



Office of the City Manager

CONSENT CALENDAR

October 10, 2023

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Eleanor Hollander, Office of Economic Development

Subject: Write-Off of a Delinquent Revolving Loan Fund (RLF) Balance of \$25,000 Owed by Kidventurez, Inc.

RECCOMENDATION

Adopt a Resolution authorizing the write-off of the outstanding loan balance of \$25,000 owed by Kidventurez Inc. to the City's federally-funded Revolving Loan Fund (RLF) in accordance with the RLF Administrative Plan.

FISCAL IMPACTS OF RECOMENDATION

The city's general fund will not be impacted by this loan write-off but the RLF's capital base (composed of federal funds from the Economic Development Administration) will be reduced and future RLF lending capacity will be curtailed by \$25,000.

CURRENT SITUATION AND ITS EFFECTS

Kidventurez Inc. has not made any payments towards the RLF loan #0480 and has been declared to be in default by the City's Loan Administration Board (LAB) on September 8, 2022. Per the regulations set forward in the RLF's administrative plan, an act of council is needed to write off the loss to the revolving loan fund's capital base.

BACKGROUND

On December 3, 2020 the owner of Kidventurez Inc. (Jessica Breed) applied for an \$100,000 loan to support the new childcare and travel business. On March 3, 2021, a credit memo authored by Working Solutions, the City's consultant and underwriter for RLF application reviews, recommended denial of the loan application due to insufficient cash flow and an unsustainable business model. A revised RLF loan application submitted from Jessica Breed, founder and owner at Kidventurez Inc., for a loan amount of \$75,000 was submitted to the City's Loan Administration Board (LAB) on March 10, 2021 and on March 24, 2021, Working Solutions, in a revised credit memo, recommended approval of the loan.

On June 15, 2021 the LAB met in a publicly noticed meeting and voted (5-0-0) to approve a loan for \$25,000 with 5.25% interest per LAB Resolution 21-02. The majority of the LAB wasn't comfortable approving the requested full \$75,000 loan amount based

on the continued immaturity and challenges of the Kidventurez business model. Due to the COVID-19 State of Emergency, the LAB authorized the first loan payments to be deferred until March 1, 2022. Kidventurez Inc. missed the first loan payment of \$356.29 due March 1, 2022. On March 21, 2022, the LAB approved a loan modification plan (vote 5-0-0) of three \$100 payments due April 1, 2022, May 1, 2022 and June 1, 2022 with payments of \$356.29 due on July 1, 2022 and every first of the month thereafter until the loan has been fully repaid. At that time the loan recipient was able to provide a written update and documentation of Kidventurez Inc.'s efforts to obtain income and funding for the business and to repay the loan.

In the time since, Kidventurez Inc. has failed to make any payments on loan #0480 and failed to provide any documentation on attempts to obtain income. On September 8, 2022 the LAB declared loan #0480 to be in default and adopted LAB Resolution 22-02 by a vote of 4-1-0. On February 9, 2023 the LAB Commission Secretary forwarded the adopted LAB resolution of default and background information to the City Attorney's Office to initiate write off and collection procedures.

Loan #0480 - Collection Attempts

Throughout the application and evaluation process, LAB board members, Office of Economic Development (OED) staff (who serves as the LAB Secretary), and Working Solutions (the RLF underwriter and technical assistance provider), have been actively making attempts to communicate with the borrower to consider ways to generate revenue for the business in an effort to make the business successful and to protect the City's RLF interest. Despite all of the efforts and willingness to work with the borrower, no payments were ever made on the loan and the borrower stopped communicating with staff and LAB board members and ultimately the Kidventurez Inc. business model proved not to be viable.

After consultation with the federal RLF program administrator and Working Solutions it was suggested that staff could file an IRS form 1099-C which would require the borrower to acknowledge the loan write-off amount as taxable income in addition to pursuing a civil judgment, selling the loan to a collection company and reporting the loan default to the credit bureaus. The above-mentioned actions will be evaluated and pursued concurrent with the loan's write off.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects or opportunities associated with the subject of this report.

RATIONALE FOR RECOMENDATION

The rationale for the recommendation is based on the requirements from the RLF Administrative Plan which regulate the procedures and actions staff shall follow when administering the RLF.

ALTERNATIVE ACTIONS CONSIDERED

There were no alternative actions considered.

Write-Off - Revolving Loan Fund (RLF) #0480 - Kidventurez, Inc. (\$25,000)

CONSENT ITEM
October 10, 2023

CONTACT PERSON

Kieron Slaughter, Office of Economic Development, (510) 981-2490

Attachments:

1: Resolution – Write-off of Revolving Loan Fund (RLF) #0480 for \$25,000 owed by Kidventurez Inc.

Exhibit A: Kidventurez Inc. RLF Loan Agreement, executed August 1, 2021.

RESOLUTION NO. ~~##,###~~-N.S.

AUTHORIZING THE WRITE-OFF OF THE OUTSTANDING LOAN BALANCE OF \$25,000.00 OWED BY KIDVENTUREZ, INC. TO THE CITY'S REVOLVING LOAN FUND (RLF)

WHEREAS, Kidventurez Inc., a sole proprietorship, formerly located at 1451 8th Street, Berkeley, CA 94710 and the City of Berkeley, a municipal corporation into a Loan Agreement on August 1, 2021 for \$25,000.00 (Exhibit A); and

WHEREAS, On June 15, 2021 the City's Loan Administration Board (LAB) voted (5-0-0) to approve RLF loan number #0480 for \$25,000 with 5.25% interest per LAB Resolution Number 21-02; and

WHEREAS, Kidventurez Inc., missed the first loan payment of \$356.29 due March 1, 2022; and on March 21, 2022, the LAB approved a loan modification plan (5-0-0) of a \$100 payment due April 1, 2022, May 1, 2022 and June 1, 2022 with payments of \$356.29 due on July 1, 2022 and every first of the month thereafter with a written update and documentation of the borrower's efforts to obtain income and funding for the business and to repay the loan; and

WHEREAS, Kidventurez Inc. failed to make any payments on the loan and failed to provide any documentation of an attempt to obtain income and the LAB Board members and the LAB Secretary tried contacting the loan recipient, Jessica Breed, numerous times and the efforts were unsuccessful; and

WHEREAS, On September 8, 2022 the LAB declared that the loan was in default and adopted LAB Resolution Number 22-02 by a vote of 4-1-0; and

WHEREAS, staff subsequently made diligent efforts to collect on delinquent and default accounts, including personal guarantee; and

WHEREAS, the write-off of uncollectible accounts is necessary to provide an accurate measure of the City's financial position; and

WHEREAS, the RLF Administrative Plan states that loan fund administrators shall analyze accounts and make write-off recommendations of bad debt to the City Council.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized the write-off of the outstanding loan balance of loan number #0480 of \$25,000.00 owed by Kidventurez Inc., to the City's Berkeley Revolving Loan Fund.

Exhibit A: Kidventurez Inc. RLF Loan Agreement, executed August 1, 2021.

EXPENDITURE NON-CONSTRUCTION CONTRACT REVIEW FORM "NEW CONTRACT"

Contract # <u>32200070</u>	Vendor # <u>52769</u>
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CONTRACTOR NAME: KIDVENTUREZ, INC.

Subject of Contract: RLF LOAN

This contract package contains: 3 Original Contracts (Department, Vital Record and Vendor) in folders	Attached	Waiver Attached	Not Required
*The Vital Record contract MUST be in a folder.			
*Optional: In lieu of folders, Department and Vendor copies may be assembled with an Acco-fastener.			
1. CONTRACT BOILERPLATE	X	/	/
2. Scope of Services (Exhibit A @ boilerplate) <u>Promo SORRY Note</u>	X	/	/
3. Payment Provisions (Exhibit B @ boilerplate) <u>Security Agmt</u>	X	/	/
4. Evidence of Competitive Solicitation OR Waiver by CM or by Council Resolution <u>EXH C 1ST SOURCE</u>	<input type="checkbox"/>	<input type="checkbox"/>	X
5. CERTIFICATIONS <u>EXHIBIT D PERSONAL GUARANTEE</u>			
a. Workforce Composition (businesses with 5 or more employees) <u>LESS THAN 5 (P)</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b. Nuclear Free Berkeley Disclosure	X	<input type="checkbox"/>	<input type="checkbox"/>
c. Oppressive States Disclosure (Exception: Community-based, non-profit organizations)	X	<input type="checkbox"/>	<input type="checkbox"/>
d. Sanctuary City Compliance Statement	X	<input type="checkbox"/>	<input type="checkbox"/>
e. Certification of Compliance with Living Wage Ordinance (LWO): <u>use current form on web*</u>	X	<input type="checkbox"/>	<input type="checkbox"/>
f. Certification of Compliance with Equal Benefits Ordinance: <u>use current form on web*</u>	X	<input type="checkbox"/>	<input type="checkbox"/>
g. Community Agency: Certification of Anti-Lobbying	<input type="checkbox"/>	<input type="checkbox"/>	X
h. Community Agency: Certification of Drug-Free Workplace	<input type="checkbox"/>	<input type="checkbox"/>	X
6. Insurance Certificate/s AND Endorsement/s OR Insurance Waiver/s (originals, not copies)	X	<input type="checkbox"/>	<input type="checkbox"/>
7. Authorizing Council Resolution # <u>69,590 - N.S.</u>	<input checked="" type="checkbox"/>	/	/
8. Consultant Contracts: Form 700, Statement of Economic Interests	<input type="checkbox"/>	/	X
9. Federally Funded Project Requirement: Debarment status printout (SAM.gov)	<input type="checkbox"/>	/	X

Berkeley Business License # BL-015568
Requisition # 12200883 (Hard copy attached)
Budget Code 143 21 208 253 0000 000 446 685110

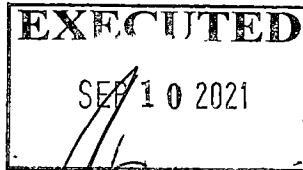
Contract Amount \$ 25,000.00
Council Approved Amount \$ _____

Was there any advance payment? No Yes **If Yes, Advanced Amount \$** _____
If Yes, Purchase Order # _____

Routing and signatures:

All elements of the contract package, including information provided above, have been reviewed for completeness and accuracy and evidenced by the following signatures (Project Manager please print name):

