

**Attachment C – Loan Agreement Between The County of Santa Barbara and Isla Vista
Community Services District**

**LOAN AGREEMENT BETWEEN THE COUNTY OF SANTA BARBARA
AND ISLA VISTA COMMUNITY SERVICES DISTRICT**

This Loan Agreement is made by and between the Isla Vista Community Services District, (hereinafter referred to as "BORROWER"), and the County of Santa Barbara, a political subdivision of the State of California (hereinafter referred to as "COUNTY"), wherein COUNTY agrees to loan certain funds to BORROWER for the purposes and on the conditions specified herein.

RECITALS

WHEREAS, the County Board of Supervisors adopted an ordinance (Ordinance No. 4650) that established an In-lieu Parking Fee Program within the mixed-use zoning district in the Community of Isla Vista on August 28, 2007; and

WHEREAS, COUNTY has collected and maintained fees from eligible properties and development projects within the Community of Isla Vista pursuant to the In-lieu Parking Fee Program; and

WHEREAS, funding of a parking enforcement program is identified as an eligible project for the use of the fees collected through the In-lieu Parking Fee Program pursuant to Ordinance No. 4650; and

WHEREAS, the Isla Vista Community Services District is proposing to establish and implement a parking enforcement program aimed at addressing parking constraints and improving parking conditions within the Community of Isla Vista; and

WHEREAS, pursuant to Government Code section 23010, COUNTY adopted a resolution to lend funds from the In-lieu Parking Fee Program to the Isla Vista Community Services District; and

WHEREAS, COUNTY finds the loan serves the public purpose of improving parking conditions and public safety for all residents and visitors to the community of Isla Vista.

TERMS AND CONDITIONS

Now, therefore, in consideration of the mutual promises hereinafter set forth, it is agreed as follows:

(1) Obligations to be Performed Under this Loan Agreement. Within the Time of Performance specified in paragraph 3, BORROWER shall perform all of the obligations described

in this Loan Agreement and set forth in the project description, which is attached hereto and incorporated herein by reference as Exhibit A (hereinafter referred to as "PROJECT").

To the extent that environmental review, permits, and other approvals from local, state, or federal governments are necessary to effectuate the Loan Agreement made herein, BORROWER shall be responsible for obtaining such review, permits, and approvals, including associated costs, if applicable. The parties acknowledge that no commitment with regard to PROJECT approval can be or is hereby given in advance.

(2) Loan Funding. COUNTY shall award to BORROWER an amount not to exceed \$300,000 from FUND (Fund #1416, Dept. #053) on April 1, 2026. The loan amount of \$300,000 does not exceed 85% of BORROWER's anticipated revenue for the fiscal year in which the loan is made or for the next ensuing fiscal year and shall be repaid out of that revenue before that revenue is used or committed to the payment of any other obligations of the IVCS.

(3) Interest Rate. The BORROWER agrees to pay interest on the outstanding principal balance of the Loan at a fixed rate of 3.58% per quarter, as detailed in Exhibit C (Payment Schedule), for the term of the Loan.

(a.) Term. The term of this Loan Agreement shall commence on the date of formal approval by the Santa Barbara County Board of Supervisors (the "Effective Date") and shall remain in effect until April 1, 2028, unless earlier terminated pursuant to Section 15 of this Agreement. Notwithstanding the Effective Date, interest shall accrue only from the date on which loan proceeds are actually disbursed (the "Disbursement Date"), which is expected to occur on or about April 1, 2026, and shall continue to accrue until all outstanding principal and accrued interest have been repaid in full. Repayment of principal and interest shall be made in seven (7) quarterly installments, commencing October 1, 2026, and continuing on the first day of each third month thereafter, with the final installment due April 1, 2028. BORROWER may prepay the loan in whole or in part at any time without penalty, and may decline to accept the disbursement of funds at its discretion prior to the Disbursement Date.

(4) Time of Performance. BORROWER shall repay the Loan in seven (7) quarterly installments consisting of equal principal payments of \$42,857.14 each, plus accrued interest on the outstanding principal balance calculated on the basis of actual days elapsed over a 365-day year. Payments shall commence on October 1, 2026, and continue quarterly thereafter, with the Loan being paid in full by April 1, 2028. The detailed payment dates and installment amounts are set forth in Exhibit C (Payment Schedule), which is attached hereto and incorporated herein by reference. BORROWER may prepay the Loan in whole or in part at any time without penalty. If the BORROWER determines prior to disbursement that the full loan amount is not needed, it may decline or reduce the amount of the disbursement.

