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(213) 202-2633 FAX (213) 202-2614

November 18, 2021

Honorable Eric Garcetti, Mayor
City of Los Angeles
Room 303, City Hall

Honorable City Council
City of Los Angeles
c/o: Office of the City Clerk
City Hall, Room 395

Honorable Mayor and Members of the City Council:

Subject:

State Specified Grant for Rio De Los Angeles/Los Angeles State Historic Park and The Southeast San Fernando Roller and Skateboard Rink (Aka Sheldon Skate Park); Authorization to Apply and City Council Resolution

Recommendation for Council Action:

The Board of Recreation and Park Commissioners (Board) respectfully requests City Council and Mayor approval for the Department of Recreation and Parks (RAP) to (i) Approve the filing of an application by the Department of Recreation and Parks (RAP) to the State of California, Office of Grants and Local Services (State) for the State Specified Grants for the Rio De Los Angeles/Los Angeles State Historic Park project and the Southeast San Fernando Roller and Skateboard Rink in Sun Valley (aka Sheldon Skate Park) project (collectively, "Specified Grant Projects") (ii) Recommend City Council adopt the required Resolution for the Specified Grant Projects as set forth in Board Report No. 21-202

Background:

In mid-October 2021, the State of California Office of Grants and Local Services (State) notified RAP that through the State budget process, the specified funds were approved for two (2) City of Los Angeles projects through the Fiscal Year 2021-2022 California State budget process. Usually when a Specified Grant has been approved (via State Fiscal Year Budget) to the City of Los Angeles, the City of Los Angeles City Councilmember(s), the Assemblyperson, and/or the California Senator have agreed that the project in their district, needs additional funding for improvements.

Fiscal Impact Statement:

Acceptance of this Grant will have no anticipated fiscal impact to RAP's General Fund in applying for the Rio de Los Angeles project.



Honorable Mayor Garcetti and Honorable City Council

November 18, 2021

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If you have any questions with regard to this matter, please contact Ms. Kai Wong, Sr Project Coordinator, Department of Recreation and Parks, at (213) 202-5650.

Very truly yours,

BOARD OF RECREATION AND
PARK COMMISSIONERS

A handwritten signature in blue ink that reads "Takisha Sardin". The signature is fluid and cursive, with the first name "Takisha" and last name "Sardin" clearly legible.

Takisha Sardin
Acting Commission Executive
Assistant II

Attachments: Board Report No. 21-202

cc: Kai Wong, Sr. Project Coordinator, Department of Recreation and Parks

APPROVED

NOV 18 2021

BOARD REPORT

BOARD OF RECREATION
AND PARK COMMISSIONERS

NO. 21-202

DATE November 18, 2021

C.D. 1, 6

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: STATE SPECIFIED GRANT FOR RIO DE LOS ANGELES/LOS ANGELES STATE HISTORIC PARK AND THE SOUTHEAST SAN FERNANDO ROLLER AND SKATEBOARD RINK (AKA SHELDON SKATE PARK); AUTHORIZATION TO APPLY AND CITY COUNCIL RESOLUTION

AP Diaz	_____	M. Rudnick	_____
H. Fujita	_____	C. Santo Domingo	_____
J. Kim	_____	* N. Williams	<u>NDW</u>

M. Shue
General Manager

Approved X Disapproved _____ Withdrawn _____

If Approved: Board President *Agustin Potenciano* Board Secretary *Sakishia Sarden*