- | | | | |
|---|------------------|---------------------------------|------------|
| 1. <u>KIERON SLAUGHTER</u>
Project Manager (PRINT NAME/SIGN) | Department _____ | 510 981-2480 _____
Phone No. | Date _____ |
| 2. Felicia Graham
Department Administrative Officer/Accounting (PRINT NAME/SIGN) | _____ | _____ | Date _____ |
| 3. <u>[Signature]</u>
Department Head (PRINT NAME/SIGN) | _____ | _____ | Date _____ |
| 4. <u>[Signature]</u>
Contract Administrator (PRINT NAME/SIGN) | _____ | _____ | Date _____ |
| 5. <u>Budget Approved via email</u>
Budget Manager (PRINT NAME/SIGN) | _____ | _____ | Date _____ |



7-7-21
Date
9/2/2021
Date
9/8/2021
Date

Routing continues to the following persons, who sign directly on the contract:

6. **City Manager** (Will not sign unless all signatures and dates appear above)
 7. **City Clerk:** Destruct _____ Review _____

* For current vendor forms, go to City of Berkeley website: <http://www.cityofberkeley.info/ContentDisplay.aspx?id=5418> Rev 4/2021

Roben, Josh

From: Murty, Rama
Sent: Wednesday, September 8, 2021 6:08 PM
To: Roben, Josh
Cc: Dupaya, Maricar C.; Rosete, Michelle; Cole, Shamika S.
Subject: RE: New Contract: Kidventurez

Budget Final - Approved

Rama Murty, Acting Budget Manager
City Manager's Office - Budget Office
Phone: 981-7044
Fax: 981-7099

From: Cole, Shamika S.
Sent: Wednesday, September 8, 2021 12:21 PM
To: Murty, Rama <RMurty@cityofberkeley.info>
Cc: Dupaya, Maricar C. <MDupaya@cityofberkeley.info>; Rosete, Michelle <mrosete@cityofberkeley.info>
Subject: New Contract: Kidventurez

Budget Initial – APPROVED

Notes:

Borrower: Kidventurez

Authorizing Council Res#69,590 – revolving loan fund (resiliency loan program) to support existing Berkeley Small Business Impacted by COVID-19 Pandemic

Req#12200883- \$25,000 (RLF Loan Amount) released on 6/30/21

Funds are available and disbursed from FY22 account code 143-21-208-253-0000-000-446-685110-

-Shamika

Shamika Cole, MPA
Senior Management Analyst
Office of Budget and Fiscal Management
City Manager's Office
E sscole@cityofberkeley.info



LOAN AGREEMENT

August 1, 2021

THIS LOAN AGREEMENT (“Agreement”) is entered into by and between KIDVENTUREZ, INC (hereinafter “Borrower”) located at 1451 Eight Street, Berkeley, CA 94710 and the CITY OF BERKELEY, a municipal corporation and a public body politic (hereinafter “Lender”), as of the date first above written, pursuant to the Administrative Plan of the City of Berkeley’s Revolving Loan Fund (“RLF”).

WHEREAS, the purpose of the RLF is to support business activities for which credit is not otherwise available on terms and conditions which would permit completion of capital investments and/or successful operation and thereby contribute to the economic revitalization of the City as a whole.

WHEREAS, Borrower has applied for a RLF loan to supplement Borrower’s working capital for capital improvements, new equipment and new furniture in accordance with the final project budget to be submitted to and approved by Lender prior to disbursement of the Loan (the “Purpose”).

WHEREAS, subject to final budget approval, the Loan Administration Board and staff has determined that the Purpose satisfies the purposes of the RLF.

WHEREAS, to induce Lender to make the Loan, Borrower shall have executed the following instruments or agreements concurrently herewith, as further defined below (collectively, together with all attachments, amendments, supplements, extensions and other modifications, the “Loan Documents”):

- Promissory Note
- Security Agreement
- First Source Agreement
- Personal Guarantee

WHEREAS, Borrower wishes to borrow from Lender the principal sum specified below, and Lender is willing to lend such sum to Borrower on the terms and conditions herein contained.

NOW THEREFORE, Lender and Borrower, intending to be legally bound, agree as follows:

ARTICLE 1 LOAN

Section 1.1 Loan. Lender hereby agrees to loan to Borrower the principal sum of twenty-five thousand dollars(\$25,000) which shall bear interest at the rate of five and one quarter percent (5.25%) per annum on unpaid principal until the principal is paid in full (the “Loan”).

Section 1.2 Promissory Note. The Loan shall be evidenced by BORROWER’S Promissory Note dated concurrently with this Agreement substantially in the form of Exhibit A

attached hereto (“**Promissory Note**”), all terms of which are incorporated herein by this reference. As provided in the Promissory Note, LENDER may review BORROWER’S finances and decide at LENDER sole discretion to extend the Promissory Note.

Section 1.3 Prepayment. Borrower may prepay the Loan without penalty as provided for in the Promissory Note.

Section 1.4 Purpose. The proceeds of the Loan shall be used only in Borrower’s business and for the Purpose.

Section 1.5 Closing Costs. No closing costs shall be charged for this Loan.

Section 1.6 Security. As security for Borrower’s indebtedness and obligations to Lender, Borrower shall execute a Security Agreement (“**Security Agreement**”) with Lender as a condition precedent to Lender making the Loan. The Security Agreement shall be dated prior to or concurrently with this Agreement, substantially in the form of Exhibit B attached hereto, all terms of which are incorporated herein by this reference. In the Security Agreement, Borrower will grant to Lender a security interest of first priority in certain specified Borrower property (as defined therein, the “**Collateral**”).

Borrower acknowledges that Lender’s remedies are not limited and that Lender may, in event of default, pursue Borrower’s other assets and any Guarantors.

Section 1.7 First Source Agreement. Borrower shall enter into a City of Berkeley First Source Agreement (“**First Source Agreement**”) with Lender or Lender’s designee as a condition precedent to Lender making the Loan. The First Source Agreement shall be dated prior to or concurrently with this Agreement, substantially in the form of Exhibit C attached hereto, all terms of which are incorporated herein by this reference.

Section 1.8 Personal Guarantee. The following person(s) shall sign a Personal Guarantee (“**Personal Guarantee**”) for the Loan and all other “Obligations” (as defined in the Security Agreement): Jessica Breed. The Personal Guarantee shall be dated prior to or concurrently with this Agreement, substantially in the form of Exhibit D attached hereto, all terms of which are incorporated herein by this reference.

ARTICLE 2 REPRESENTATIONS AND WARRANTIES

Borrower makes the following representations and warranties to Lender, which representations and warranties shall survive the expiration of this Agreement and other Loan Documents.

Section 2.1 Legal Status. Borrower is a Limited Liability Company and is qualified to do business in all jurisdictions in which it conducts its business. Borrower agrees to comply at all times with all applicable statutes, ordinances, regulations and rules regarding Borrower’s business.

Section 2.2 No Violation. The execution, delivery and performance by Borrower of this Agreement and the other Loan Documents does not violate any provision of law, or City of Berkeley Ordinance, regulation or Charter, or result in a breach of or constitute a default under

any agreement, indenture or other instrument to which Borrower and any Guarantor is a party or by which Borrower, any Guarantor, or any of their properties may be bound.

Section 2.3 Authorization. This Agreement and the Promissory Note, Security Agreement and First Source Agreement have been duly authorized, executed and delivered, and are valid and binding agreements of Borrower. Any Guarantee has been duly authorized, executed and delivered, and is a valid and binding agreement of the signing Guarantor(s).

Section 2.4 Litigation. There are no pending or threatened actions or proceedings before any court or administrative agency which may adversely affect the financial condition or operation of Borrower or any Guarantor other than those heretofore disclosed by Borrower to Lender in writing.

Section 2.5 Correctness of Financial Statement. The financial statements (Income Statement, Balance Sheet, and Cash Flow Statement) dated Fiscal Year 2021, heretofore delivered by Borrower to Lender, present fairly the financial condition of Borrower, and have been prepared in accordance with generally accepted accounting principles consistently applied. As of the date of such financial statements, and since such date, there has been no material adverse change in the condition or operation of Borrower, nor has Borrower mortgaged, pledged or granted a security interest in or encumbered any of Borrower's assets or properties since such date.

Section 2.6 Income and Payroll Tax Returns. Federal and state income and payroll tax returns of Borrower have been submitted and paid through Borrower's tax year ended 2020. Borrower has no knowledge of any pending assessments or adjustments of its income tax or payroll taxes payable with respect to any year before or after that date.

Section 2.7 No Subordination. The obligations of Borrower under this Agreement and the Promissory Note are not subordinated in right of payment to any obligation of Borrower unless otherwise disclosed by Borrower to Lender and acknowledged and agreed to by Lender in writing.

Section 2.8 Permits, Franchises. Borrower possesses, and will hereafter possess, all permits, memberships, franchises, contracts, and licenses required and all trademark rights, trade name rights, patents, patent rights, and fictitious name rights necessary to enable it to conduct the business in which it is now engaged without conflict with the rights of others.

ARTICLE 3 CONDITIONS PRECEDENT

The obligation of Lender to make the Loan contemplated hereunder is subject to the fulfillment of the following conditions:

Section 3.1 Approval of Lender's Counsel. All legal matters incidental to Lender's commitment to issue the Loan hereunder shall be satisfactory to counsel of Lender, including the form, validity and enforceability of this Agreement and other Loan Documents.

Section 3.2 Compliance. The representations and warranties contained herein shall be true on and as of the date of Loan funding with the same effect as though such representations and warranties had been made on and as of such date, and on such date no Event of Default (as defined in Article 6 herein) and no condition, event or act which, with the giving of notice or the lapse of

time or both would constitute an Event of Default, shall have occurred and be continuing or shall exist.

ARTICLE 4 AFFIRMATIVE COVENANTS

Borrower covenants that so long as Borrower is indebted to Lender under this Agreement, and until the payment in full of the Promissory Note issued hereunder, Borrower will:

Section 4.1 Punctual Payment and Performance. Punctually pay the interest and principal of the Promissory Note at the times and place and in the manner specified in the Promissory Note, and comply with all other obligations set forth in the other Loan Documents.

Section 4.2 Accounting Records. Maintain adequate books and accounts in accordance with generally accepted accounting principles consistently applied, and permit any representative of Lender, at any reasonable time, to inspect, audit and examine such books and inspect the properties and equipment and inventory of Borrower.

Section 4.3 Financial Statements. Furnish Lender, so long as amounts remain due under the Promissory Note:

(a) Not later than 30 days after and as of the end of each fiscal year; fiscal year-end financial statements to be received no later than 60 days after end of each fiscal year— and within 14 days of any request by Lender for any period from the date of the Promissory Note through the end of the most recently completed calendar month -- financial statements (consisting of Income Statement, Balance Sheet, and Cash Flow Statement) of Borrower or Guarantor's business prepared in accordance with generally accepted accounting principles consistently applied.

(b) Any other information that the Lender may reasonably request, to be provided within 5 business days.

