

FILED
AT 1:45 O'CLOCK P M
SEP 09 2020
ARTURO GUAJARDO, JR. COUNTY CLERK
HIDALGO COUNTY, TEXAS
DEPUTY

MASTER AGREEMENT BY AND BETWEEN Hidalgo County, TEXAS
AND
PEOPLESFUND, A COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION

This Financial Lending Service Agreement (“Agreement”) is made by and between the COUNTY OF HIDALGO, TEXAS, a political subdivision of the State of Texas (“COUNTY”), and PEOPLESFUND, a Community Development Financial Institution (“CDFI”) which operates as a 501(c)(3) non-profit organization. COUNTY and CDFI are sometimes referred to herein individually as a (“Party”) and collectively as the (“Parties”).

WHEREAS, the CDFI creates economic opportunity and financial stability for underserved people by providing access to capital, education, and resources to build healthy small businesses; and

WHEREAS, the County of Hidalgo desires to establish a program to provide financial relief to small businesses impacted by the COVID-19 public health emergency in the County of Hidalgo; and

WHEREAS, the County has identified \$3,500,000 (Three million five hundred thousand) designated to provide financial assistance in the form of grants to eligible businesses under such program; and

WHEREAS, the County wishes to have the CDFI apply its expertise towards reviewing the eligibility of applicants to this program, prior to receiving any grant funding; and

WHEREAS, the County wishes to have the CDFI provide tailored technical assistance to help eligible participants establish their own disaster response plans, navigate through all financial assistance available or obtain any other kind of business assistance they need for their businesses; and

WHEREAS, the Parties believe that this partnership would benefit the public by providing grants between \$3,000-\$5,000 to eligible businesses; therefore, increasing the access to capital and stimulating economic development in the region and provide for recovery due to business interruption and other expenses or losses incurred as a direct result of the COVID-19 public health emergency.

NOW, **THEREFORE**, in consideration of the covenants set forth herein the County and CDFI hereby adopt the above recitals and agree as follows:

1. Incorporation of Recitals: The County and the CDFI hereby agree that the Recitals set forth above are true and correct and form the basis upon which the Parties have entered into this Agreement.

2. Purpose: The purpose of this Agreement is to establish procedures and outline each entity's roles and responsibilities in providing grants and Technical assistance for businesses that operate within the County.

Logistics:

CDFI shall perform the services as more specifically described in the Scope of Work attached hereto as exhibit "A" and incorporated by reference in this agreement.

Business Eligibility:

For purposes of this program statement, eligible small businesses are those businesses that meet the following:

- Geographic location requirement: Businesses must be located in the unincorporated areas of Hidalgo County. Businesses not located within the unincorporated areas of Hidalgo County are disqualified; and
- The business must be able to demonstrate that they have experienced a loss of income of at least 15% due to COVID-19 since March 2020; and
- Business must demonstrate that they were in operation as of October 1, 2019; and
- Business must have a total annual net income under \$100,000 but no less than \$10,000.
- Total annual net income of \$100,000 - \$50,000 is eligible for a \$5,000 grant
- Total annual net income of \$49,999 - \$10,000 is eligible for a \$3,000 grant

5. Service Fees: The County will pay CDFI \$75 per approved grant disbursed and \$20 per active grant per quarterly report. The County reserves the right to perform an audit of CDFI's operations and finances in connection with this Program and at any time during the term of this Agreement and for five (5) years thereafter; if the County determines that such audit is necessary for County's compliance with any laws, regulations, or County policies. CDFI agrees to allow access to all pertinent materials as described herein. If such audit reveals a questioned practice or expenditure, such question must be resolved within fifteen (15) business days after notice to CDFI of such questioned practice or expenditure. If questions are not resolved within this period, the County reserves the right to withhold further funding under this and/or other agreements with CDFI. If, because of any audit, it is determined that CDFI has falsified any documentation or misused, misapplied or misappropriated the funds or spent funds on any ineligible activities, CDFI agrees to reimburse the County the amount of such monies.

6. Operations: The County and the CDFI will issue press releases and otherwise work together to publicize this agreement in all their communication channels, letting business owners know about the program.

8. Upon receipt of funds and public announcement of the program, the CDFI shall immediately start providing services under this agreement. CDFI shall provide these services on a first come first serve basis until funds are exhausted. Upon all grant funds have been deployed, the CDFI shall produce a report detailing: number of applicants, number of eligible beneficiaries, names and contact

information, hours and type of Technical assistance provided, whether the beneficiaries needed additional financial assistance, whether the CDFI provided such financial assistance and if so the type of financial assistance and amount. In addition to that, CDFI shall produce quarterly reports starting on September 30, 2020 through December 31, 2020 detailing number of business helped, jobs created / retained, number of business that remain in business, hours of technical assistance delivered to participants and other types of financial assistance delivered to the applicants during the term of the program.

9. Compliance and Oversight: The Parties shall observe and comply with all applicable federal, state, and local laws, regulations, and requirements.

10. Governing Law: This Agreement shall be governed by and under the laws of the State of Texas. The agreement is performable in Hidalgo County, Texas, as such; venue will be in Hidalgo County, Texas.

11. Notices: All notices required between the Parties shall be in writing and sent to the address (es) listed below. Notice of all changes must be made in writing and sent to the other party within seven (7) calendar days of the change in contact information.

12. Confidentiality: the County is subject to the Open Meetings Act and Public Information Act, Texas Government Code Chapters 551 and 552, respectively, which may require the disclosure of information despite any confidentiality or other provisions to the contrary in the Agreement.