RECOMMENDATIONS

1. Approve the filing of an application by the Department of Recreation and Parks (RAP) to the State of California, Office of Grants and Local Services (State) for the State Specified Grants for the Rio De Los Angeles/Los Angeles State Historic Park project and the Southeast San Fernando Roller and Skateboard Rink in Sun Valley (aka Sheldon Skate Park) project (collectively, "Specified Grant Projects") as described in this Report, subject to the approval of the Mayor and City Council;
2. Approve the form of the grant contract with the State for the Specified Grant Projects with terms substantially similar to those set forth in the sample grant contract attached to this Report as Attachment No. 2, subject to the approval of the Mayor and City Council, and City Attorney approval as to form;
3. Recommend City Council adopt the required Resolution for the Specified Grant Projects as set forth in Attachment No. 1 (Resolution);;
4. Direct RAP staff to transmit a copy of the grant Resolution to the Mayor, Office of the City Administrative Officer (CAO), Office of the Chief Legislative Analyst (CLA), and to the City Clerk for committee and City Council approval, pursuant to the Los Angeles Administrative Code Section 14.6 *et seq.* as may be amended;
5. Direct RAP staff to transmit the grant contracts for the Specified Grant Projects to the Board of Recreation and Park Commissioners (Board) for approval prior to executing such contracts; and

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6. Direct RAP staff to return to the Board with the finalized project scope and California Environmental Quality Act (CEQA) analysis for the Projects for approval prior to submitting a final grant application for the Specified Grant Projects.

SUMMARY

In mid-October 2021, the State of California Office of Grants and Local Services (State) notified RAP that through the State budget process, the specified funds were approved for two (2) City of Los Angeles projects through the Fiscal Year 2021-2022 California State budget process. Usually when a Specified Grant has been approved (via State Fiscal Year Budget) to the City of Los Angeles, the City of Los Angeles City Councilmember(s), the Assemblyperson, and/or the California Senator have agreed that the project in their district, needs additional funding for improvements. The two State Specified Grant allocated projects, are:

Project	Council District	General Project Scope per State Budget	Grant Award Amount
Rio de Los Angeles Park / LA State Historic Park Location: 1900 N San Fernando Rd, Los Angeles, CA 90065	1	Funds specified for this park will be used for maintenance and improvements at Rio de Los Angeles Park, and to help establish a Farmers Market at Los Angeles State Historic Park. The planned improvements include new soccer fields, shaded picnic areas, resurface parking lot, and walking trail.	\$5,000,000
Southeast San Fernando Valley Roller and Skateboard Rink in Sun Valley (aka Sheldon Skate Park) Location: 12511 Sheldon St, Sun Valley, CA 91352	6	For Southeast San Fernando Valley Roller and Skateboard Rink in Sun Valley. The planned improvements will include new skate ramps and other new features/amenities along with site landscaping and accessibility improvements.	\$4,400,000

The process for specified grants is different than bond funded or competitive project grants as the specified grants usually come out of the general fund and not bond funds. For specified grants, the State requires the grantee to first adopt a resolution. Once the resolution is adopted and submitted to the State, a final grant application and grant contract will be issued for execution and submission.

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The State requires RAP to submit the Resolution for the Specified Grant Projects by December 31, 2021. The approved Resolution for both projects will prompt the State to issue a final application and contract for each of the two projects. Both signed grant contracts must be return to the State no later than January 31, 2022 or sooner to secure the \$9.4 million, otherwise the grant funds will be swept for the next State Fiscal Year 2022-2023.

RAP Staff will return to the Board to request authority to execute grant contracts for the two Specified Grant Projects as well as approving the final grant applications for the projects. The final grant applications will include the project scope, budget, conceptual site plan, California Environment Quality Act (CEQA) analysis, and land tenure and other required documentation.

ENVIRONMENTAL IMPACT STATEMENT

RAP staff will return to the Board with CEQA determinations for the Specified Grant Projects once the project scopes have been finalized.

FISCAL IMPACT STATEMENT

The final improvements at Rio de Los Angeles are expected to be very similar to the scope descriptions in the 2018 Proposition 68, Round 3 application. While funds to complete this project have been requested in the Locally Operated State Parks Program (LOSPP) previously approved by this Board, and Community Development Block Grants in the amount of \$750,000 has been previously awarded, and should be available in FY2022-23. Therefore, there is no anticipated fiscal impact to RAP's General Fund in applying for the Rio de Los Angeles project.