Section 4.4 Existence; Compliance with Laws. Preserve and maintain its existence and all of its rights, privileges and franchises (including without limitation registration in all applicable jurisdictions); conduct its business in an orderly, efficient, and regular manner; and comply with the requirements of all applicable laws, rules, regulations and orders of all governmental authorities.

Section 4.5 Insurance. Furnish Lender schedules or certificates or insurance to be received no later than 60 days after the end of each fiscal year. Maintain and keep in force at its sole cost and expense insurance of the types and in amounts customarily carried in lines of business similar to Borrower's (or as otherwise specified by Lender), including but not limited to fire, public liability, property damage, workers compensation, carried in companies and in amounts satisfactory to Lender with the City of Berkeley named as "Loss Payee" and "Additional Insured"; and Borrower shall deliver to Lender from time to time at Lender's request schedules or certificates of insurance setting forth all business insurance then in effect.

Section 4.6 Facilities. Keep all Borrower's properties useful or necessary to Borrower's business in good repair and condition, and from time to time make necessary repairs, renewals and

replacements thereto so that Borrower's property shall be fully and efficiently preserved and maintained.

Section 4.7 Taxes and Other Liabilities. Pay and discharge when due any and all indebtedness, obligations, assessments, taxes real and personal, including federal and state payroll and income taxes, except such as Borrower may in good faith contest or as to which a bona fide dispute may arise; provided provision is made to the satisfaction of Lender for eventual payment thereof in the event that it is found that the same is an obligation of Borrower.

Section 4.8 Litigation. Notify Lender within 10 business days of any pending or threatened litigation that may result in an award against Borrower in excess of Five Thousand Dollars (\$5,000.00).

Section 4.9 Location. Borrower shall maintain its principal place of business within the City of Berkeley.

Section 4.10 Financial Condition. Maintain Borrower's financial condition according to the following schedules:

- (a) Working Capital not less than \$25,000,
- (b) Net Worth not less than \$35,000,
- (c) Debt to Worth ratio of not more than 10:1.

Section 4.11 Documentary Stamp Taxes. Pay or reimburse Lender on demand for all present and future documentary stamp taxes, if any, required by any state as a condition of filing a financing statement (and all amendments, supplements and continuations thereto) covering collateral which is the subject of the Loan Documents.

Section 4.12 Notice to Lender. Promptly give notice in writing to Lender of (1) the occurrence of any Event of Default; (2) any change in name or address of Borrower or Borrower's business location, and in the case of an organization, any change in name, identity or legal structure; or (3) any uninsured or partially uninsured loss through fire, theft, liability, or property damage in excess of an aggregate of Five Thousand Dollars (\$5,000.00).

Section 4.13 Discrimination Prohibited. Borrower hereby agrees to comply with all requirements of Executive Order 11246, Equal Employment Opportunity, as amended by Executive Orders 11375 and 12086, and City Ordinance No. 5876-N.S., as amended from time to time. In the performance of this Agreement Borrower agrees as follows:

(a) BORROWER shall not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, age (over 40), sex, pregnancy, marital status, disability, sexual orientation, or AIDS. This requirement shall apply to the following: employment; upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

(b) No person shall, on the grounds of race, color, religion, ancestry, national origin, age (over 40), sex, pregnancy, marital status, disability, sexual orientation, or AIDS, be excluded from participation in the performance of this Agreement.

(c) BORROWER shall permit the LENDER access to records of employment, employment advertisements, application forms, EEO-1 forms, affirmative action plans and any other documents which, in the opinion of the LENDER, are necessary to monitor compliance with this non-discrimination provision. In addition, Borrower shall fill-out, in a timely fashion, forms supplied by the LENDER to monitor this non-discrimination provision.

Section 4.14 Disability Access. Any building or facility designed, constructed, or altered with borrowed funds shall comply with all applicable accessibility requirements of Title 24 of the California Code of Regulations and of the Americans with Disabilities Act of 1990, including the Americans with Disabilities Act Accessibility Guidelines (ADAAG).

Section 4.15 Living Wage Ordinance.

(a) Borrower hereby agrees to comply with Berkeley Municipal Code Chapter 13.27, the Berkeley Living Wage Ordinance. If Borrower is currently subject to the Berkeley Living Wage Ordinance, Borrower will be required to provide all eligible employees with City mandated minimum compensation during the term of this Agreement, as defined in B.M.C. Chapter 13.27, as well as comply with the terms enumerated herein. Borrower expressly acknowledges that, even if Borrower is not currently subject to the Living Wage Ordinance, cumulative contracts with Lender may subject Borrower to the requirements under B.M.C. Chapter 13.27 in subsequent contracts.

(b) If Borrower is currently subject to the Berkeley Living Wage Ordinance, Borrower shall be required to maintain monthly records of those employees providing services directly related to the purpose for which the Loan was made. These records shall include the total number of hours worked, the number of hours spent providing service under this Agreement, the hourly rate paid, and the amount paid by Borrower for health benefits, if any, for each of its employees providing services directly related to the Purpose for which the Loan was made. Borrower agrees to supply Lender with any records it deems necessary to determine compliance with this Section. The records described in this Section shall be made available upon Lender's request. The failure to produce these records upon demand shall be considered an Event of Default under Article 6 of this Agreement.

(c) If Borrower is currently subject to the Berkeley Living Wage Ordinance, Borrower shall include the requirements thereof, as defined in B.M.C. Chapter 13.27, in any and all subcontracts in which Borrower enters into using the proceeds of the Loan. All subcontractor employees who spend 25% or more of their compensated time engaged in work directly related to the Purpose of the Loan shall be entitled to a living wage, as described in B.M.C. Chapter 13.27 and herein.

(d) If Borrower fails to comply with the requirements of this Section, Lender shall have the rights and remedies described in this Section, in addition to any rights and remedies provided by law or equity.

Borrower's failure to comply with this Section shall constitute a material breach and an Event of Default under this Agreement, upon which Lender may pursue any rights and remedies provided for in the Loan Documents. In the event that Lender pursues any such rights and remedies due to a default under this Section, Lender may deem Borrower a non-responsible bidder and/or ineligible for future loans from Lender for up to 5 years from the date Borrower is determined to be in default.

In addition, at Lender's sole discretion, Borrower may be responsible for liquidated damages in the amount of \$50 per employee per day for each and every instance of an underpayment to an employee. It is mutually understood and agreed that Borrower's failure to pay any of its eligible employees at least the applicable living wage rate will result in damages being sustained by the Lender; that the nature and amount of the damages will be extremely difficult and impractical to fix; that the liquidated damages set forth herein is the nearest and most exact measure of damage for such breach that can be fixed at this time; and that the liquidated damage amount is not intended as a penalty of forfeiture for Borrower's default. Lender may deduct any assessed liquidated damages from any payments otherwise due Borrower.

Section 4.16 Nuclear Free Berkeley. Borrower agrees to comply with B.M.C. Chapter 12.90, the Nuclear Free Berkeley Act, as amended from time to time.

Section 4.17 Meetings With and Responses to Lender. Borrower agrees to i) meet with upon request and ii) respond to any telephone calls, letters and emails from representatives of Lender by any given deadlines or promptly if no deadline is given.

Section 4.18 Credit Reports. Borrower hereby grants permission to Lender to obtain credit reports regarding Borrower at any time while the Loan is outstanding.

Failure to comply with any of these affirmative covenants shall constitute a material breach.

ARTICLE 5 NEGATIVE COVENANTS

Borrower further covenants that so long as Borrower is indebted to Lender under this Agreement, and until payment in full of the Loan and satisfies all other obligations under the Loan Documents, Borrower will not without prior written consent of Lender:

Section 5.1 Use of Funds. Use any of the proceeds of the Loan except for the Purpose.

Section 5.2 Capital Expenditure Limitation. Make any investment in fixed assets in any one fiscal year in excess of an aggregate of \$100,000.

Section 5.3 Lease Expenditures. Incur obligations for the lease or hire of real or personal property in any one fiscal year in excess of an aggregate of \$ 50,000.

Section 5.4 Other Indebtedness. Create, incur or permit to exist any new liabilities in excess of \$5,000 resulting from borrowings, loans, or advances, whether secured or unsecured, except short term borrowings from Lender and the liabilities of Borrower to Lender, for money borrowed hereunder, without first obtaining Lender's written permission for such borrowings.

Section 5.5 Merger, Consolidation, Sale of Assets. Merge into or consolidate with any corporation or other entity, or acquire all or substantially all of the assets of any other corporation or entity; or sell, lease, assign, transfer or otherwise dispose of all or substantially all of Borrower's assets.

Section 5.6 Guarantees. Guarantee or become liable in any way as surety, endorser (other than as endorser of negotiable instruments in the ordinary course of business) or accommodation endorser or otherwise for the debt or obligations of any other person or entity.

Section 5.7 Loans, Advances, Investments. Make any loans or advances to or investments in, any person or entity.

ARTICLE 6 EVENTS OF DEFAULT

Section 6.1 The following shall constitute Borrower events of default (“**Events of Default**”):

(a) Default by Borrower in any payment when due of principal or interest under the Promissory Note.

(b) Any representation or warranty made by Borrower hereunder or in the Loan Documents is proven to be at any time incorrect in any material respect.

(c) Use of the proceeds of the Loan to support business activities for which credit is otherwise available.

(d) Default by Borrower in the performance of any other term, covenant or agreement contained herein, or in the Loan Documents, which default is not cured within 30 days from its occurrence or such other time period set by Lender.

(e) Default by Borrower under the terms of any agreement or instrument pursuant to which Borrower has borrowed money from any person or entity.

(f) The failure of Borrower promptly to pay and discharge any judgment or levy of any attachment, execution or other process against the assets of Borrower, where such judgment is not satisfied, or such levy or other process is not removed within 30 days after the entry or levy thereof, or at least 5 days prior to the time of any proposed sale under any such judgment or levy.

(g) The adjudication of Borrower as bankrupt or insolvent, or the consent to or application for the appointment of a receiver, trustee or liquidator of itself or any of its property, or the admission in writing of its inability to pay its debts generally as they become due, or the making of a general assignment for the benefit of creditors, or the filing of a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization or arrangement in a proceeding under any bankruptcy law, or any action of Borrower or its directors or majority stockholders to pursue the dissolution, liquidation, or reorganization of Borrower.

(h) Unless first approved in writing by Lender, a sale, lease, exchange or other disposition of all or substantially all of Borrower's assets, or an abandonment by Borrower of Borrower's business operations.

Section 6.2 Acceleration. Notwithstanding any term of the Promissory Note to the contrary, if an Event of Default shall occur, any indebtedness of Borrower under this Agreement or the other Loan Documents shall at Lender's option and without notice, become immediately due and payable without presentment, notice or demand, all of which are hereby expressly waived by Borrower, and the obligations, if any, of Lender to permit further borrowings hereunder shall immediately cease and terminate.