However, COUNTY's Director of Planning & Development Department (hereinafter referred to as "DIRECTOR") may extend the time of performance of the terms of the Loan Agreement or

repayment of the loan for up to one year for good cause provided that the loan is repaid before the IVCSA's revenue is used or committed to the payment of any other obligations of the IVCSA.

- (5) BORROWER shall provide matching funds, in the amount of \$300,000 by the Disbursement Date (April 1, 2026), as a condition of receiving this loan from the COUNTY. Failure to provide such funds shall be considered a default, provided that BORROWER shall receive written notice of such default and have thirty (30) days to cure the default. If the default is not cured within this period, the DIRECTOR may terminate this Loan Agreement. Upon such termination, BORROWER shall return all loan funds received from the COUNTY under this Loan Agreement within a reasonable period, not to exceed 30 days, of termination.

- (6) Default of Loan. The following shall be considered the conditions of a default of this Loan Agreement:

- a. Non-Payment: The Loan shall be considered in default if the BORROWER fails to make any quarterly payment within thirty (30) days of being due.
- b. Breach of Loan Agreement: The BORROWER fails to comply with any covenant, term, or condition of this Agreement, including but not limited to the submission of required revenue documentation under Section 30 or the expenditure and documentation of matching funds under Section 5, uncured for **thirty (30) days** after written notice from COUNTY, unless the BORROWER and DIRECTOR agree in writing to extend such cure period.
- c. Insolvency: The BORROWER becomes insolvent, files for bankruptcy, or has a receiver appointed over its assets.

- (7) Remedies to Default of Loan Agreement. In the event of a default of the Loan Agreement, and following the expiration of any applicable cure period set forth in this Agreement, the COUNTY's DIRECTOR or their designee may, at their discretion and upon written notice to the BORROWER, exercise the following remedies without further notice or demand:

- a. Declare the entire outstanding principal balance and interest to be immediately due and payable.
- b. Exercise any rights and remedies available under this Loan Agreement at law, or in equity.
- c. Pursue any combination of the forgoing remedies.

- (8) Late Fee. In the event that BORROWER fails to make any quarterly payment within ten (10) days of its due date specified in Exhibit C (Payment Schedule), a late fee of one percent (1%) of the overdue payment amount shall be assessed. This is a one-time fee of the overdue amount for each individual late payment and shall be added to the outstanding balance due. The imposition of a late fee shall not preclude COUNTY from exercising any other

remedies available under this Loan Agreement, including but not limited to those specified in Section 5 (Default of Loan) and Section 6 (Remedies to Default of Loan Agreement). Late fees shall be payable within fifteen (15) days after written demand by COUNTY and shall be subject to the same collection procedures and costs outlined in Section 9 (Collection of Costs).

(9) Collection of Costs. In the event of default, the BORROWER agrees to pay all reasonable costs of collection, including attorneys' fees, incurred by the COUNTY in enforcing its rights under this Agreement.

(10) Waiver of Default. The COUNTY's DIRECTOR may, at their sole discretion, waive any default of the Loan Agreement upon written request by the BORROWER. Such waiver shall be in writing and shall not constitute a waiver of any subsequent defaults.

(11) Non-Partnership. This Loan Agreement is not intended by the parties to constitute or create a joint venture, pooling arrangement, or formal business organization of any kind. The rights and obligations of the parties shall be only those expressly set forth herein.

(12) Independent Contractor. It is mutually understood and agreed that BORROWER (including any and all of its officers, agents, and employees), is an independent contractor as to COUNTY and is not 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 in accordance with this Agreement. 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's 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.

(13) Indemnification. 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.

COUNTY shall defend, indemnify, and save harmless the BORROWER 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 COUNTY or its agents or employees.

BORROWER shall notify COUNTY immediately in the event of any accident or injury arising out of or in connection with the Loan Agreement.

(14) Semi-Annual Reports; Public Briefing. BORROWER shall provide, upon request, COUNTY with written reports of the progress of PROJECT.

BORROWER agrees to participate in a public briefing, if determined necessary and appropriate by COUNTY, to provide a summary of PROJECT.

(15) Termination. The Director of Planning & Development Department or designee has authority to terminate the loan agreement for the reasons outlined below, subject to the Board's ability to rescind this delegated authority at any time.