The improvements for the Southeast San Fernando Roller and Skate Park, at Sheldon Skate Park, are still in development stages. While no additional funds are expected to be required to complete the final improvements, RAP staff will return to the Board should additional funds be needed. Greater clarity on a need for additional funds will be available when the specified grant application and request for approval of the final agreement is brought back to the Board, and prior to any work on the project being initiated.

This Report was prepared by Kai Wong, Senior Management Analyst, Grants Administration, Finance Division and reviewed by Bill Jones, Chief Management Analyst, Grants Administration, Finance Division

LIST OF ATTACHMENTS

- 1) Attachment No. 1 - Resolution of the City Council of the City of Los Angeles – Rio de Los Angeles/Los Angeles State Historical Park and Southeast San Fernando Valley Roller and Skateboard Rink in Sun Valley (aka Sheldon Skate Park)
- 2) Attachment No. 2 - Pro Forma of Specified Grant Contract Sample

Council File No. _____

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES

APPROVING APPLICATION(S) FOR SPECIFIED GRANT FUNDS

WHEREAS, the State Department of Parks and Recreation has been delegated the responsibility by the Legislature of the State of California for the administration of a grant to the City of Los Angeles Department of Recreation and Parks setting up necessary procedures governing application(s); and

WHEREAS, said procedures established by the State Department of Parks and Recreation require the applicant's Governing Body to certify by resolution the approval of project application(s) before submission of said applications to the State; and

WHEREAS, the applicant will enter into a contract with the State of California to complete project(s);

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Los Angeles hereby:

1. Approves the filing of project application(s) for specified grant projects, RIO DE LOS ANGELES/LOS ANGELES STATE HISTORIC PARK and THE SOUTHEAST SAN FERNANDO ROLLER AND SKATEBOARD RINK IN SUN VALLEY (AKA SHELDON SKATE PARK); and
2. Certifies that said applicant has or will have available, prior to commencement of project work utilizing specified grant funds, sufficient funds, including those provided by this grant, to complete the project; and
3. Certifies that the applicant has or will provide sufficient funds to operate and maintain the project(s); and
4. Certifies that the applicant has reviewed, understands, and agrees to the General Provisions contained in the contract shown in this Procedural Guide; and
5. Delegates the authority to the Department of Recreation and Parks General Manager, Executive Officer, Assistant General Manager, and Chief Financial Officer, or designee to conduct all negotiations, sign and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the project scope(s); and
6. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.

Approved and adopted the _____ day of _____, 20_____

I, the undersigned, hereby certify that the foregoing Resolution was duly adopted by the City Council of the City of Los Angeles at its meeting of _____.

HOLLY L. WOLCOTT, City Clerk

By: _____

**State of California – The Natural Resources Agency
DEPARTMENT OF PARKS AND RECREATION**

Sample Specified Grant Contract

GRANTEE: [Grantee Name]

GRANT PERFORMANCE PERIOD is from July 1, 2019 through June 30, 2022

CONTRACT PERFORMANCE PERIOD is from July 1, 2019 through June 30, 2022

The GRANTEE agrees to the terms and conditions of this Contract, and the State of California, acting through its Director of Parks and Recreation, pursuant to the State of California, agrees to fund the total State grant amount indicated below.

The GRANTEE agrees to complete the GRANT SCOPE(s) as defined in the Project Scope/Cost Estimate Form of the application(s) filed with the State of California.

Total State grant amount not to exceed \$[Grant amount]

The General and Special Provisions attached are made a part of and incorporated into the Contract.