13. No Waiver: The Parties enter into this Agreement for a public benefit. Nothing in this Agreement modifies or waives any sovereign immunity or indemnity prohibition, defense, or limitation of liability enjoyed by the CDFI or the County, its elected officials, or employees at common law, under Texas Tort or other law.

14. Term and Termination: This Agreement shall become effective upon the date of the last authorized signatory hereto and shall terminate on December 31, 2020. This Agreement remains effective unless either party terminates by sending thirty (30) days written notice to the other party.

15. Miscellaneous:

- a. Entire Agreement. This Agreement constitutes the entire agreement between the County and CDFI. This Agreement supersedes any other agreement, written or oral, that may have been entered into between County and CDFI relating to the matters herein. The Agreement may be amended from time to time. No amendment to this Agreement shall be effective and binding unless and until it is reduced to writing and signed by duly authorized representatives of both County and CDFI.
- b. Binding Effect. This Agreement between County and CDFI shall be binding upon and inure to the benefit of the parties, their successors, personal representatives, or assigns. This Agreement and the rights, duties and obligations of CDFI contained herein may not be assigned and/or delegated by CDFI without the prior written approval of County.

- c. Recitals. County and CDFI agree that the recitals in this Agreement are true and correct and are incorporated into the terms of this Agreement.
- d. Captions. The captions of any articles, paragraphs or sections hereof are made for convenience only and shall not control or affect the meaning or construction of any other provisions hereof.
- e. Rights and Remedies. County shall have all rights and remedies by any proceeding, at law or in equity to enforce and/or interpret its rights and obligations under the Agreement.
- f. Attorney's Fees. Each Party is responsible for their own fees and costs of their respective attorneys and consultants, and for any attorney's and consultants fees incurred by them in the enforcement of any of the terms and provisions of the Agreement.
- g. Severability. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions herein unless it substantially and adversely affects the value of this Agreement to either County or CDFI. In the absence of such substantial effect, this Agreement shall be construed as if such invalid or unenforceable provision were omitted.
- h. Force Majeure. If by reason of Force Majeure any Party hereto shall be rendered unable wholly or in part to carry out its obligations under this Contract, then if such Party shall give notice and full particulars of such Force Majeure in writing to the other Party within a reasonable time after the occurrence of the event or cause relied on, the obligation of the Party giving such notice, so far as it is affected by such Force Majeure, shall be suspended during the continuance of the inability then claimed, but for no longer period, and any such Party shall endeavor to remove or overcome such inability as soon as possible. The term "Force Majeure" as employed herein shall mean acts of God, strikes, lockouts or other industrial disturbances, acts of public enemy, orders of any kind of the Government of the United States or the State of Texas, or any civil or military authority, insurrection, riots, epidemics, landslides, lightning, earthquake, fires, hurricanes, blue northers, storms, floods, washouts, droughts, arrests, restraint of government and people, civil disturbances, explosions, breakage or accidents to machinery, pipelines or canals, partial or entire failure of water supply, or on account of any other causes not reasonably within the control of the Party claiming such inability.
- i. Governmental Immunity. The County is a political subdivision of the state and, therefore, enjoys governmental immunity. By entering into this Agreement, the County does not (1) consent to suit; (2) waive its governmental immunity or the limitations as to damages under the Texas Tort Claims Act; (3) waive prohibitions on indemnity and/or lien provisions; and/or (4) waive any other immunities, rights and remedies entitled to County under law.

- j. Authority. By their execution of this Agreement, the persons executing this Agreement on behalf of County and CDFI, respectively, represent that they (1) have read, understand and intend to be bound by the terms and conditions of this Agreement; and (2) have the full right and authority to enter into this Agreement on behalf of the entity for which they execute this Agreement and no other consent is required to do so.

- k. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

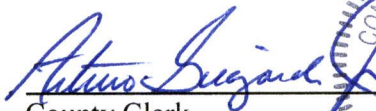
16. Notice: Any notices required under this Agreement shall be sufficient if sent by Certified Mail, Return Receipt Requested, at the following addresses:

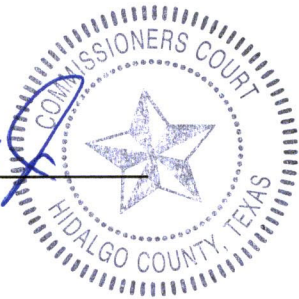
COUNTY:
County Judge Richard F Cortez
Attn: Josefina Gonzalez
Hidalgo County Courthouse Annex III
100 E. Cano, Second Floor
Edinburg, Texas 78539

CONTRACTOR: Director of Lending
PeopleFund
2921 E. 17th Street, Bldg D.
Austin, TX 78702

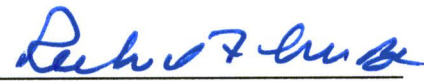
IN WITNESS WHEREOF, the Parties have executed this Agreement.

ATTEST:

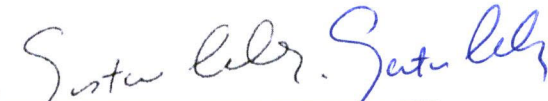

County Clerk



THE COUNTY OF HIDALGO

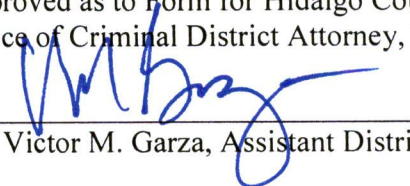
By 
Richard Cortez, Hidalgo County Judge

PeopleFund

By 
Gustavo Lasala
President & CEO

APPROVED BY
COMMISSIONERS' COURT
ON: 6/23/20 

Approved as to Form for Hidalgo County:
Office of Criminal District Attorney, Ricardo Rodriguez, Jr.


By: Victor M. Garza, Assistant District Attorney