



California Fair Political Practices Commission

October 5, 1988

Jack P. Stewart, President
Kern Economic Development Corporation
P.O. Bin 1312
Bakersfield, CA 93302

Re: Your Request for Advice
Our Advice File No. A-88-326

Dear Mr. Stewart:

We have received your letter requesting advice on the conflict of interest code provisions of the Political Reform Act.^{1/}

QUESTIONS

- 1) Is the Kern Economic Development Corporation required to adopt a conflict of interest code?
- 2) Are the directors or employees, including the private sector members, required to file statements of economic interests?

CONCLUSIONS

- 1) The Kern Economic Development Corporation is a governmental agency required to adopt a conflict of interest code under the provisions of the Political Reform Act.
- 2) The directors and employees, including the private sector members, are public officials of the Corporation and will be required to file the statements of economic interests.

^{1/} Government Code Sections 81000-91015. All statutory references are to the Government Code unless otherwise indicated. Commission regulations appear at 2 California Code of Regulations Section 18000, et seq. All references to regulations are to Title 2, Division 6 of the California Code of Regulations.

DISCUSSION

The Kern Economic Development Corporation was created under the Nonprofit Public Benefit Corporation Law of California for public purposes. Its basic function, as set out in its Articles of Incorporation are to attract new business and industry to the County of Kern; to retain existing business and industry; and to develop a skilled and experienced labor force and educational program to provide a source of talent for such industries. The Corporation enjoys tax exempt status under Internal Revenue Code Section 501(c)(3).

The formation of the Corporation originated in December of 1986 by a group of community and business leaders. Subsequent to that time the Corporation entered into a public-private cooperative agreement with the County of Kern, the City of Bakersfield and the Kern County Board of Trade. That agreement provides that the Board of Trade will provide to the Corporation office space, supplies, services, telephone use and data processing equipment and software. Payment of these services comes from the budget of the Board of Trade which is approved and allocated by Kern County. In addition to the above services, the County of Kern contributes \$35,000 annually to the Corporation and the City of Bakersfield contributes \$50,000 annually. The Corporation itself provides \$100,000 annually from private sources.

ANALYSIS

"Public official" is defined in Section 82048 as:

...every member, officer, employee or consultant of a state or local government agency...

"Local government agency" is in turn defined in Section 82041 as:

...a county, city or district of any kind including school district, or any other local or regional political subdivision, or any department, division, bureau, office, board, commission or other agency of the foregoing.

In determining whether a particular entity is a private entity or a local government agency, the Commission in its Siegel Opinion, stated that certain criteria should be considered. These criteria are:

- (1) Whether the impetus for formation of the corporation originated with a government agency;

(2) Whether it is substantially funded by, or its primary source of funds is, a government agency;

(3) Whether one of the principal purposes for which it is formed is to provide services or undertake obligations which public agencies are legally authorized to perform and which, in fact, they traditionally have performed; and

(4) Whether the corporation is treated as a public entity by other statutory provisions.

Impetus for Formation

The Kern Economic Development Corporation was originally created in December of 1986 by local business and community leaders. In March of 1987 the Corporation sought out financial support and joint cooperation from the County of Kern and the City of Bakersfield for further promotion of new business and industry. Although the formation of the Corporation originated with private business and community leaders, shortly after formation it sought out a joint venture relationship with local government agencies.

Funded by a Government Agency

While the Corporation is responsible for raising \$100,000 from private sources, it relies heavily on in-kind office support from the Board of Trade. The Board of Trade provides and maintains the Corporation's offices, furniture, telephones, data processing equipment and other basic office supplies and services. The County of Kern contributes approximately \$35,000 to the Corporation and the City of Bakersfield contributes \$50,000. The funding by the governmental agencies is an important source of revenues for the continuance of the Corporation.

Service Which Public Agencies Traditionally Perform

The promotion of business and industry to California communities is not a new or novel concept in government. The State of California through the World Trade Commission, the Department of Commerce and the Office of Economic Development all strive to encourage business and industry to utilize the resources of the State. Local government agencies also have in existence local economic development or opportunity councils. The Kern County Board of Trade conducts special projects, conferences and events to encourage business and industry development in the County.

