to set up an account to make regular payments.
- ii. The second option is Paper Check conversion. All checks must identify on their face the name of the DOC agency funding the award, award number, and no more than a two-word description to identify the reason for the refund or check. A copy of the check should be provided to the EDA Project Officer. This option allows the payee to send a check to NOAA's Accounting Office, who processes EDA's accounting functions at the following address:

U.S. Department of Commerce  
National Oceanic and Atmospheric Administration  
Finance Office, AOD, EDA Grants  
20020 Century Boulevard  
Germantown, MD 20874

The accounting staff will scan the checks in to an encrypted file and transfer to the Federal Reserve Bank, where the funds will be deposited in EDA's account. While this process will not be an issue with most payees, there are occasionally issues for entities remitting funds to EDA via check. If you are remitting funds to EDA via check, please make note of the following:

- If a check is sent to EDA, it will be converted into an electronic funds transfer by copying the check and using the account information to electronically debit your account for the amount of the check. The debit from your account will usually occur within 24 hours and will appear on your regular account statement.
- EDA will not return your original check; the original will be destroyed and a copy will be maintained in our office. If the Electronic Funds Transfer (EFT) cannot be processed for technical reasons, the copy will be processed in place of the original check. If the EFT cannot be completed because of insufficient funds, EDA will charge you a one-time fee of \$25.00, which will be collected by EFT.

18. **TECHNICAL ASSISTANCE TO BUSINESSES:** Any technical assistance offered to businesses as intended beneficiaries under the EDA award shall be widely advertised and accessible to all potentially benefitting businesses, as is reasonably permitted by the EDA project Scope of Work and Budget. The Recipient shall maintain adequate documentation of any technical assistance offered and/or provided to benefitting businesses under the EDA award.
19. **NONRELOCATION:** In signing this award of financial assistance, Recipient(s) attests that EDA funding is not intended by the Recipient to assist its efforts to induce the relocation, or the movement of existing jobs from one region to another region in competition with those jobs. In the event that EDA determines that its assistance was used for such purposes, EDA retains the right to pursue appropriate enforcement action in accord with the Standard Terms and Conditions of the Award, including suspension of disbursements and termination of the award for convenience or cause, which may include the establishment of a debt requiring the Recipient to reimburse EDA.
20. **PERFORMANCE MEASURES:** The Recipient agrees to report on program performance measures and program outcomes in such a form and at such intervals as may be prescribed by EDA in compliance with the Government Performance and Results Act (GPRA) of 1993, and the Government Performance and Results Modernization Act of 2010. Recipients are to retain sufficient documentation so that they can submit these required reports. Failure to submit this required report can adversely impact the ability of the Recipient to secure future funding from EDA.

Performance measures and reporting requirements that apply to program activities funded by this investment will be provided in a separate GPRA information collection document. EDA staff will contact Recipients in writing within a reasonable period prior to the time of submission of the reports with information on how this data should be submitted.

Performance measures and reporting requirements that apply to program activities funded by this investment will be provided in a separate GPRA information collection document. EDA staff will contact Recipients in writing within a reasonable period prior to the time of submission of the reports with information on how this data should be submitted. Recipients should ensure sufficient records are kept on how the initial job and private investment estimates are provided and all subsequent actual performance data is calculated so that it can be provided in cases where EDA conducts audits or performance site visits.

21. **ENVIRONMENTAL REVIEW:** As required by EDA's regulations at 13 C.F.R. §§ 302.1 and 307.10 and part 314, and in accordance with the requirements of the National Environmental Policy Act of 1969, as amended (Pub. L. No. 91-190; 42 U.S.C. 4321 et seq., as implemented under 40 C.F.R. Chapter V), and all applicable Federal environmental statutes, regulations and Executive Orders, the Recipient will undertake review of loans and include in its RLF Plan an acceptable process to determine the environmental impacts of the use of any proceeds from loans made under this RLF. The Recipient must adopt procedures to review the impacts of prospective loan proposals on the physical environment and to ensure that potential borrowers comply with applicable environmental laws and regulations. **Prior to disbursement of any funds, the Recipient shall provide evidence satisfactory to the EDA demonstrating that there is an environmental review process for loan applications.**

22. **§ 307.15 PRUDENT MANAGEMENT OF REVOLVING LOAN FUNDS:** Within sixty (60) days prior to the initial disbursement of EDA funds, an independent accountant familiar with the RLF Recipient's accounting system shall certify to EDA and the RLF Recipient that such system is adequate to identify, safeguard, and account for all RLF Capital, outstanding RLF loans, and other RLF operations.

Prior to the disbursement of any EDA funds, the RLF Recipient shall certify that standard RLF loan documents reasonably necessary or advisable for lending are in place and that these documents have been reviewed by its legal counsel for adequacy and compliance with the terms and conditions of the Award and applicable State and local law.

23. **§ 307.16 Effective UTILIZATION OF REVOLVING LOAN FUNDS.** (c) *Capital utilization standard.* (1) During the Revolving Phase, RLF Recipients must manage their repayment and lending schedules to provide that at all times at least seventy-five (75) percent of the RLF Capital is loaned or committed. The following exceptions apply: (i) An RLF Recipient that anticipates making large loans relative to the size of its RLF Capital base may propose a Plan that provides for maintaining a capital utilization standard greater than twenty-five (25) percent; and (ii) EDA may require RLF Recipients with an RLF Capital base in excess of \$4 million to adopt a Plan that maintains a proportionally higher percentage of its funds loaned. (2) When the percentage of loaned RLF Capital falls below the capital utilization standard, the dollar amount of the RLF funds equivalent to the difference between the actual percentage of RLF Capital loaned and the Capital Utilization Standard is referred to as "excess cash."

24. **REVOLVING LOAN FUND PLAN & RESOLUTION.** The Recipient agrees to operate this RLF project in accordance with a revolving loan fund administrative plan which shall be approved by EDA in writing. Prior to any disbursement of funds under this award, Recipient agrees to submit an acceptable administrative plan and a resolution by its governing board authorizing approval of the administrative plan.

Any material modifications, such as merger, change or addition to lending area, change in critical management staff, or change in the strategic purpose of the RLF, must be submitted electronically to EDA for prior written approval. In the case of any conflicts between the approved Plan and the terms and conditions governing this award, the terms and conditions shall prevail.

**ELIGIBLE LENDING AREAS.** Areas eligible for Section 209 assistance through this RLF project are: Riverside County. This may be amended with the approval of new Revolving Loan Plans by the Economic Development Administration to add new eligible areas in the future.

EXHIBIT "A"  
U.S. DEPARTMENT OF COMMERCE  
Economic Development Administration

RECIPIENT: County of Riverside Economic Development Agency

SPECIAL AWARD CONDITIONS

Additional Terms:

- A. The Recipient agrees to operate this revolving loan fund project in accordance with a Revolving Loan Fund Administrative Plan to be submitted for approval by EDA not more than 60 days after date of execution of the EDA Award.
- B. The Recipient agrees to provide all Loan Documents and letter from Legal Counsel approving the Documents within 120 days of amendment execution.
- C. In accordance with 13C.F.R. §307.11(a)(1), the Recipient must provide within 60 days of the Recipient's execution of Form CD-450, in a form acceptable to EDA, evidence of fidelity bond coverage for persons authorized to handle funds under this Award in an amount sufficient to protect the interest of EDA and the RLF. At a minimum, the amount of coverage shall be the greater of the maximum loan amount allowed for in the EDA-approved RLF Plan, or 25 percent of the RLF Capital base. Such insurance coverage must exist at all times during the duration of the RLF's operation.