ARTICLE 7 REMEDIES OF LENDER

Section 7.1 Lender's Remedies. Upon the occurrence of any one or more Events of Default and at any time thereafter:

(a) Lender may exercise any and all of the rights, powers, privileges and remedies provided in the Loan Documents.

(b) Upon the occurrence of any Event of Default, Lender may exercise, singly or in combination, any or all of the rights, powers and privileges provided in this Article 7 and all other remedies available to the Lender under the Loan Documents, at law or in equity, including without limitation those of a secured or unsecured creditor under the Uniform Commercial Code, at any time and from time to time and such exercise shall not constitute a waiver of any of Lender's rights or remedies thereunder whether or not the indebtedness evidenced by the Promissory Note shall be due and payable and whether or not Lender shall have instituted any foreclosure proceedings or other actions for the enforcement of its rights under the Promissory Note.

ARTICLE 8 INDEMNIFICATION

Section 8.1 Indemnification. Borrower shall, at Borrower's expense, defend, indemnify, save and hold Lender harmless from and against any and all claims, demands, losses, liability, expenses, damages (general, punitive or otherwise), including attorneys' fees and costs, and causes of action (whether legal or equitable in nature) asserted by any person, firm, corporation, or other entity and arising out of any of the Loan Documents, or the use of the proceeds of the Loan, or the conduct of Borrower's business. Borrower shall pay Lender upon demand all claims, judgments, damages, lawsuits or expenses (including legal expenses) incurred by Lender as a result of any legal action arising out of any of the Loan Documents, or the use of the proceeds of the Loan, or the conduct of Borrower's business.

ARTICLE 9 MISCELLANEOUS

Section 9.1 Waiver. No delay or failure of Lender, or any holder of the Promissory Note or other obligation secured by any of the Loan Documents, in exercising any right, power or privilege hereunder or in the Loan Documents shall affect such right, power or privilege; nor shall any single or partial exercise thereof or any abandonment or discontinuance of steps to enforce such a right, power or privilege affect such right, power or privilege. The rights and remedies of Lender hereunder and under the other Loan Documents are cumulative and not exclusive. Any waiver, permit, consent or approval of any kind by Lender, or any holder of the Promissory Note or other obligation, of any breach or default hereunder or thereunder, or any such waiver of any provisions or conditions hereof or thereof, must be in writing and shall be effective only to the extent set forth in writing.

Section 9.2 Notices. All notices, requests and demands given to or made upon the respective parties under the Loan Documents shall be deemed to have been given or made when deposited in the mail, first class (which may be by certified mail with no receiving signature required), postage prepaid, or with a nationally recognized overnight courier service and addressed as follows:

Borrower:	Kidventurez 1451 Eight Street Berkeley, CA 94710
Lender:	City of Berkeley Office of Economic Development 2180 Milvia St., Fifth Floor Berkeley, CA 94704
Guarantors:	Jessica Breed

The providing of a notice address for Guarantor(s) herein shall not entitle any Guarantor to any notice, nor obligate any other party to provide any Guarantor with any notice, beyond what other Loan Documents or applicable law may otherwise require.

Section 9.3 California Law Applicable. This Agreement and all other Loan Documents shall be construed in accordance with the laws of the State of California, including that State's statutes of limitation but excluding its choice of law rules. The parties agree that venue for any dispute shall be in the location proper for an individual doing business in Berkeley, California.

Section 9.4 Incorporation of Recitals and Exhibits. All Recitals and Exhibits mentioned in this Agreement, and the defined terms herein and therein, shall be deemed incorporated herein by reference as though fully set forth herein.

Section 9.5 Relationship. The relationship of Lender and Borrower is that of lender and borrower. No party hereto or in any of the other Loan Documents intends to create any other relationship hereby, and the parties disavow and negate any intention to create a partnership or joint venture hereby.

Section 9.6 Entire Agreement.

(a) The terms and conditions of this Agreement, the other Loan Documents, and all exhibits attached and any documents expressly incorporated by reference represent the entire agreement between the parties with respect to the subject matters herein and therein, and supersede any and all prior agreements, oral or written, regarding such subject matters. No modification or other agreement, contract, statement, or promise relating to the subject matters of this Agreement or other Loan Documents shall be valid or binding except by a written amendment signed by Lender and Borrower.

(b) If any conflicts arise between the terms and conditions of this Agreement and the terms and conditions of the other Loan Documents or attached exhibits or any documents expressly incorporated by reference, the terms and conditions of this Agreement shall control.

Section 9.7 Successors. Except as may be otherwise specified in the Loan Documents and without in any way limiting the restrictions on assignment set forth in Section 9.8 below, this Agreement and the other Loan Documents will inure to the benefit of and be binding on any successors or assigns of the parties.

Section 9.8 Assignment. Borrower may not assign its rights under this Agreement or other Loan Documents without the prior written consent of Lender, which may be withheld for any reason.

Section 9.9 Authority. The undersigned signatories each warrant that he/she has full legal authority to sign for his/her respective party and that such party is lawfully empowered to enter into this Agreement and the other Loan Documents.

Section 9.10 Multiple Borrowers. If Borrower consists of more than a single individual or entity, their liability is joint and several. Any Borrower who is a married person agrees to recourse not only against such Borrower's community property but also against such Borrower's separate property for the obligations of Borrower. Discharge of any Borrower except for full payment, or any extension, forbearance, change of rate of interest or acceptance, release or substitution of Collateral or any impairment or suspension of Lender's rights against a Borrower, or any transfer of a Borrower's interest to another, shall not affect the liability of any other Borrower. To the greatest extent permitted by law, all Borrowers waive (a) any right to require Lender to proceed against any Borrower before any other, or to pursue any other remedy; (b) presentment, protest and notice of protest, demand and notice of nonpayment, demand of performance, notice of sale, and advertisement of sale; (c) any right to the benefit of or to direct the application of any Collateral, and (d) any right of subrogation to Lender, until the Loan has been paid in full and all obligations of Borrower have been performed in full.

Section 9.11 Prompt Performance. Time is of the essence with respect to each provision of this Agreement and the other Loan Documents.

Section 9.12 Construction. Borrower and/or the attorney for Borrower has carefully reviewed this Agreement and the other Loan Documents. Accordingly, the parties agree that the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not be utilized in the interpretation of this Agreement or the other Loan Documents.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first hereinabove written.

“Lender”

CITY OF BERKELEY, a California municipal corporation

By: Paul Biddenhagen, City Manager
[signature] for *Paul Biddenhagen*

APPROVED AS TO FORM:

By: Sara Stephens
Sara Stephens, Deputy, City Attorney

Registered on behalf of the City Auditor:
[Signature]
Finance Department

ATTEST:

By: Michelle Mendez
Assistant, City Clerk

“Borrower”

Kidventurez, Inc

By: Jessica Breed
[sign name]

Name: Jessica Breed
Jessica Breed
[print name and title, if any]

Title: Founder
Founder

Borrower’s Fed I.D. No.: 481-11-2875

EXHIBIT A

**PROMISSORY NOTE
(Installment Payment)**

\$25,000

Berkeley, California
Final Due Date:

August 1, 2021

Parties and Loan. FOR VALUE RECEIVED, in installments as herein stated, the undersigned Kidventurez, Inc (“**Borrower**”) promises to pay to the CITY OF BERKELEY (“**Lender**”), or order, at its office at Berkeley, California, or at such other place as the holder hereof may designate, in lawful money of the United States of America, the principal sum of \$25,000 with interest from the date hereof (or if later, the date Borrower and Lender agree in writing is the funding date) on unpaid principal balance at the rate of five and one quarter percent (5.25%) per annum (computed on the basis of 365 days/year, actual days elapsed). Each payment shall be credited first to interest then due and the remainder to principal; and interest shall thereupon cease on the principal so credited. All outstanding principal and interest (and any other amounts due under this Note) is due and payable on the final due date set forth above.

Fully amortized payments of principal and interest are payable in equal monthly installments of three hundred and fifty six dollars and twenty nine cents (\$356.29) each on the first day of each month beginning on the first day of March, 2022 (or the first of the month six months after the disbursement of funds) and continuing for eighty-four (84) successive months.

Lender may review Borrower’s finances and decide in Lender’s sole discretion to extend the due date of this Note, with continuing amortizing payments as stipulated herein. Borrower must request from Lender an extension of the due date and provide documentation of Borrower’s business operation and financial condition no later than 90 days prior to the final due date.

- 1) **Prepayment.** This Note may be prepaid, at any time or from time to time, in whole or in part without premium or penalty. Any prepayment of principal must be accompanied by interest accrued but unpaid hereunder to the date of receipt of prepayment. Prepayments shall be applied first to accrued but unpaid interest and then to principal in reverse chronological order of installment maturity dates under this Note.
- 2) **Loan Agreement.** This Note is the Promissory Note defined in, and is entitled to the benefits of, the agreement entitled “**Loan Agreement**”, dated concurrently herewith, between Borrower and Lender. Terms defined in the Loan Agreement shall, when used herein, have the same meaning as therein.
- 3) **Security.** This Note is either secured by, or entitled to the benefits, rights and privileges of, the following instruments executed contemporaneously herewith:

Security Agreement.

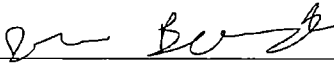
Borrower acknowledges that Lender's remedies are not limited to the Collateral designated in the Security Agreement and that Lender may, in the Event of Default, pursue Borrower's other assets and any Guarantors.