(a) COUNTY may, in its sole discretion, terminate this Loan Agreement for convenience by giving thirty (30) days prior written notice to BORROWER. BORROWER shall not incur any unnecessary expenses or costs which are reimbursable under this Loan Agreement during this period except those reasonably necessary to close out all activities related to the Loan Agreement. COUNTY will not compensate any other charges incurred by BORROWER during this period unless approved in writing by the DIRECTOR.

(b) COUNTY may terminate this Loan Agreement for cause should BORROWER default in the performance of this Loan Agreement or materially breach any of its provisions. COUNTY shall provide written notice of such default, and BORROWER shall have thirty (30) days to cure the default. If the default is not cured within that time, COUNTY may terminate this Loan Agreement by written notice, and such termination shall be effective upon receipt by BORROWER. In the event of such termination, the principal balance shall become immediately due and payable unless, in its sole discretion, COUNTY approves a repayment schedule.

(c) Upon termination of this Loan Agreement pursuant to this section, BORROWER shall, within thirty (30) days, return any unspent loan funds received from COUNTY under this Loan Agreement, and provide COUNTY an itemized list and supporting documentation of all expenses incurred on the PROJECT.

(16) 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.

(17) 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.

(18) Entire Agreement and Amendment. In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the parties 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.

(19) 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 so assign, subcontract or transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

(20) California Law to Apply. This Loan Agreement shall be governed by the laws of the State of California. Any litigation regarding this Loan Agreement or its contents shall be filed in the County of Santa Barbara, if in state court, or in southern California, if in federal court.

(21) 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, 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.

(22) Nondiscrimination Clause. COUNTY hereby notifies BORROWER that COUNTY's Unlawful Discrimination Ordinance (Article XIII of Chapter 2 of the Santa Barbara County Code attached hereto as Exhibit B) 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.

(23) Taxes. BORROWER shall pay all taxes, levies, duties, and assessments of every nature due in connection with any work under this Agreement 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.

(24) 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.

(25) 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.

(26) 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.

(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) 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.

(30) Notices. Any notice or consent required or permitted to be given under this Loan 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:

- (a) COUNTY
Lisa Plowman, Director 805-568-2086
Planning and Development Department
123 Anapamu Street
Santa Barbara, California 93101
Email: lpowman@countyofsb.org
- (b) BORROWER
Jonathan Abboud, General Manager
(805) 770-2752
Isla Vista Community Services District
970 Embarcadero Del Mar Suite 101
Isla Vista, CA 93117
Email: generalmanager@islavistacsdsd.com

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.

Notices are deemed received upon personal delivery, five (5) days after mailing, or upon email confirmation. Either party may update contact information with thirty (30) days' written notice.

This Notices section shall not be construed as meaning that either party agrees to service of process except as required by applicable law.

Either party may change its point of contact by providing 30 days' written notice to the other party.

Documentation of Revenue

To support the loan funding determination under Section 2, BORROWER shall provide COUNTY with supporting documentation establishing its anticipated annual revenue for Fiscal Year 2025-2026 and Fiscal Year 2026-2027. Such documentation shall include, at a minimum:

- The most recent adopted annual budget for BORROWER, including revenue projections and sources (e.g., taxes, grants, contributions).
- Audited financial statements for the prior two fiscal years (e.g., Fiscal Years 2023-2024 and 2024-2025), or unaudited statements if audits are not yet complete, certified by BORROWER's General Manager or Chief Financial Officer as accurate and complete.

BORROWER shall submit this documentation to COUNTY via email (in PDF format) or certified mail within **twenty-one (21) days** of this Agreement's execution. COUNTY's DIRECTOR or designee shall review and verify the documentation within **thirty (30) days** of receipt. If the documentation is incomplete, inaccurate, or does not support the 85% threshold under Section 2, COUNTY shall notify BORROWER in writing, and BORROWER shall have **fifteen (15) days** from receipt of notice to submit corrections or clarifications. COUNTY may request revisions or withhold disbursement until resolved. Failure to provide or maintain the required documentation after written notice and opportunity to cure shall constitute a breach under Section 6(b). BORROWER shall update COUNTY annually with revised revenue documentation for the duration of the loan term, upon adoption of each new fiscal year budget.

This Loan Agreement between the County of Santa Barbara and BORROWER is executed at Santa Barbara, California, on the dates shown below and shall be effective when signed by all parties.