STATE OF CALIFORNIA
DEPARTMENT OF PARKS AND RECREATION

By _____

Date _____

GRANTEE

By

(Typed or printed name of Authorized Representative)

(Signature of Authorized Representative)

Title

Date

CERTIFICATION OF FUNDING (FOR STATE USE ONLY)

AMOUNT OF ESTIMATE \$		CONTRACT NUMBER	FUND		
ADJ. INCREASING ENCUMBRANCE \$		APPROPRIATION			
ADJ. DECREASING ENCUMBRANCE \$		ITEM VENDOR NUMBER			
UNENCUMBERED BALANCE \$		LINE ITEM ALLOTMENT	CHAPTER	STATUTE	FISCAL YEAR
T.B.A. NO.	B.R. NO.	INDEX	Funding Source		OBJ. EXPEND
I hereby certify upon my personal knowledge that budgeted funds are available for this encumbrance.					
SIGNATURE OF ACCOUNTING OFFICER			DATE		

I. RECITALS

This CONTRACT is entered into between the California Department of Parks and Recreation (hereinafter referred to as “GRANTOR,” “DEPARTMENT” or “STATE”) and [grantee name](hereinafter referred to as “GRANTEE”).

The DEPARTMENT hereby grants to GRANTEE a sum (also referred to as “GRANT MONIES”) not to exceed \$grant amount, subject to the terms and conditions of this AGREEMENT and the 2019/20 California State Budget, Chapter 23, statutes of 2019, Item number – 3790-101-0001(1) 2(x) (appropriation chapter and budget item number hereinafter referred to as “SPECIFIED GRANT”). These funds shall be used for completion of the GRANT SCOPE(S).

The Grant Performance Period is from July 1, 2019 to June 30, 2022.

II. GENERAL PROVISIONS

A. Definitions

As used in this CONTRACT, the following words shall have the following meanings:

1. The term “APPLICATION” means the individual project APPLICATION packet for a project pursuant to the enabling legislation and/or grant program PROCEDURAL GUIDE requirements.
2. The term “CONTRACT PERFORMANCE PERIOD” means the duration of time during which this CONTRACT is in effect.
3. The term “DEPARTMENT” or “STATE” means the California Department of Parks and Recreation.
4. The term “DEVELOPMENT” means capital improvements to real property by means of, but not limited to, construction, expansion, and/or renovation, of permanent or fixed features of the property.
5. The term “GRANTEE” means the party described as the GRANTEE in Section I of this AGREEMENT.
6. The term “GRANT PERFORMANCE PERIOD” means the period of time during which eligible costs may be incurred by the GRANTEE and paid for by the DEPARTMENT, as specified in the fully executed CONTRACT.
7. The term “GRANT PROJECT” means all real estate, leases, subleases, buildings, and other property acquired or developed with GRANT monies.

8. The term “GRANT SCOPE” means the items listed in the Project Scope/Cost Estimate Form found in each of the APPLICATIONS submitted pursuant to this grant.
9. The term “PROCEDURAL GUIDE” means the document identified as the “Procedural Guide for [GRANT PROJECT Name] Specified Grant.” The PROCEDURAL GUIDE provides the procedures and policies controlling the administration of the grant.

B. Project Execution

1. Subject to the availability of GRANT MONIES, the STATE hereby grants to the GRANTEE a sum of money not to exceed the amount stated in Section I of this CONTRACT, in consideration of, and on condition that, the sum be expended in carrying out the purposes as set forth in the scope described in the enabling legislation and referenced in the APPLICATION, Section I of this CONTRACT, and under the terms and conditions set forth in this CONTRACT.

The GRANTEE shall assume any obligation to furnish any additional funds that may be necessary to complete the GRANT SCOPE(S).

During the CONTRACT PERFORMANCE PERIOD, the GRANTEE agrees to submit any proposed change or alteration from the original GRANT SCOPE(S) in writing to the STATE for prior approval. This applies to any and all proposed changes that will occur after STATE has approved the APPLICATION. Changes in the GRANT SCOPE(S) must first be approved in writing by the STATE.