- 4) **Waiver of Presentment; Costs of Collection; Related Agreements.** Borrower hereby waives presentment, demand for payment, notice of dishonor, protest and notice of protest of this Note. Borrower agrees to pay all costs of collection when incurred, including attorneys' fees and costs. Borrower agrees to perform and comply with each of the covenants, conditions, provisions and agreements of Borrower contained in the Loan Agreement, the other Loan Documents, and any other agreement or instrument evidencing, securing, or guaranteeing the indebtedness and obligations evidenced hereby. Breach of those documents shall constitute a breach of this Note. No alteration, amendment or waiver of any provision of this Note, the Loan Agreement, the other Loan Documents, or any agreement or instrument evidencing or providing security for this Note, made by agreement of the holder hereof or any other person or party, shall constitute a waiver of any other term hereof, or otherwise release or discharge the liability of Borrower under this Note.
- 5) **Late Fee; Acceleration.** In the event that any installment payment is ten (10) days or more overdue, a late fee of five percent (5%) of said outstanding payment shall be added to the unpaid principal amount of this Note, and interest shall accrue thereon at the rate specified in Section I of this Note, to the greatest extent permitted by law. If an Event of Default shall occur and be continuing, the entire principal balance of this Note, together with interest which shall have accrued thereon, may be declared immediately due and payable ("**Acceleration**") in the manner and with the effect provided in the Loan Agreement and other Loan Documents. After Acceleration the interest rate on this Note will be ten percent (10%) compounded annually, or the maximum rate permitted by law, whichever is less. After occurrence of an Event of Default, unpaid accrued interest shall be added to the unpaid principal amount of this Note, and bear interest at like amount.
- 6) **No Intent to Violate Usury Laws.** By its execution below, Borrower confirms, and by its acceptance hereof, Lender confirms, that they have neither desired nor intended, by this Note or any other agreement, to violate any usury or other applicable law. Therefore, if it is ever determined under applicable standards of law that any amount paid under this Note was in excess of the then legal maximum interest rate, then that excess portion shall be deemed a payment of principal and applied against the principal (last payment first, to the extent permitted by law) of the Note.
- 7) **California Law.** This Note is governed by and is to be construed in accordance with the laws of the State of California, including that State's statutes of limitation but excluding its choice of law rules.

8) **Assignment.** Borrower may not assign its rights under this Note without the prior written consent of Lender, which may be withheld for any reason.

“Borrower”

Kidventurez, Inc

By: 
[sign name]

Name: Jessica Breed
[print name and title, if any]

Title: Founder

Borrower's Fed I.D. #

EXHIBIT B

SECURITY AGREEMENT

This Security Agreement (“**Security Agreement**”) is entered into as of the 29th day of June, 2021, by and between THE CITY OF BERKELEY (“**Secured Party**” or “**Lender**”), and Kidventurez, Inc (“**Debtor**” or “**Borrower**”).

RECITALS

A. Borrower has executed a Promissory Note (“**Note**”) in favor of Secured Party, under a Loan Agreement (“**Loan Agreement**”) between Secured Party and Borrower each dated concurrently herewith.

B. Secured Party desires to obtain a security interest in the Collateral for the purpose of securing Borrower's obligations under the Note and Loan Agreement.

Borrower and Secured Party hereby agree as follows:

1. Definitions. As used herein, the following terms shall have the following meanings, respectively:

(a) “**Collateral**” shall mean all Equipment, Inventory and Receivables now owned or hereafter acquired by Borrower, and Proceeds thereof and (if applicable) any Deposit Account.

(b) “**Deposit Account**” shall mean any deposit account described in paragraph 2 below.

(c) “**Equipment**” shall mean the property listed in Attachment 1 (Equipment List) attached hereto and incorporated herein, all parts, accessions, additions and replacements, and all insurance proceeds and other Proceeds thereof.

(d) “**Inventory**” shall have the meaning provided in the Uniform Commercial Code.

(e) “**Obligations**” shall mean from time to time the unpaid principal, interest and other amounts due under the Note, and any other obligations of Borrower to Lender under the Loan Agreement or other Loan Documents.

(f) “**Proceeds**” shall have the meaning provided in the Uniform Commercial Code.

(g) “**Receivables**” shall mean all rights to the payment of money now owned or hereafter acquired by Borrower, whether due or to become due and whether or not earned by performance including, but not limited to, “accounts,” “chattel paper,” “instruments” (including without limitation “promissory notes”), “payment intangibles” and “general intangibles,” together with all “supporting obligations,” as such terms are defined in the Uniform Commercial Code.

(h) “**Uniform Commercial Code**” shall mean the Uniform Commercial Code of the State of California, as amended from time to time.

2. Security Interest. As security for the payment and performance in full of all Obligations, Borrower hereby grants to the Secured Party a first priority security interest in the Collateral.

3. Representations and Covenants.

(a) Borrower covenants that it will timely perform all future acts required of it to create, perfect and maintain a perfected status of the security interest granted hereby, and that it will timely provide the Secured Party with all information necessary for Secured Party to create, perfect and maintain a perfected status of such security interest. Borrower hereby irrevocably authorizes the Secured Party at any time and from time to time to file one or more UCC financing statements, including a fixture filing financing statement (if applicable). Borrower will pay all filing fees, title transfer fees, and other fees and costs involved unless prohibited by law or unless Secured Party is required by law to pay such fees and costs.

(b) Without Lender's consent, Borrower will not sell, contract for sale, or otherwise dispose of any of the Collateral except (a) Inventory in the ordinary course of business, and (b) worn-out or obsolete Equipment which is replaced by equipment (i) with a value at least as great as the value of the disposed Equipment as of the date of this Security Agreement, and (ii) for which Borrower provides all evidence and documentation reasonably requested by Lender to confirm Lender's first priority security interest therein.

(c) Borrower will maintain all insurance required by the Loan Agreement.

(d) Borrower will properly maintain and care for the Collateral.

(e) Borrower will notify Secured Party in writing at least 30 days prior to any change in Borrower's name or (if an entity) entity type, change in place of business, or if Borrower has or acquires more than one place of business, prior to any change in Borrower's chief executive office or other office in which books and records concerning Receivables are kept or where Borrower's Inventory or Equipment is kept.

(f) Except as otherwise contemplated by paragraph 2 hereof, Borrower has not granted any security interest in any of the Collateral, and Borrower will not grant without Lender's consent any security interest in any of the Collateral. Borrower will defend any proceeding which may affect title to or Lender's security interest in any Collateral, and will indemnify Lender for all costs and expenses of Lender's defense.

(g) Until Secured Party exercises its rights to make collections or direct account debtors or other payees to make payments to Lender, Borrower will diligently collect all Receivables and keep accurate books and records of the Receivables and all collections thereof.

(h) Borrower will promptly notify Secured Party in writing of any event which affects the value of the Collateral, the ability of Borrower or Secured Party to dispose of the Collateral, or the rights and remedies of Secured Party in relation thereto, including without limitation, the levy of any legal process against the Collateral and the adoption of any marketing order, arrangement or procedure affecting the Collateral, whether governmental or otherwise.

(i) If requested by Secured Party, Borrower will sign all documents and take all actions Lender reasonably requests to grant and perfect a first priority security interest in any Deposit Account (as that term is defined in the Uniform Commercial Code) into which Collateral (including Proceeds) is deposited.

4. Power of Attorney.

(a) Borrower hereby appoints Secured Party as Borrower's attorney-in-fact, with the power to prepare, execute and file all documents on behalf of Borrower as may be reasonably necessary to perfect, preserve and protect the rights of Secured Party in the Collateral that are being transferred by this Agreement. Without limiting the foregoing, after a default has occurred and is continuing, Lender may, without notice to or agreement by the Borrower unless otherwise required by law, sell, transfer, pledge, make any agreement with respect to or otherwise dispose of or deal with any of the Collateral in such manner as is consistent with the Uniform Commercial Code and as fully and completely as though the Secured Party were the absolute owner thereof, and to do at the Borrower's expense all acts and things which the Secured Party deems necessary or advisable to protect, preserve or realize upon the Collateral and the Secured Party's security interest therein, including without limitation the execution, delivery and recording, in connection with any sale or other disposition of any Collateral, of the endorsements, assignments or other instruments of conveyance or transfer with respect to such Collateral.

(b) To the extent permitted by law, the Borrower hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and is irrevocable.

(c) The rights and powers conferred on the Secured Party hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such rights or powers. The Secured Party shall be accountable only for the amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, elected officials, employees or agents shall be responsible to the Borrower for any act or failure to act, except for the Secured Party's own gross negligence or willful misconduct.

5. Defaults. Any one or more of the following shall be a default hereunder:

(a) Borrower shall fail to pay any Obligations when due, including after all required notices and grace periods (if any).

(b) Borrower shall breach any term, provision, warranty or representation under this Security Agreement or the Loan Agreement or breach any obligation of Borrower to Secured Party under any Loan Document, and fail to cure after all required notices and within grace periods (if any).

(c) The appointment of any receiver or trustee of all or a substantial portion of the assets of Borrower.

(d) Borrower shall become insolvent or unable to pay debts as they mature, make a general assignment for the benefit of creditors or voluntarily file under any bankruptcy or similar law, or terminate or abandon Borrower's business.

(e) Any involuntary petition in bankruptcy shall be filed against Borrower and not be dismissed within 60 days.

(f) Any levies of attachment, executions, tax assessments or similar processes shall be issued against the Collateral which are not released within 10 days thereof.

(g) Any financial statements, profit and loss statements, borrowing certificates or schedules, or other statements furnished by Borrower to Secured Party prove false or incorrect in any material respect.

6. Secured Party's Remedies After Default. In the event of any default, Secured Party may do any one or more of the following:

(a) Declare any Obligations secured hereby immediately due and payable.

(b) Enforce the security interest given hereunder pursuant to the Uniform Commercial Code or any other law.

(c) Require Borrower to assemble the Collateral and the records pertaining to Receivables and make them available to Secured Party at a place designated by Secured Party.

(d) Enter the premises of Borrower and take possession of the Collateral and of the records pertaining to the Receivables and any other Collateral.

(e) Grant extensions, compromise claims and settle Receivables for less than face value, all without prior notice to Borrower.

(f) Use, in connection with any assembly or disposition of the Collateral, any trade mark, trade name, trade style, copyright, patent right or technical process used or utilized by Borrower.

(g) Notify any account debtors, any buyers of the Collateral or any other persons of Secured Party's interest in the Collateral and the Proceeds thereof.

(h) Require Borrower to direct all account debtors to forward all remittances, payments and Proceeds of the Collateral to Secured Party.

(i) Demand and collect any Receivables and any Proceeds of the Collateral. In connection there with Borrower irrevocably authorizes Secured Party to endorse or sign Borrower's name on all collections, receipts or other documents, take possession of and open the mail addressed to Borrower and remove therefrom payments of Receivables and Proceeds of the Collateral.

(j) Pursue any other remedies that Secured Party has under the Note, Loan Agreement, other Loan Documents, or any statute, ordinance, regulation, rule or case law, including but not limited to remedies against other items owned by Borrower that are not part of the Collateral.