ATTEST:

Mona Miyasato
County Executive Officer
Clerk of the Board

By: Shirley Guevara

Deputy Clerk

COUNTY OF SANTA BARBARA:

By: [Signature]

Chair, Board of Supervisors

Date: 10-21-25

RECOMMENDED FOR APPROVAL:

Planning & Development

By: _____

Department Head

ISLA VISTA COMMUNITY SERVICES DISTRICT
BORROWER

By: [Signature]

Jogathan Abboud, General Manager

APPROVED AS TO FORM:

Rachel Van Mullem
County Counsel

By: [Signature]

Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

Betsy Schaffer, CPA
Auditor-Controller

By: [Signature]

Signed by:

Deputy

APPROVED AS TO FORM:

Risk Management

By: _____

Risk Management

This Loan Agreement between the County of Santa Barbara and BORROWER is executed at Santa Barbara, California, on the dates shown below and shall be effective when signed by all parties.

ATTEST:

Mona Miyasato
County Executive Officer
Clerk of the Board

COUNTY OF SANTA BARBARA:

By: _____
Deputy Clerk

By: _____
Chair, Board of Supervisors

Date: _____

RECOMMENDED FOR APPROVAL:

Planning & Development

**ISLA VISTA COMMUNITY SERVICES DISTRICT
BORROWER**

By: _____
Department Head


By: _____
Jonathan Abboud, General Manager

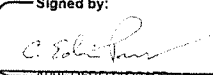
APPROVED AS TO FORM:

Rachel Van Mullem
County Counsel

APPROVED AS TO ACCOUNTING FORM:

Betsy Schaffer, CPA
Auditor-Controller

By: 
Deputy County Counsel

Signed by: 
A99ED5BD71D04FB...
Deputy

APPROVED AS TO FORM:

Risk Management

By: _____
Risk Management

This Loan Agreement between the County of Santa Barbara and BORROWER is executed at Santa Barbara, California, on the dates shown below and shall be effective when signed by all parties.

ATTEST:

Mona Miyasato
County Executive Officer
Clerk of the Board

COUNTY OF SANTA BARBARA:

By: _____
Deputy Clerk

By: _____
Chair, Board of Supervisors

Date: _____

RECOMMENDED FOR APPROVAL:

Planning & Development

**ISLA VISTA COMMUNITY SERVICES DISTRICT
BORROWER**

By: _____
Department Head


By: _____
Jonathan Abboud, General Manager

APPROVED AS TO FORM:

Rachel Van Mullem
County Counsel

APPROVED AS TO ACCOUNTING FORM:

Betsy Schaffer, CPA
Auditor-Controller

By: 
Deputy County Counsel

By: _____
Deputy

APPROVED AS TO FORM:

Risk Management

By: Greg Milligan
Risk Management

This Loan Agreement between the County of Santa Barbara and BORROWER is executed at Santa Barbara, California, on the dates shown below and shall be effective when signed by all parties.

ATTEST:

Mona Miyasato
County Executive Officer
Clerk of the Board

By: _____
Deputy Clerk

COUNTY OF SANTA BARBARA:

By: _____
Chair, Board of Supervisors

Date: _____

RECOMMENDED FOR APPROVAL:

Planning & Development

**ISLA VISTA COMMUNITY SERVICES DISTRICT
BORROWER**

By: 
Department Head

By: _____
Jonathan Abboud, General Manager

APPROVED AS TO FORM:

Rachel Van Mullem
County Counsel

By: _____
Deputy County Counsel

APPROVED AS TO ACCOUNTING FORM:

Betsy Schaffer, CPA
Auditor-Controller

By: _____
Deputy

APPROVED AS TO FORM:

Risk Management

By: _____
Risk Management

Exhibit A

PROJECT DESCRIPTION, BUDGET, AND SCHEDULE

Project Description.

BORROWER shall establish and implement a parking compliance program in the community of Isla Vista. The Isla Vista Community Services District (IVCSD) will administer and operate the parking compliance program in-house with dedicated staff:

- The program shall enforce current parking policies such as restrictions on long-term vehicle storage, illegal parking at red curbs, blocked fire hydrants, and blocked driveways.
- The IVCSD was granted statutory authority to enforce parking upon their formation in 2017.
- The parking compliance program will be run by a dedicated Program Manager and one to three Parking Ambassadors, hired by IVCSD.

