

AGREEMENT TO LOAN COUNTY FUNDS FOR PUBLIC PURPOSE

THIS LOAN AGREEMENT (hereafter Agreement) is made by and between the County of Santa Barbara, a political subdivision of the State of California (hereafter COUNTY) and the Orcutt Area Seniors in Service, Inc. (OASIS) with an address at 420 Soares Ave, Santa Maria, CA 93455 (hereafter BORROWER).

WHEREAS, the BORROWER is a volunteer-driven, membership-based nonprofit organization that has served older adults on the Central Coast since 1984; and

WHEREAS, the BORROWER has evolved into a cornerstone organization for older adults in Northern Santa Barbara County and surrounding areas, offering a broad range of programs focused on social connection, wellness, education, volunteerism, and personal growth; and

WHEREAS, the Santa Barbara County Board of Supervisors recognized the BORROWERS' need for an updated facility, approving the County Planning's Commission recommendation and plans for a new location on December 7, 2021; and

WHEREAS, upon Board approval, \$100,000 will be allocated as a no-interest loan in the Fiscal Year 2025–26 Fourth District operating budget, using Fourth District 990 funds, to BORROWER, a 501(c)(3) nonprofit organization (EIN: 77-0058257); and

WHEREAS, this funding will help sustain critical services and programming that benefit seniors throughout the region, including social engagement opportunities, wellness and enrichment activities, and volunteer-driven community support; and

WHEREAS, the loan will be repaid in full, without interest, upon the closing of the County's purchase of the subject properties.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

1. LOAN. COUNTY has agreed to loan BORROWER a loan in the amount of \$100,000 dollars (the "Loan") from the Fourth District 990 Fund to be used to provide a community benefit that meets the social needs of the County. This Agreement documents Borrower's obligation to repay the COUNTY.

2. INTEREST. The loan shall be a no interest loan.

3. PAYMENT DATE / MATURITY DATE. The entire balance of the Loan shall be due and payable from escrow proceeds on the date that COUNTY and BORROWER close escrow pursuant to Section 4 below and according to the Purchase and Sale Agreement executed by the COUNTY for properties currently owned by BORROWER and designated as Assessor Parcel Numbers 105-020-063 & 105-020-064. In the event escrow does not close according to the Purchase and Sale

Agreement or if the Purchase and Sale Agreement is terminated by notice of either party, the Maturity Date of the loan or enforcement shall be 30 days after escrow fails to close or the Purchase and Sale agreement is terminated.

4. PLACE AND MANNER OF PAYMENT. All amounts due and payable under this Agreement shall be made in any coin or currency of the United States which on the respective Payment Date thereof shall be legal tender for the payment of public and private debts to the COUNTY OF SANTA BARBARA, c/o Santa Barbara County Fourth District 990 Fund 511 E Lakeside Parkway, Suite 47, Santa Maria, CA 93455 or at such other place as COUNTY may designate to BORROWER in writing from time to time. All amounts due under this Agreement shall be paid in immediately available funds without setoff, counterclaim, or any other deduction whatsoever.

a. Notwithstanding the foregoing, Borrower irrevocably directs and authorizes the escrow holder handling the sale of the real property located at Assessor Parcel Numbers 105-020-063 and 105-020-064 to remit payment of all outstanding principal due under this Note directly to Lender from Seller's proceeds at the close of escrow, prior to any distribution of net proceeds to Borrower.

b. Borrower shall execute such additional escrow instructions as may be required by Lender to effectuate repayment. Payment shall be deemed made only upon actual receipt of immediately available funds by Lender.