7. Notices. All notices, requests, demands and other communications provided for hereunder shall be in writing (including telegraphic communications), and sent as provided in the Loan Agreement.
8. Miscellaneous.
 - 8.1. Waivers. Any waiver, expressed or implied, of any provision hereunder and any delay or failure by Secured Party to enforce any provision shall not preclude Secured Party from enforcing any such provision thereafter.
 - 8.2. Further Assurances. Borrower shall, at the request of Secured Party, execute such other agreements, documents or instruments in connection with this Security Agreement as Secured Party may reasonably deem necessary.
 - 8.3. California Law. This Security Agreement shall be governed by and construed according to the laws of the State of California, including its statutes of limitation but excluding its choice of law rules.
 - 8.4. Remedies Cumulative. All rights and remedies herein provided are cumulative and not exclusive of any rights or remedies otherwise provided by law. Any single or partial exercise of any right or remedy shall not preclude the further exercise thereof or the exercise of any other right or remedy.
 - 8.5. Definitions. All terms not defined herein are used as defined in Loan Agreement or, if not defined therein, the Uniform Commercial Code.
 - 8.6. Borrower to Pay Costs. In the event of any action by Secured Party to enforce this Security Agreement or to protect the security interest of Secured Party in the Collateral, Borrower agrees to pay the costs of collection thereof, including attorneys' fees and costs, and including other expenses, together with interest thereon at the maximum rate permitted by law from the date of the expenditure.
 - 8.7. Assignment. Borrower may not assign its rights under this Security Agreement without the prior written consent of Secured Party, which may be withheld for any reason.

[Signatures on next page]

Equipment List

[To be provided]

“SECURED PARTY”

CITY OF BERKELEY, a California municipal corporation

By: Paul B. Wadsworth
Paul B. Wadsworth City Manager
[signature] for Paul

APPROVED AS TO FORM:

By: Sara Stephens
Sara Stephens, Deputy City Attorney

Registered on behalf of the City Auditor:

[Signature]
Finance Department

ATTEST:

By: Michelle W...
Assistant, City Clerk

“BORROWER”

Kidventurez, Inc

By: Jessica Breed
[sign name]

Name: Jessica Breed

[print name and title, if any]

Title: Founder

EXHIBIT C

FIRST SOURCE AGREEMENT

This First Source Agreement is made and entered into by and between the City of Berkeley, (herein referred to as the CITY) and Kidventurez, Inc (herein referred to as the EMPLOYER), located at 1451 Eight Street, Berkeley, CA 94710. The purpose of the First Source Agreement is to make it easy for Berkeley employers to hire qualified local residents for open positions in their organizations. The City's First Source Program ("First Source") provides local employers with easy access to Berkeley job seekers by offering recruitment, pre-screening and referral services -- at no cost.

Benefits for the Employer and the Community

The CITY wishes to assure that employers located within Berkeley not only prosper and grow, but also benefit their surrounding community by providing jobs for local residents. By signing a First Source Agreement, local employers agree to let the CITY know about available jobs, and the CITY then recruits qualified workers to refer to the employer. An emphasis is put on recruiting and referring low income Berkeley residents who do not have personal connections to business, and under-represented members of the workforce such as people of color, women, and people with disabilities. In the course of recruiting job candidates from the community, the CITY may also assist employers in meeting their diversity, training and employment goals. It is the goal of the CITY that both parties intend to work together in the fulfillment of this Agreement, thereby ensuring that this project will be an economic asset to the community at large.

General Terms

1. Job openings covered under this Agreement include EMPLOYER'S job openings at its Berkeley operations that do not require a Bachelor's Degree.
2. If this Agreement conflicts with any Federal, State or local laws or regulations, such other laws or regulations shall prevail.
3. First Source will work within the context of any applicable collective bargaining agreement covering the EMPLOYER. To facilitate this cooperation, EMPLOYER will provide the CITY with written documentation that the EMPLOYER has provided the representative of any involved collective bargaining unit with a copy of this Agreement and has requested comments; the EMPLOYER will provide these comments to the CITY.

Employer Responsibilities

The EMPLOYER agrees to:

1. Notify the CITY of open positions at least five (5) working days before it seeks applicants from other sources, except in the event of an emergency hiring need.
2. For employers moving into Berkeley and/or expanding, provide the CITY with a listing of jobs by job title, and the minimum number of jobs expected to be created. The description shall include criteria, and minimum qualifications, rates of pay, hours of work, whether jobs are temporary or not and work to be performed. This information is typically provided in the form of the employer's

existing job descriptions, and is to be provided to the CITY at least 10 working days prior to beginning outside recruitment.

3. Interview candidates referred from First Source prior to advertising or recruiting from other sources. Employer agrees that CITY referrals will receive first consideration for jobs.
4. Provide the CITY, upon request, feedback on the First Source referrals and placements.

City Responsibilities

The CITY will:

1. Receive employer job orders and immediately initiate recruitment and pre-screening activities.
2. Recruit Berkeley residents to generate a pool of qualified applicants who match employer job specifications, working closely with Berkeley employment and training organizations.
3. Screen and refer applicants according to qualifications and specific selection criteria submitted by the EMPLOYER.
4. Follow up with the EMPLOYER on the outcome of applicants referred for employment. This information will be used to improve the local employment/training delivery system.
5. Act in cooperation with the EMPLOYER to determine the eligibility of CITY referred applicants hired by the EMPLOYER for any available tax credits.
6. Maintain records on job orders received, applicant referrals, and placements made. This information will be used to work with the employer to ensure the mutual benefits of the Agreement.
7. Provide adequate staffing to coordinate the activities outlined in this Agreement. In the event such office is no longer funded by the CITY and no other entity is designated to provide such referrals, this Agreement, and the obligations contained herein, shall automatically terminate, with no further action required by either the CITY or the EMPLOYER.

[Signatures on next page]

Approval

Dated this 29th day of June, 2021

City:

CITY OF BERKELEY, a California municipal corporation

By: Paul Bruddenhagen, City Manager
[signature]

APPROVED AS TO FORM:

By: Sara Stephens
Sara Stephens, Deputy City Attorney

Registered on behalf of the City Auditor:

[Signature]
Finance Department

ATTEST:

By: Michelle Mueser
Assistant, City Clerk

Employer:

Kidventurez, Inc

By: [Signature]
[sign name]

Name: Jessica Breed
[print name and title, if any]

Title: Founder

1-619-607-2265
{Contact Telephone Number}

EXHIBIT D

PERSONAL GUARANTEE

Whereas, Kidventurez, Inc dba ("**Borrower**"), whose address is 1451 Eight Street, Berkeley, CA 94710, has executed a Promissory Note in the principal amount of seventy-five thousand dollars (\$25,000) ("**Note**") in favor of the CITY OF BERKELEY ("**Lender**") and under a Loan Agreement ("**Loan Agreement**") between Borrower and Lender each dated concurrently herewith; and

Whereas, Jessica Breed (known as "**Guarantor**") an individual, has agreed to personally guarantee the obligations of Borrower under the Note and other Loan Documents (as defined in the Loan Agreement),

Now therefore:

1. **Personal Guarantee.** Jessica Breed, an individual whose address is 1451 Eight Street, Berkeley, CA 94710 ("**Guarantor**"), as a material inducement to and in consideration of Borrower and Lender entering into the Loan Agreement and other Loan Documents, irrevocably and unconditionally guarantees and promises to and for the benefit of Lender: (i) the full and punctual payment of all principal, interest, and other amounts due under the Note; (ii) the prompt and complete payment of all moneys and charges, and all other amounts payable under the Loan Agreement and other Loan Documents; (iii) the prompt and complete performance of each and all of the terms, covenants, conditions and provisions contained in the Loan Agreement and other Loan Documents which are to be kept, observed and performed by Borrower; and (iv) all costs and expenses, including reasonable attorneys' fees, which may be incurred by Lender in any effort to collect the Loan or enforce the Loan Agreement and other Loan Documents or the obligations of the Guarantor hereunder, whether or not any lawsuit is filed, including without limitation, all costs and attorneys' fees incurred by Lender in any bankruptcy proceeding and in any judicial or non-judicial foreclosure action (collectively, "**Obligations**"). This Personal Guarantee shall be one of payment and performance and not of collection. The obligations of two or more Guarantors hereto shall be joint and several. All capitalized terms not otherwise defined herein shall have the meanings provided in the Loan Agreement and other Loan Documents.

2. **Actions.** Guarantors' obligations are joint and several and are independent of Borrower's obligations. A separate action may be brought or prosecuted against any or all Guarantors whether the action may be brought or prosecuted against Borrower, or whether Borrower is joined in that action. If Borrower defaults under any of the Obligations, Lender can proceed immediately against any or all Guarantors or Borrower, or both, or Lender can enforce against Guarantors or Borrower, or both, any rights that Lender has under the Loan Agreement or other Loan Documents, or pursuant to applicable laws.

3. **Changes in the Loan Documents.** The provisions of the Loan Agreement or other Loan Documents may be changed by agreement between Lender and Borrower at any time without the

consent of or without notice to Guarantor. This Personal Guarantee shall guarantee the payment and performance of all Loan Documents as changed. Assignment of the Note or any other Obligations shall not affect this Personal Guarantee.

4. Waiver of Certain Rights. Guarantor hereby waives and relinquishes all rights and remedies accorded by applicable law to sureties or guarantors which Guarantor may have in connection with this Personal Guarantee arising out of the Borrower or transactions contemplated by the Loan Agreement and other Loan Documents, and agrees not to assert or take advantage of any such rights or remedies. Without limiting the foregoing:

4.1. Guarantor waives the right to require Lender to (1) proceed against Borrower; (2) proceed against or exhaust any security that Lender holds from Borrower; or (3) pursue any other remedy in Lender's power. Guarantor waives any defense by reason of any disability of Borrower, and waives any other defense based on the termination of Borrower's liability from any cause. Guarantor has no right of subrogation against Borrower. Guarantor waives its right to enforce any remedies that Lender now has, or later may have, against Borrower. Guarantor waives any right to participate in any security now or later held by Lender.

4.2. Guarantor waives all presentments, demands for performance, notices of non-performance, protests, notices of protests, notices of dishonor and notices of acceptance of this Personal Guarantee, and waives all notice of the existence, creation or incurring of new or additional obligations. If the Loan Agreement or other Loan Documents terminate and Lender has any rights it can enforce against Borrower after termination, Lender can enforce those rights against Guarantor without giving previous notice to Borrower or Guarantor, or without making any demand on either of them.

4.3. Guarantor waives the benefit of any statute of limitations affecting Guarantor's liability under this Personal Guarantee.

5. Reinstatement of Personal Guarantee. If claim is ever made upon Lender (by the Borrower, any creditor, shareholder or bankruptcy trustee, or other person) for repayment or recovery of any amount received by Lender in payment or on account of any the Obligations guaranteed hereby and Lender repays all or any part of that amount by reason of (i) any judgment, decree or order of any court or administrative body having jurisdiction over any such payor or any of its property, or (ii) any settlement or compromise of any claim effected by Lender with any claimant (including Guarantor), then and in such event Guarantor hereby irrevocably agrees that any such judgment, decree, order, settlement or compromise shall be binding on Guarantor, notwithstanding any termination or cancellation of this Personal Guarantee or any Obligations guaranteed hereby, and Guarantor shall be and remain liable to Lender for the amount so repaid or recovered to the same extent as if such amount had never originally been received by Lender. The determination as to whether any payment must be repaid shall be made by Lender in its sole discretion. Lender shall endeavor to give Guarantor notice of any claim for repayment or recovery of any amount, but no failure to provide such notice shall affect any obligation of Guarantor under this Personal Guarantee.