2. The GRANTEE shall complete the GRANT SCOPE(S) in accordance with the time of the Performance Period set forth in Section I of this CONTRACT, and under the terms and conditions of this CONTRACT.
3. The GRANTEE shall comply with the California Environmental Quality Act (Public Resources Code, Section 21000, et seq., Title 14, California Code of Regulations, Section 15000 et seq.).
4. The GRANTEE shall comply with all applicable current laws and regulations affecting DEVELOPMENT projects, including, but not limited to, legal requirements for construction contracts, building codes, health and safety codes, and laws and codes pertaining to individuals with disabilities, including but not limited to the Americans With Disabilities Act of 1990 (42 U.S.C. §12101 et seq.) and the California Unruh Act (California Civil Code §51 et seq.)

C. Project Costs

1. GRANTEE agrees to abide by the PROCEDURAL GUIDE.
2. GRANTEE acknowledges that STATE may make reasonable changes to its procedures as set forth in the PROCEDURAL GUIDE. If STATE makes any changes to its procedures and guidelines, STATE agrees to notify GRANTEE within a reasonable time.

D. Project Administration

1. If GRANT MONIES are advanced for DEVELOPMENT projects, the advanced funds shall be placed in an interest bearing account until expended. Interest earned on the advanced funds shall be used on the project as approved by the STATE. If grant monies are advanced and not expended, the unused portion of the grant and any interest earned shall be returned to the STATE within 60 days after project completion or end of the GRANT PERFORMANCE PERIOD, whichever is earlier.
2. During the GRANT PERFORMANCE PERIOD, the GRANTEE shall submit written project status reports within 30 calendar days after the STATE has made a specific request. All such project status reports shall be signed and certified as complete and accurate by the authorized representative of the GRANTEE. In any event, the GRANTEE shall provide the STATE a report showing total final project expenditures within 60 days of project completion or the end of the GRANT PERFORMANCE PERIOD, whichever is earlier. The GRANT PERFORMANCE PERIOD is identified in Section I of this CONTRACT.
3. The GRANTEE shall make property or facilities acquired and/or developed pursuant to this CONTRACT available for inspection upon request by the STATE.

E. Project Termination

1. Project Termination refers to the non-completion of a GRANT SCOPE. Any grant funds that have not been expended by the GRANTEE shall revert to the STATE.
2. The GRANTEE may unilaterally rescind this CONTRACT at any time prior to the commencement of the project. The commencement of the project means the date of the letter notifying GRANTEE of the award or when the funds are appropriated, whichever is later. After project commencement, this CONTRACT may be rescinded, modified or amended only by mutual CONTRACT in writing between the GRANTEE and the STATE, unless the provisions of this CONTRACT provide that mutual CONTRACT is not required.
3. Failure by the GRANTEE to comply with the terms of the (a) PROCEDURAL GUIDE, (b) this CONTRACT or any other grant contracts, specified or general, that GRANTEE has entered into with STATE or any other department, agency, commission or other subdivision of California State government, may be cause for suspension of all obligations of the STATE unless the STATE determines that such failure was due to no fault of the GRANTEE. In such case, STATE may reimburse GRANTEE for eligible costs properly incurred in performance of this CONTRACT despite non-performance of the GRANTEE. To qualify for such reimbursement, GRANTEE agrees to mitigate its losses to the best of its ability.
4. Any breach of any term, provision, obligation or requirement of this CONTRACT by the GRANTEE shall be a default of this CONTRACT. In the case of any default by GRANTEE, STATE shall be entitled to all remedies available under law and equity,

including but not limited to: a) Specific Performance; b) Return of all GRANT MONIES; c) Payment to the STATE of the fair market value of the project property or the actual sales price, whichever is higher; and d) Payment to the STATE of the costs of enforcement of this CONTRACT, including but not limited to court and arbitration costs, fees, expenses of litigation, and reasonable attorney fees.