5. DEFAULT AND ACCELERATION. The entire principal amount of this Agreement shall, at the option of COUNTY, be immediately due and payable upon any Event of Default. For purposes of this Agreement, the occurrence of any of the following shall constitute an "Event of Default": (i) BORROWER'S use of Loan funds for costs or for uses inconsistent with the terms of this Agreement; (ii) BORROWER'S failure to pay taxes; (iii) BORROWER'S (1) filing for bankruptcy or reorganization, (2) making a general assignment for the benefit of creditors, (3) insolvency, or (4) failure, inability or admission in writing of its inability, to pay its debts as they become due.

a. **Remedies.** Upon the occurrence and during the continuance of an Event of Default, COUNTY may: declare the entire Debt immediately due, payable, and collectible, regardless of maturity, and, upon such event, the entire Debt shall become immediately due, payable, and collectible; and exercise any or all of its rights or remedies under this Agreement or otherwise available to Lender at law or in equity, which rights and remedies are incorporated herein by reference.

b. **Remedies Cumulative.** The rights and remedies available to COUNTY shall be cumulative and may be exercised independently, concurrently, or successively in COUNTY'S sole discretion on one or more occasions, as applicable.

c. **Partial Exercise.** No partial exercise by COUNTY of any right or remedy exercised pursuant to this Agreement shall preclude further exercise of such remedy or the exercise of any other remedy available to Lender hereunder or under any other Loan Document, at law, or in equity.

d. **Notice and Demand Waived.** Notice or demand given to BORROWER in any instance shall not entitle Borrower to notice or demand in a similar or subsequent instance, nor shall any such notice constitute a waiver by Lender of its rights to take any further action without notice or demand.

e. **No Prejudice to Lender's Rights.** COUNTY may release security for the Loan, may release any party liable for the Loan, may grant extensions or forbearances with respect thereto, and may apply any security held to repayment of the Loan, in each case, without prejudice to COUNTY'S rights under this Agreement. COUNTY shall not be deemed as a consequence of its delay or failure to act, or by granting any releases, extensions, forbearances, or by applying any security to the balance due, to have waived or be estopped from exercising any rights and remedies Lender may have under the Loan Documents or at law or in equity.

6. NO OFFSET. BORROWER hereby waives any and all rights of offset it now has or may hereafter have against COUNTY, its successors and assigns, and agrees to make the payments called for herein in accordance with the terms of this Agreement.

7. DESIGNATED REPRESENTATIVE. Aaron Hanke at phone number (916) 838-3232 is the representative of COUNTY and will administer this Agreement for and on behalf of COUNTY. Michelle Southwick at phone number (503) 314-7911 is the designated representative for BORROWER. Changes in designated representatives shall be made only after advance written notice to the other party.

8. NOTICES.

Any notice or consent required or permitted to be given under this Agreement shall be given to the respective parties in writing, by personal delivery or facsimile, or with postage prepaid by first class mail, registered or certified mail, or express courier service, as follows:

To COUNTY:	Brittany Odermann County of Santa Barbara 105 E. Anapamu Street Santa Barbara, CA 93101 Phone: (805) 568-3400 Email: bodermann@countyofsb.org
To BORROWER:	Michelle Southwick 420 Soares Avenue

Santa Maria, CA 93455
michelle@oasisorcutt.org

or at such other address or to such other person that the parties may from time to time designate in accordance with this Notices section. If sent by first class mail, notices and consents under this section shall be deemed to be received five (5) days following their deposit in the U.S. mail. This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

9. DISTRIBUTION OF FUNDS TO BORROWER. Subject to the terms and conditions set forth herein, COUNTY shall fund the Loan in a single advance to BORROWER on March 17, 2026. The Loan is not a revolving credit loan and no amount repaid hereunder may be readvanced or reborrowed.

10. INDEPENDENT CONTRACTOR. It is mutually understood and agreed that BORROWER (including any and all of its officers, agents, and employees), shall perform any actions that use this Loan as an independent contractor as to COUNTY and not as an officer, agent, servant, employee, joint venturer, partner, or associate of COUNTY. Furthermore, COUNTY shall have no right to control, supervise, or direct the manner or method by which BORROWER shall perform its work and function. However, COUNTY shall retain the right to administer this Agreement so as to verify that BORROWER is performing its obligations in accordance with the terms and conditions hereof. BORROWER understands and acknowledges that it shall not be entitled to any of the benefits of a COUNTY employee, including but not limited to vacation, sick leave, administrative leave, health insurance, disability insurance, retirement, unemployment insurance, workers' compensation and protection of tenure. BORROWER shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, BORROWER shall be solely responsible and save COUNTY harmless from all matters relating to payment of BORROWER employees, including compliance with Social Security withholding and all other regulations governing such matters. It is acknowledged that during the term of this Agreement, BORROWER may be providing services to others unrelated to the COUNTY or to this Agreement.