6. **Successors.** If Lender disposes of its interest in the Note or any of the other Obligations, "Lender" as used in this Personal Guarantee, shall mean Lender's successors. Guarantor's obligations under this Personal Guarantee shall be binding on Guarantor's successors.

7. **Modification.** This Personal Guarantee may not be modified, nor any of its provisions waived, without a writing signed by both parties expressing such an intention. This Personal Guarantee shall not be affected by Lender's failure or delay to enforce any of its rights.

8. **Construction and Venue.** This Personal Guarantee will be construed according to California law, including its statutes of limitation but excluding its choice of law rules. Any litigation or arbitration relating to this Personal Guarantee will be conducted in Alameda County, California or if different, at Lender's election, in any venue where a proceeding between Lender and Borrower is pending.

9. **Attorneys' Fees.** If Lender is required to enforce Guarantor's obligations by legal proceedings, Guarantor shall pay to Lender all costs of collection incurred, including, without limitation, reasonable attorneys' fees.

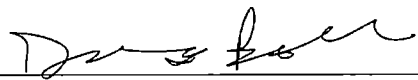
10. **Waiver.** No delay or failure of Lender, or any holder of this Personal Guarantee, in exercising any right, power or privilege hereunder or in the Loan Agreement or other Loan Documents shall affect such right, power or privilege; nor shall any single or partial exercise thereof or any abandonment or discontinuance of steps to enforce such a right, power or privilege affect such right, power or privilege. The rights and remedies of Lender hereunder are cumulative and not exclusive. Any waiver, permit, consent or approval of any kind by Lender, or any holder of the Note, Loan Agreement or other Loan Documents, of any breach or default hereunder, or any such waiver of any provisions or conditions hereof, must be in writing and shall be effective only to the extent set forth in writing.

11. **Authority.** The undersigned signatories each warrant that he/she has full legal authority to sign for his/her respective party and that such party is lawfully empowered to enter into this Personal Guarantee.

12. **Prompt Performance.** Time is of the essence with respect to each provision of this Personal Guarantee.

13. **Construction.** Guarantor and/or the attorney for Guarantor has carefully reviewed this Personal Guarantee. Accordingly, Guarantor agrees that the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not be utilized in the interpretation of this Personal Guarantee.

“GUARANTOR”

By: 
[sign name]

Name: Jessica Breed
[print name and title, if any]

Title: Founder

Borrower Name:	Kidventurez, Inc
Borrower Address	1451 Eight Street, Berkeley, CA 94710
Borrower_Fed_ID	481-11-2875
Principal_Sum	<i>Twenty-five thousand dollars</i>
Principal_Sum_Dollar	<i>\$25,000</i>
Interest Rate	<i>Five and one quarter percent</i>
Interest Rate Percent	5.25%
Guarantor Name	Jessica Breed
Guarantor Address	1451 Eight Street, Berkeley, CA 94710

CITY OF BERKELEY
Nuclear Free Zone Disclosure Form

I (we) certify that:

1. I am (we are) fully cognizant of any and all contracts held, products made or otherwise handled by this business entity, and of any such that are anticipated to be entered into, produced or handled for the duration of its contract(s) with the City of Berkeley. (To this end, more than one individual may sign this disclosure form, if a description of which type of contracts each individual is cognizant is attached.)
2. I (we) understand that Section 12.90.070 of the Nuclear Free Berkeley Act (Berkeley Municipal Code Ch. 12.90; Ordinance No. 5784-N.S.) prohibits the City of Berkeley from contracting with any person or business that knowingly engages in work for nuclear weapons.
3. I (we) understand the meaning of the following terms as set forth in Berkeley Municipal Code Section 12.90.130:

"Work for nuclear weapons" is any work the purpose of which is the development, testing, production, maintenance or storage of nuclear weapons or the components of nuclear weapons; or any secret or classified research or evaluation of nuclear weapons; or any operation, management or administration of such work.

"Nuclear weapon" is any device, the intended explosion of which results from the energy released by reactions involving atomic nuclei, either fission or fusion or both. This definition of nuclear weapons includes the means of transporting, guiding, propelling or triggering the weapon if and only if such means is destroyed or rendered useless in the normal propelling, triggering, or detonation of the weapon.

"Component of a nuclear weapon" is any device, radioactive or non-radioactive, the primary intended function of which is to contribute to the operation of a nuclear weapon (or be a part of a nuclear weapon).

4. Neither this business entity nor its parent nor any of its subsidiaries engages in work for nuclear weapons or anticipates entering into such work for the duration of its contract(s) with the City of Berkeley.

Based on the foregoing, the undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Printed Name: JESSICA BOWEN Title: FOUNDER

Signature: [Handwritten Signature] Date: 6/26/21

Business Entity: K10 VENTURES INC

Contract Description/Specification No. _____
Attachment C

CITY OF BERKELEY
Oppressive States Compliance Statement for Personal Services

The undersigned, an authorized agent of KID VENTUREZ, INC. (hereafter "Vendor"), has had an opportunity to review the requirements of Berkeley City Council Resolution No. 59,853-N.S. (hereafter "Resolution"). Vendor understands and agrees that the City may choose with whom it will maintain business relations and may refrain from contracting with those Business Entities which maintain business relationships with morally repugnant regimes. Vendor understands the meaning of the following terms used in the Resolution:

"Business Entity" means "any individual, firm, partnership, corporation, association or any other commercial organization, including parent-entities and wholly-owned subsidiaries" (to the extent that their operations are related to the purpose of the contract with the City).

"Oppressive State" means: **Tibet Autonomous Region and the Provinces of Amdo, Kham and U-Tsang**

"Personal Services" means "the performance of any work or labor and shall also include acting as an independent contractor or providing any consulting advice or assistance, or otherwise acting as an agent pursuant to a contractual relationship."

Contractor understands that it is not eligible to receive or retain a City contract if at the time the contract is executed, or at any time during the term of the contract it provides Personal Services to:

- a. The governing regime in any Oppressive State.
- b. Any business or corporation organized under the authority of the governing regime of any Oppressive State.
- c. Any person for the express purpose of assisting in business operations or trading with any public or private entity located in any Oppressive State.

Vendor further understands and agrees that Vendor's failure to comply with the Resolution shall constitute a default of the contract and the City Manager may terminate the contract and bar Vendor from bidding on future contracts with the City for five (5) years from the effective date of the contract termination.

The undersigned is familiar with, or has made a reasonable effort to become familiar with, Vendor's business structure and the geographic extent of its operations. By executing the Statement, Vendor certifies that it complies with the requirements of the Resolution and that if any time during the term of the contract it ceases to comply, Vendor will promptly notify the City Manager in writing.

Based on the foregoing, the undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Printed Name: JESSICA BREED Title: FOUNDER

Signature: [Handwritten Signature] Date: 6/28/21

Business Entity: KIDVENTUREZ, INC.

I am unable to execute this Statement; however, Vendor is exempt under Section VII of the Resolution. I have attached a separate statement explaining the reason(s) Vendor cannot comply and the basis for any requested exemption.

Signature: [Handwritten Signature] Date: _____

Contract description/Specification No.: _____

CITY OF BERKELEY
Sanctuary City Compliance Statement

The undersigned, an authorized agent of K10VENTURES, INC (hereafter "Contractor"), has had an opportunity to review the requirements of Berkeley Code Chapter 13.105 (hereafter "Sanctuary City Contracting Ordinance" or "SCCO"). Contractor understands and agrees that the City may choose with whom it will maintain business relations and may refrain from contracting with any person or entity that provides Data Broker or Extreme Vetting services to the U.S. Immigration and Customs Enforcement Division of the United States Department of Homeland Security ("ICE"). Contractor understands the meaning of the following terms used in the SCCO:

- a. "Data Broker" means either of the following:
 - i. The collection of information, including personal information about consumers, from a wide variety of sources for the purposes of reselling such information to their customers, which include both private-sector business and government agencies;
 - ii. The aggregation of data that was collected for another purpose from that for which it is ultimately used.
- b. "Extreme Vetting" means data mining, threat modeling, predictive risk analysis, or other similar services." Extreme Vetting does not include:
 - i. The City's computer-network health and performance tools;
 - ii. Cybersecurity capabilities, technologies and systems used by the City of Berkeley Department of Information Technology to predict, monitor for, prevent, and protect technology infrastructure and systems owned and operated by the City of Berkeley from potential cybersecurity events and cyber-forensic based investigations and prosecutions of illegal computer based activity.

Contractor understands that it is not eligible to receive or retain a City contract if at the time the Contract is executed, or at any time during the term of the Contract, it provides Data Broker or Extreme Vetting services to ICE.

Contractor further understands and agrees that Contractor 's failure to comply with the SCCO shall constitute a material default of the Contract and the City Manager may terminate the Contract and bar Contractor from bidding on future contracts with the City for five (5) years from the effective date of the contract termination.

By executing this Statement, Contractor certifies that it complies with the requirements of the SCCO and that if any time during the term of the Contract it ceases to comply, Contractor will promptly notify the City Manager in writing. Any person or entity who knowingly or willingly supplies false information in violation of the SCCO shall be guilty of a misdemeanor and up to a \$1,000 fine.

Based on the foregoing, the undersigned declares under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 20th day of JUNE, 2021, at Berkeley, California.

Printed Name: JESSICA BILLOD Title: FOUNDER

Signed: [Signature] Date: 6/28/21

Business Entity: K10VENTURES, INC.

CITY OF BERKELEY
Living Wage Certification for Financial Aid Recipients

TO BE COMPLETED BY ALL PERSONS OR ENTITIES RECEIVING FINANCIAL AID FROM THE CITY OF BERKELEY.

The Berkeley Municipal Code Chapter 13.27, Berkeley's Living Wage Ordinance (LWO), provides that City financial aid recipients which receive more than \$100,000 in loans or other cash and/or non-cash assistance in any 12 month period shall comply with all provisions of this Ordinance.

Section I.

1. PLEASE ANSWER THE FOLLOWING QUESTIONS

During the previous twelve (12) months, have you received or entered into any agreement for financial aid from the City of Berkeley for a cumulative value of \$100,000.00?

YES ___ NO x

If yes, this agreement is subject to the LWO for a period of five years from the date you received the financial aid. If no, this agreement is currently NOT subject to the requirements of the LWO but may be subject in the future should you receive additional financial aid.