Ticket pricing, enforcement procedures, warnings, and other operational policies shall be established and may be adjusted at the sole discretion of IVCSD, subject to applicable law, including the California Vehicle Code and subject to the provisions in the MOU.

The loan from the County will be repaid primarily through revenues generated by the parking compliance program, including but not limited to ticket fees and other related program revenues. Revenue projections and repayment plans will be reviewed periodically by IVCSD and may be adjusted to ensure fair and sustainable program operations.

Any revenue generated beyond those necessary to repay the loan and cover program costs may be allocated by IVCSD toward supporting other transportation and mobility projects/programs within Isla Vista.

Project Budget

Item/Task	Matching Funds*	In-lieu Parking Fee Program
Isla Vista Parking Compliance Program	\$300,000	\$300,000
Total costs		\$600,000

* BORROWER secured a total of \$300,000 additional monies from Isla Vista Community Service District's funds.

Exhibit B

COUNTY OF SANTA BARBARA UNLAWFUL DISCRIMINATION ORDINANCE

Sec. 2-95. Prohibition of unlawful discrimination in employment practices. The County of Santa Barbara reserves the right to terminate forthwith each and every written contract and agreement (except purchase orders) for goods and/or services entered into by the County of Santa Barbara or by its joint powers, agencies or agents with the consent of the other parties (hereinafter called "contractor") including but not limited to concessions, franchises, construction agreements, leases, whether now in effect or hereinafter made if the county finds that the contractor is discriminating or has discriminated against any employee or applicant for employment in violation of any applicable state or federal laws, rules or regulations which may now or hereafter specifically prohibit such discrimination on such grounds as race, religion, sex, color, national origin, physical handicap when otherwise qualified, Vietnam era veteran/disabled, or age.

Such finding may only be made after contractor has had a full and fair hearing on notice of thirty (30) days before an impartial hearing officer at which hearing contractor may introduce evidence, produce witnesses and have the opportunity to cross-examine witnesses produced by the county. Further, any finding of discrimination must be fully supported by the facts developed at such hearing and set forth in a written opinion; and in addition, contractor may move in the appropriate court of law for damages and/or to compel specific performance of a contractor or agreement if any the above procedures are not afforded to the contractor. If contractor is not found to have engaged in unlawful discriminatory practices, county shall pay all costs and expense of such hearing, including reasonable attorneys' fees to contractor in accordance with current Santa Barbara County Superior Court schedule of attorneys' fees for civil trials. If contractor is found to have engaged in such unlawful discriminatory employment practices, contractor shall pay all such costs, expenses and attorneys' fees.

Whether or not a contract or agreement is still in existence at the time of final determination of such unlawful discrimination, the contractor shall forthwith reimburse county for all damages directly stemming from such discrimination; however, those damages shall not exceed and are not reimbursable in an amount which exceeds amounts paid contractor under the terms of the contract or agreement.

Nothing in this section 2-95 shall directly or by interpretation give a private cause of action to any third party (not a signatory to the contract or agreement) including employees past or present, or applicants for employment to contractor, it being the sole purpose of this clause to administratively assure compliance with the nondiscrimination clauses contained herein.

Employment practices shall include, but are not limited to employment, promotion, demotion, transfer, recruitment and advertising for recruitment, layoff or other termination, rate of pay, employee benefits and all other forms of compensation selection for training and apprenticeship and probationary periods.

Contractor shall permit access at all reasonable time and places to all of its records of employment, advertising, application forms, tests and all other pertinent employment data and records, to the County of Santa Barbara, its officers, employees and agents for the purpose of investigation to

ascertain if any unlawful discrimination as described herein has occurred or is being practiced, provided that such records are relevant to a complaint of an unlawful discriminatory practice which has been forwarded to contractor reasonably prior to the time contractor is asked to make such records available. In addition, all such records shall be deemed "Confidential" by the officers, employees and agent of the county. No records or copies of such records may be removed from the premises of contractor and no disclosure, oral or written of such record, may be made to third parties except as provided within the agreement.

Provided, however, that in the event of a hearing to determine whether or not contractor is engaging in unlawful discrimination in employment practices as defined herein, the board of supervisors of Santa Barbara County may issue subpoenas to require that certified copies of such records be made available to the hearing.