11. TAXES. BORROWER shall pay all taxes, levies, duties, and assessments of every nature due in connection with any actions or work that use this Loan and shall make any and all payroll deductions required by law. COUNTY shall not be responsible for paying any taxes on BORROWER's behalf, and should COUNTY be required to do so by state, federal, or local taxing agencies, BORROWER agrees to promptly reimburse COUNTY for the full value of such paid taxes plus interest and penalty, if any. These taxes shall include, but not be limited to, the following: FICA (Social Security), unemployment insurance contributions, income tax, disability insurance, and workers' compensation insurance.

12. NO PUBLICITY OR ENDORSEMENT. BORROWER shall not use COUNTY's name or logo or any variation of such name or logo in any publicity, advertising or promotional materials. BORROWER shall not use COUNTY's name or logo in any manner that would give the appearance that the COUNTY is endorsing BORROWER. BORROWER shall not in any way contract on behalf of or in the name of COUNTY. BORROWER shall not release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning the COUNTY or its projects, without obtaining the prior written approval of COUNTY.

13. RECORDS, AUDIT, AND REVIEW. BORROWER shall keep such business records pursuant to this Agreement as would be kept by a reasonably prudent practitioner of BORROWER'S profession and shall maintain such records for at least four (4) years following the termination of this Agreement. All accounting records shall be kept in accordance with generally accepted accounting principles. COUNTY shall have the right to audit and review all such documents and records at any time during BORROWER'S regular business hours or upon reasonable notice. In addition, if this Agreement exceeds ten thousand dollars (\$10,000.00), BORROWER shall be subject to the examination and audit of the California State Auditor, at the request of the COUNTY or as part of any audit of the COUNTY, for a period of three (3) years after final payment under the Agreement (Cal. Govt. Code Section 8546.7). BORROWER shall participate in any audits and reviews, whether by COUNTY or the State, at no charge to COUNTY.

If federal, state or COUNTY audit exceptions are made relating to this Agreement, BORROWER shall reimburse all costs incurred by federal, state, and/or COUNTY governments associated with defending against the audit exceptions or performing any audits or follow-up audits, including but not limited to: audit fees, court costs, attorneys' fees based upon a reasonable hourly amount for attorneys in the community, travel costs, penalty assessments and all other costs of whatever nature. Immediately upon notification from COUNTY, BORROWER shall reimburse the amount of the audit exceptions and any other related costs directly to COUNTY as specified by COUNTY in the notification.

14. INDEMNIFICATION AND INSURANCE. In lieu of and notwithstanding the pro rata risk allocation which might otherwise be imposed between the parties pursuant to California Government Code Section 895.6, the parties agree that all losses or liabilities incurred by a party shall not be shared pro rata but instead all parties agree that pursuant to California Government Code Section 895.4: BORROWER shall defend, indemnify, and save harmless the COUNTY and its officers, agents and employees from any and all claims, demands, damages, costs, expenses (including attorney fees), judgments or liabilities arising out of this Loan Agreement or occasioned by the performance or attempted performance of the provisions hereof; including, but not limited to, any act or omission on the part of BORROWER or its agents or employees.

15. NONDISCRIMINATION. COUNTY hereby notifies BORROWER that COUNTY's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code) applies to this Agreement and is incorporated herein by this reference with the same force and effect as if the ordinance were specifically set out herein and BORROWER agrees to comply with said ordinance.

16. NON-ASSIGNMENT. BORROWER shall not assign, transfer or subcontract this Agreement or any of its rights or obligations under this Agreement without the prior written consent of COUNTY and any attempt to assign, subcontract or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination. COUNTY acknowledges that third-party contractors may perform some of the work under this Agreement.