Section II

Please read, complete, and sign the following:

THIS AGREEMENT IS SUBJECT TO THE LIVING WAGE ORDINANCE. []

X THIS AGREEMENT IS NOT SUBJECT TO THE LIVING WAGE ORDINANCE. []

The undersigned, on behalf of himself or herself individually and on behalf of his or her business or organization, hereby certifies that he or she is fully aware of Berkeley's Living Wage Ordinance and the applicability of the Living Wage Ordinance to the subject agreement, as determined herein.

These statements are made under penalty of perjury under the laws of the state of California.

Printed Name: Jessica Breed Title: CEO

Signature: [Handwritten Signature] Date: August 16, 2021

Business Entity: Kidventurez, Inc.

Contract Description/Specification No: _____

Section III

- **** FOR ADMINISTRATIVE USE ONLY – PLEASE PRINT CLEARLY ****

I have reviewed this Living Wage Certification form, in addition to verifying the financial aid to this recipient from the City in the past twelve (12) months, and determined that this agreement IS / IS NOT (circle one) subject to Berkeley's Living Wage Ordinance.

Department Name

Department Representative

To be completed by Contractor/Vendor

Form EBO-1
CITY OF BERKELEY



CERTIFICATION OF COMPLIANCE WITH EQUAL BENEFITS ORDINANCE

If you are a **contractor**, return this form to the originating department/project manager. If you are a **vendor** (supplier of goods), return this form to the Purchasing Division of the Finance Dept.

SECTION 1. CONTRACTOR/VENDOR INFORMATION

52769

Name: KIDVENTUREZ, INC.		Vendor No.: perdina	
Address: 1451 20th STREET	City: BERKELEY	State: CA	ZIP: 94710
Contact Person: JESSICA BOBRO		Telephone: 619-607-2245	
E-mail Address: JESSICA@KIDVENTUREZ.COM		Fax No.:	

SECTION 2. COMPLIANCE QUESTIONS

- A. The EBO is inapplicable to this contract because the contractor/vendor has no employees.
 Yes No (If "Yes," proceed to Section 5; if "No," continue to the next question.)
- B. Does your company provide (or make available at the employees' expense) any employee benefits?
 Yes No
 If "Yes," continue to Question C.
 If "No," proceed to Section 5. (The EBO is not applicable to you.)
- C. Does your company provide (or make available at the employees' expense) any benefits to the spouse of an employee?..... Yes No
- D. Does your company provide (or make available at the employees' expense) any benefits to the domestic partner of an employee?..... Yes No
If you answered "No" to both Questions C and D, proceed to Section 5. (The EBO is not applicable to this contract.)
If you answered "Yes" to both Questions C and D, please continue to Question E.
If you answered "Yes" to Question C and "No" to Question D, please continue to Section 3.
- E. Are the benefits that are available to the spouse of an employee identical to the benefits that are available to the domestic partner of the employee?..... Yes No
If you answered "Yes," proceed to Section 4. (You are in compliance with the EBO.)
If you answered "No," continue to Section 3.

SECTION 3. PROVISIONAL COMPLIANCE

- A. Contractor/vendor is not in compliance with the EBO now but will comply by the following date:
 - By the first effective date after the first open enrollment process following the contract start date, not to exceed two years, if the Contractor submits evidence of taking reasonable measures to comply with the EBO; or
 - At such time that administrative steps can be taken to incorporate nondiscrimination in benefits in the Contractor's infrastructure, not to exceed three months; or
 - Upon expiration of the contractor's current collective bargaining agreement(s).
- B. If you have taken all reasonable measures to comply with the EBO but are unable to do so, do you agree to provide employees with a cash equivalent?..... Yes No

* The cash equivalent is the amount of money your company pays for spousal benefits that are unavailable for domestic partners.

SECTION 4. REQUIRED DOCUMENTATION

At time of issuance of purchase order or contract award, you may be required by the City to provide documentation (copy of employee handbook, eligibility statement from your plans, insurance provider statements, etc.) to verify that you do not discriminate in the provision of benefits.

SECTION 5. CERTIFICATION

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that I am authorized to bind this entity contractually. By signing this certification, I further agree to comply with all additional obligations of the Equal Benefits Ordinance that are set forth in the Berkeley Municipal Code and in the terms of the contract or purchase order with the City.

Executed this 29th day of JUNE, in the year 2021, at BERKELEY, CA
(City) (State)

JESSICA BREED
Name, (please print)

[Signature]
Signature

FOUNDER
Title

Federal ID or Social Security Number

FOR CITY OF BERKELEY USE ONLY

- Non-Compliant (The City may not do business with this contractor/vendor)
- One-Person Contractor/Vendor Full Compliance Reasonable Measures
- Provisional Compliance Category, Full Compliance by Date: _____
- Staff Name (Sign and Print): _____ Date: _____



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
07/05/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Vouch Insurance Services, LLC 831 Montgomery Street San Francisco, CA 94133	CONTACT NAME: John Wallace PHONE (A/C, No, Ext): (415) 488-6728 E-MAIL ADDRESS: john.wallace@vouch.us	FAX (A/C, No):	
	INSURER(S) AFFORDING COVERAGE		NAIC #
INSURED Kidventurez, Inc. 1451 Eighth St Berkeley, CA 94710	INSURER A: State National Insurance Company		12831
	INSURER B:		
	INSURER C:		
	INSURER D:		
	INSURER E:		
	INSURER F:		

COVERAGES **CERTIFICATE NUMBER: 1** **REVISION NUMBER:**

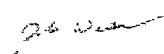
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Business Liability	X		HDG.BOP.21.ISYN-XOYT	07-02-2021	07-02-2022	EACH OCCURRENCE \$500,000
	<input type="checkbox"/> GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER						DAMAGE TO RENTED PREMISES (Ea occurrence) \$100,000
							MED EXP (Any one person) \$10,000
							PERSONAL & ADV INJURY \$500,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ Per Occurrence Limit \$
	UMBRELLA <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED \$ RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Additional Insured endorsement (BP 04 48) issued for: City of Berkeley, its officers, agents, volunteers and employees (effective 07-05-2021).

Provided, however, City of Berkeley, its officers, agents, volunteers and employees is an additional insured only the extent that liabilities fall within obligations of Kidventurez, Inc. to indemnify such additional insured pursuant to a written agreement.

CERTIFICATE HOLDER City of Berkeley 2180 Milvia St, Berkeley, CA 94704	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
--	---

POLICY NUMBER:
HDG.BOP.21.ISYN-XOYT

BUSINESSOWNERS
BP 04 48 07 13

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM

SCHEDULE

Name Of Additional Insured Person(s) Or Organization(s):
City of Berkeley, its officers, agents, volunteers and employees (effective 07-05-2021).
Provided, however, City of Berkeley, its officers, agents, volunteers and employees is an additional insured only the extent that liabilities fall within obligations of Kidventurez, Inc. to indemnify such additional insured pursuant to a written agreement.
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

Section II – Liability is amended as follows:

A. The following is added to Paragraph **C. Who Is An Insured:**

3. Any person(s) or organization(s) shown in the Schedule is also an additional insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in the performance of your ongoing operations or in connection with your premises owned by or rented to you.

However:

- a. The insurance afforded to such additional insured only applies to the extent permitted by law; and
- b. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Paragraph **D. Liability And Medical Expenses Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
 2. Available under the applicable Limits Of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits Of Insurance shown in the Declarations.

RESOLUTION NO. 69,590-N.S.

APPROVING AN AMENDMENT TO THE RLF ADMINISTRATIVE PLAN FOR THE BERKELEY REVOLVING LOAN FUND (RLF) TO SUPPORT EXISTING BERKELEY SMALL BUSINESSES IMPACTED BY THE COVID-19 PANDEMIC

WHEREAS, the City of Berkeley received a \$500,000 grant from the federal Economic Development Administration (EDA) in 1980 to administer a commercial Revolving Loan Fund (RLF) for eligible businesses in the South Berkeley Target Area; and

WHEREAS, the City approved revisions to the RLF Administrative Plan in 2005 and 2010, which included two expansions of the original target lending area to the entire City; and

WHEREAS, the City approved a revision to the administrative plan in 2019, which included additional support for worker owned cooperatives to provide jobs that give their worker/owners democratic control over their workplaces, provide equity-building opportunities as business owners, and pay and benefits that can exceed industry standards; and

WHEREAS, the outbreak of COVID-19 across the nation has impacted many small businesses locally, and many enterprises are currently and potentially facing revenue shortfalls that compromise their ability to cover operating expenses like payroll, rent, loan payments, utilities, etc; and

WHEREAS, Berkeley businesses that have been financially impacted as a direct result of the COVID-19 pandemic may qualify for a COVID-19 resiliency loan to help meet financial obligations and operating expenses which could have otherwise been met by the business had the disaster not occurred; and

WHEREAS, on July 15, 2020, the Loan Administration Board Chair approved the recommended amendments to the Administrative Plan to administer a COVID-19 resiliency loan program; and

WHEREAS, the City of Berkeley would like to offer low-interest COVID-19 pandemic disaster loans for working capital to small businesses located in Berkeley, CA suffering substantial economic injury as a result of the global pandemic.


NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Council hereby approves the revised Administrative Plan for the Berkeley Revolving Loan Fund to encompass the COVID-19 resiliency loan program (Exhibit A), as required by the Economic Development Administration (EDA). A copy of said Plan shall be placed on file with the City Clerk.

The foregoing Resolution was adopted by the Berkeley City Council on October 27, 2020 by the following vote:

Ayes: Bartlett, Davila, Droste, Hahn, Harrison, Kesarwani, Robinson, Wengraf, and Arreguin.

Noes: None.

Absent: None.



Jesse Arreguin, Mayor

Attest: 

Mark Numalville, City Clerk

LOAN ADMINISTRATION BOARD (LAB) RESOLUTION 21-02
REVOLVING LOAN FUND (RLF) LOAN
TO KIDVENTUREZ

The LAB administering the City of Berkeley's Revolving Loan Fund (RLF) met on June 15, 2021 to discuss the RLF loan to KIDVENTUREZ at 1451 Eighth Street. After review and discussion of the request, the LAB passed the following motion:

Moved by Board Member Joiner to approve a loan to KIDVENTUREZ with the following terms:

Loan Amount:	\$25,000
Interest Rate:	5.25%
Monthly Payment:	\$356.29
Due:	84 months
Collateral:	Personal Garauntee

Seconded by Board Member Crandall

The Board vote with respect to this Motion was 5 Ayes, 0 Noes, 0 Abstentions.

Board Members Absent: N/A