5. The GRANTEE and the STATE agree that if the GRANT SCOPE includes DEVELOPMENT, final payment may not be made until the work described in the GRANT SCOPE is complete and the GRANT PROJECT is open to the public.

F. Budget Contingency Clause

If funding for any fiscal year is reduced or deleted by the budget act for purposes of this program, the STATE shall have the option to either cancel this CONTRACT with no liability occurring to the STATE, or offer a CONTRACT amendment to GRANTEE to reflect the reduced grant amount. This Paragraph shall not require the mutual CONTRACT as addressed in Paragraph E, subsection 2, of this CONTRACT

G. Hold Harmless

1. The GRANTEE shall waive all claims and recourse against the STATE including the right to contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to this CONTRACT except claims arising from the concurrent or sole negligence of the STATE, its officers, agents, and employees.
2. The GRANTEE shall indemnify, hold harmless and defend the STATE, its officers, agents and employees against any and all claims, demands, damages, costs, expenses or liability costs arising out of the ACQUISITION, DEVELOPMENT, construction, operation or maintenance of the property described as the project which claims, demands or causes of action arise under California Government Code Section 895.2 or otherwise except for liability arising out of the concurrent or sole negligence of the STATE, its officers, agents, or employees.
3. The GRANTEE agrees that in the event the STATE is named as codefendant under the provisions of California Government Code Section 895 et seq., the GRANTEE shall notify the STATE of such fact and shall represent the STATE in the legal action unless the STATE undertakes to represent itself as codefendant in such legal action in which event the GRANTEE agrees to pay the STATE's litigation costs, expenses, and reasonable attorney fees.
4. The GRANTEE and the STATE agree that in the event of judgment entered against the STATE and the GRANTEE because of the concurrent negligence of the STATE and the GRANTEE, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither party shall request a jury apportionment.

5. The GRANTEE shall indemnify, hold harmless and defend the STATE, its officers, agents and employees against any and all claims, demands, costs, expenses or liability costs arising out of legal actions pursuant to items to which the GRANTEE has certified. The GRANTEE acknowledges that it is solely responsible for compliance with items to which it has certified.

H. Financial Records

1. The GRANTEE shall maintain satisfactory financial accounts, documents, including loan documents, and all other records for the project and shall make them available to the STATE for auditing at reasonable times. The GRANTEE also agrees to retain such financial accounts, documents and records for five years following project termination or final payment.
2. The GRANTEE shall keep such records as the STATE shall prescribe, including records which fully disclose (a) the disposition of the proceeds of STATE funding assistance, (b) the total cost of the project in connection with such assistance that is given or used, (c) the amount, source and nature of that portion of the project cost supplied by other sources, and (d) any other such records that will facilitate an effective audit.
3. The GRANTEE agrees that the STATE shall have the right to inspect and make copies of any books, records or reports pertaining to this CONTRACT or matters related thereto during regular office hours. The GRANTEE shall maintain and make available for inspection by the STATE accurate records of all of its costs, disbursements and receipts with respect to its activities under this CONTRACT, and shall provide copies of all such records to STATE in its certified status reports upon request by the STATE. Such accounts, documents, and records shall be retained by the GRANTEE for at least five years following final payment.
4. The GRANTEE shall use a generally accepted accounting system.