17. TERMINATION.

a. By COUNTY. COUNTY may, by written notice to BORROWER, terminate this Agreement in whole or in part at any time, for no appropriation of funds, or because of the failure of BORROWER to fulfill the obligations herein.

b. By BORROWER. Should COUNTY fail to pay BORROWER all or any part of the payment, BORROWER may, at BORROWER option terminate this Agreement if such failure is not remedied by COUNTY within thirty (30) days of written notice to COUNTY of such late payment.

18. SECTION HEADINGS. The headings of the several sections, and any Table of Contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

19. SEVERABILITY. If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

20. REMEDIES NOT EXCLUSIVE. No remedy herein conferred upon or reserved to COUNTY is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

21. TIME IS OF THE ESSENCE. Time is of the essence in this Agreement and each covenant and term is a condition herein.

22. NO WAIVER OF DEFAULT. No delay or omission of COUNTY to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power

and remedy given by this Agreement to COUNTY shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of COUNTY.

23. ENTIRE AGREEMENT AND AMENDMENT. In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties as to the matters expressly set forth herein and there have been no promises, representations, agreements, warranties or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppel.

24. SUCCESSORS AND ASSIGNS. All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

25. COMPLIANCE WITH LAW. BORROWER shall, at its sole cost and expense, comply with all County, State and Federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement. The judgment of any court of competent jurisdiction, or the admission of BORROWER in any action or proceeding against BORROWER, whether COUNTY is a party thereto or not, that BORROWER has violated any such ordinance or statute, shall be conclusive of that fact as between BORROWER and COUNTY.

26. CALIFORNIA LAW AND JURISDICTION. This Agreement shall be governed by the laws of the State of California. Any litigation regarding this Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in the federal district court nearest to Santa Barbara County, if in federal court.

27. EXECUTION OF COUNTERPARTS. This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

28. AUTHORITY. All signatories and parties to this Agreement warrant and represent that they have the power and authority to enter into this Agreement in the names, titles and capacities herein stated and on behalf of any entities, persons, or firms represented or purported to be represented by such entity(ies), person(s), or firm(s) and that all formal requirements necessary or required by any state and/or federal law in order to enter into this Agreement have been fully complied with. Furthermore, by entering into this Agreement, BORROWER hereby warrants

that it shall not have breached the terms or conditions of any other contract or agreement to which BORROWER is obligated, which breach would have a material effect hereon.

29. INTEGRATION. This Loan Agreement contains the entire agreement of the parties hereto and thereto with respect to the subject matter hereof and thereof and supersedes any and all prior negotiations and agreements with respect to the subject matter hereof and thereof.

30. OTHER AGREEMENTS. BORROWER represents that it has not entered into any agreements that are inconsistent or in conflict with the terms of this Loan Agreement. BORROWER shall not enter into any agreements that are inconsistent or in conflict with the terms of the County Loan Documents without an express waiver by Lender in writing.

31. SURVIVAL. All provisions of this Agreement which by their nature are intended to survive the termination or expiration of this Agreement shall survive such termination or expiration.

32. PRECEDENCE. In the event of conflict between the provisions contained in the numbered sections of this Agreement and the provisions contained in the Exhibits, the provisions of the Exhibits shall prevail over those in the numbered sections.

Agreement to Distribute County Funds for Public Purpose between the **County of Santa Barbara** and **OASIS**.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective on the date executed by COUNTY.

ATTEST:

COUNTY OF SANTA BARBARA:

Mona Miyasato
County Executive Officer
Clerk of the Board

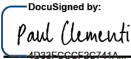
By: _____
Deputy Clerk

By: _____
Chair, Board of Supervisors

Date: _____

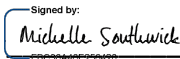
RECOMMENDED FOR APPROVAL:

COUNTY EXECUTIVE OFFICE

By:  _____
Paul Clementi, Budget Director

BORROWER:

Michelle Southwick
Executive Director
Orcutt Area Seniors in Service, Inc.

By:  _____

Name: Michelle Southwick

Title: Executive Director

APPROVED AS TO FORM:

Rachel Van Mullem
County Counsel

By:  _____
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

Betsy M. Schaffer, CPA
Auditor-Controller

By:  _____
Deputy

APPROVED AS TO FORM:

Marisa Kahn
Liability & Insurance Manager

By:  _____
Risk Management