Failure to fully comply with any of the foregoing provisions relating to unlawful discrimination in employment practices shall be deemed to be a material breach of any contract or agreement with the County of Santa Barbara. All persons contracting with or who have contracts for goods or services with the county shall be notified that this chapter applies to their contract or agreement with the County of Santa Barbara. (Ord. No. 2946, SS 1; Ord. No. 2993, SS 1; Ord. No. 3018, SS 1)

Sec. 2-95.5. Exceptions. Notwithstanding any other provisions in this article, any party contracting with the County of Santa Barbara having an affirmative action program which has been approved within thirty-six (36) months from the date of the contract by an agency of the federal government shall be deemed to be in compliance with the provisions of this article upon furnishing documentary evidence of such approval satisfactory to the county affirmative action officer. Loss of such approval shall be immediately reported by such party to the county affirmative action officer.

Sec. 2-96. Purchase orders. Purchase orders shall contain the following clause as grounds for termination of such purchase order.

"If complaint is made that seller is engaging in discriminatory employment practices made unlawful by applicable state and federal laws, rules or regulations, and the State Fair Employment Practice Commission or the Federal Equal Employment Opportunities Commission determines that such unlawful discrimination exists, then the County of Santa Barbara may forthwith terminate this order." (Ord. No. 2946, § 1)

Sec. 2-97. Affirmative action officer. At the discretion of the county affirmative action officer, he or she shall promptly and thoroughly investigate, or cause to be investigated reports and complaints from whatever source, that any party contracting with the County of Santa Barbara is engaging, or during the term of a contract or agreement with the County of Santa Barbara has engaged, in any unlawful discriminatory employment practices as described in Section 2-95 of this Code. If the investigation discloses reason to believe such unlawful discrimination does exist or has existed and the conditions giving rise thereto have not been changed so as to prevent further such unlawful discrimination, and the said party shall not forthwith terminate such unlawful discrimination, take all appropriate steps to prevent a recurrence of such or other unlawful practices, and compensate the person or persons unlawfully discriminated against for any and all loss incurred by reason of such unlawful discrimination, all to the satisfaction of the affirmative action officer, then the affirmative

action officer shall cause the matter to be presented for action to the State Fair Employment Practices Commission or the Federal Equal Employment Opportunities Commission, or both, and to any other concerned state or federal agencies or officers.

If and when it has been finally determined by the affirmative action officer, county counsel, or state or federal regulatory agencies that such unlawful discriminatory employment practice has in fact so occurred or are being carried on, then the affirmative action officer shall forthwith present the entire matter to the board of supervisors of the county, together with all damages, costs and expense related thereto and incurred by county, for appropriate action by the board of supervisors in accord with the intent and purposes of this article and of the affirmative action program of the County of Santa Barbara (Ord. No. 2946, § 1).

Exhibit C

Payment Schedule

Loan Amount: \$ 300,000.00
Anticipated Disbursement Date: 4/1/2026
Term: 2 years
First Payment Due: 10/1/2026
Thereafter: Quarterly, 1st day of the beginning of the calendar quarter

Interest Rate Charged: 3.58%

*Interest amounts are estimated and may vary depending on the actual disbursement date.

<u>Payment #</u>	<u>Disbursement/ Payment Date</u>	<u>Days Outstanding</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Payment</u>	<u>Interest Paid</u>	<u>Principal Paid</u>	<u>Ending Balance</u>
Anticipated Disbursement	4/1/2026	0		\$300,000.00				\$300,000.00
1	10/1/2026	183	3.58%	\$300,000.00	\$48,241.86	\$5,384.71	\$42,857.14	\$257,142.86
2	1/1/2027	92	3.58%	\$257,142.86	\$45,177.49	\$2,320.34	\$42,857.14	\$214,285.71
3	4/1/2027	90	3.58%	\$214,285.71	\$44,748.73	\$1,891.59	\$42,857.14	\$171,428.57
4	7/1/2027	91	3.58%	\$171,428.57	\$44,387.23	\$1,530.08	\$42,857.14	\$128,571.43
5	10/1/2027	92	3.58%	\$128,571.43	\$44,017.32	\$1,160.17	\$42,857.14	\$85,714.29
6	1/1/2028	92	3.58%	\$85,714.29	\$43,630.59	\$773.45	\$42,857.14	\$42,857.14
7	4/1/2028	91	3.58%	\$42,857.14	\$43,239.66	\$382.52	\$42,857.14	\$0.00
					\$313,442.86	\$13,442.86	\$300,000.00	