I. Use of Facilities

1. The GRANTEE agrees that the GRANTEE shall operate and maintain, and retain full control of the property acquired or developed with the GRANT MONIES, for the duration of the CONTRACT PERFORMANCE PERIOD.
2. The GRANTEE agrees that, during the CONTRACT PERFORMANCE PERIOD, the GRANTEE shall use the property acquired or developed with grant funds under this CONTRACT only for the purposes of this grant and no other use, sale, assignment, transfer, mortgage, or other disposition or change of the control or use of the property or of any interest in the property to one not consistent with the grant purpose shall be permitted except as authorized by the DEPARTMENT and the property shall be replaced with property of equivalent value and usefulness as determined by the STATE.
3. The property acquired or developed may be transferred or assigned to another entity only if the successor entity assumes the obligations imposed under this CONTRACT and only with the prior approval of STATE.
4. Any real Property (including any portion of it or any interest in it, including any leases) may not be used as security or collateral for any debt, loan or mitigation, without the prior written approval of the STATE, provided that such approval shall not be unreasonably withheld as long as the purposes for which the grant was awarded are maintained. Any such permission that is granted does not make STATE a guarantor or a surety for any debt, loan or mitigation, nor does it waive STATE's rights to enforce performance under the CONTRACT.
5. All real property (including any portion or interest in it, including any leases), or rights thereto, acquired with GRANT MONIES shall be subject to an appropriate form of restrictive title, rights, or covenants approved by the STATE. If the project property is taken by use of eminent domain, GRANTEE shall reimburse STATE an amount at least equal to the amount of grant monies received from STATE or the pro-rated full market value of the real property, including improvements, at the time of sale, whichever is higher.
6. If eminent domain proceedings are initiated against GRANTEE, GRANTEE shall notify STATE within 10 days of receiving the complaint.

J. Nondiscrimination

1. The GRANTEE shall not discriminate against any person on the basis of sex, race, color, national origin, age, religion, ancestry, sexual orientation, or disability in the use of any property or facility developed pursuant to this CONTRACT.

2. The GRANTEE shall not discriminate against any person on the basis of residence except to the extent that reasonable differences in admission or other fees may be maintained on the basis of residence and pursuant to law.
3. All facilities shall be open to members of the public generally, except as noted under the special provisions of this project CONTRACT or under provisions of the enabling legislation and/or grant program.

K. Severability

If any provision of this CONTRACT or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of the CONTRACT which can be given effect without the invalid provision or application, and to this end the provisions of this CONTRACT are severable.

L. Liability

1. STATE assumes no responsibility for assuring the safety or standards of construction, site improvements or programs related to the GRANT SCOPE. The STATE'S rights under this CONTRACT to review, inspect and approve the GRANT SCOPE and any final plans of implementation shall not give rise to any warranty or representation that the GRANT SCOPE and any plans or improvements are free from hazards or defects.
2. GRANTEE shall ensure that any contractor hired has adequate liability insurance, performance bond, or other security necessary to protect the GRANTEE interest and the STATE's interest against poor workmanship, fraud, or other potential loss associated with the completion of the GRANT PROJECT.

M. Assignability

Without the written consent of the STATE, the GRANTEE'S interest in and control of any portion of the GRANT PROJECT and responsibilities under this CONTRACT shall not be assignable or transferable by the GRANTEE either in whole or in part.

N. Use of Grant Monies

GRANTEE shall not use any grant funds (including any portion thereof) for the purpose of making any leverage loan, pledge, promissory note or similar financial device or transaction, without: 1) the prior written approval of the STATE; and 2) any financial or legal interests created by any such leverage loan, pledge, promissory note or similar financial device or transaction in the project property shall be completely subordinated to this CONTRACT through a Subordination Agreement provided and approved by the STATE, signed by all parties involved in the transaction, and recorded in the County Records against the fee title of the project property.

O. Section Headings

The headings and captions of the various sections of this CONTRACT have been inserted only for the purpose of convenience and are not a part of this CONTRACT and shall not be deemed in any manner to modify, explain, or restrict any of the provisions of this CONTRACT

P. Waiver

Any failure by a party to enforce its rights under this CONTRACT, in the event of a breach or default, shall *not* be construed as a waiver of said rights; and the waiver of any breach or default under this CONTRACT shall *not* be construed as a waiver of any subsequent breach.

GRANTEE

By: _____
Signature of Authorized Representative

Title: _____

Date: _____

STATE OF CALIFORNIA
DEPARTMENT OF PARKS AND RECREATION

By: _____

Date: _____