Jack P. Stewart, President
October 5, 1988
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The Kern Economic Development Corporation is providing a function and service which is similarly provided by both local and state governments.

Treated as a Public Entity by Other Statutes

The Kern Economic Development Corporation was organized under Nonprofit Public Benefit Corporation Law of California for public purposes. It enjoys tax-exempt status under Internal Revenue Code Section 501(c)(3). In this respect, the Corporation is treated the same as other public entities.

An examination of the criteria set forth in Siegel leads to the conclusion that the Corporation is a public entity and therefore must be considered a "local government agency" within the meaning of the Political Reform Act. Members, officers, employees and consultants of the Corporation are "public officials."

A conflict of interest code must be promulgated by the Corporation which will specifically designate the positions within the Corporation which make or participate in the making of decisions.

A "designated employee" means any officer, employee, member or consultant of any agency whose position with the agency is designated in the conflict of interest code because the position entails the making or participation in the making of decisions which may foreseeably have a material financial effect on any financial interest (Section 82019.) Positions "designated" are not limited to those representatives from public members. All members are public officials and all persons in decision-making capacities should be covered by the code.

The code itself must be promulgated under procedures set out by the Kern County Board of Supervisors. The Board of Supervisors, as the code reviewing body for agencies within its jurisdiction, must approve the code for your agency. You should contact the Kern County Counsel for assistance in this regard. I have enclosed a copy of a conflict of interest code for an agency structured similar to yours.

Jack P. Stewart, President
October 5, 1988
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If I can be of any assistance to you, please feel free to call me at (916) 322-5901.

Sincerely,

Diane M. Griffiths
General Counsel



By: Jeanette E. Turvill
Political Reform Consultant
Legal Division

JET/jt

cc: Kern County Counsel



KERN ECONOMIC DEVELOPMENT CORP.

REC'D - C 3 31 PM '88

DIRECTORS

JERRY K. STANNERS
Chairman

JOHN BROCK, SR.
Treasurer

August 12, 1988

RAYBURN S. DEZEMBER
Secretary

ROY ASHBURN

Ms. Lilly Spitz,
Attorney

ANNA MARIE BERGENS

Fair Political Practices Commission

JAMES L. BURKE

42 "J" Street, Suite 800

JACK CONLEY

P.O. Box 807

PETER LACQUES

Sacramento, CA 95804

KEVIN McDERMOTT

Dear Ms. Spitz:

WILLIAM T. REEVE

Regarding our previous conversations, the Board of Directors of Kern Economic Development Corporation, a non-profit 501(C)(6) mutual benefit corporation, request a ruling by the Fair Political Practices Commission on the following issues:

JOHNNY THOMAS

1. Is the corporation required to promulgate a conflict of interest code; and
2. Are directors or employees required to file "Statements of Economic Interests" - Form 730.

For your information and review, I have enclosed the following documents:

1. Corporation Articles of Incorporation;
2. Corporation Bylaws; and
3. The Corporation's Public/Private Partnership Agreement with the County of Kern and City of Bakersfield, as amended July 19, 1988.

The Corporation's Board of Directors has five representatives from the public entities that as a requirement of each public agency complete the "Statement of Financial Interest." The private sector directors chosen from the private sector members question whether they are required to file a Form 730.

Ms. Lilly Spitz

August 12, 1988
Page Two

Thank you for your consideration of our requests. I look forward to the Commission's reply. If any additional information is required, please contact our office.

Sincerely,



Jack P. Stewart
President

JPS:spr
enclosures

cc: P.A. Lafranchise
D. Hardisty



KERN ECONOMIC DEVELOPMENT CORP

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DIRECTORS

JERRY K. STANNERS
Chairman

JOHN BROCK, SR.
Treasurer

RAYBURN S. DEZEMBER
Secretary

ROY ASHBURN

ANNA MARIE BERGENS

JAMES L. BURKE

JACK CONLEY

PETER LACQUES

KEVIN McDERMOTT

WILLIAM T. REEVE

JOHNNY THOMAS

August 12, 1988

Ms. Lilly Spitz,
Attorney
Fair Political Practices Commission
42 "J" Street, Suite 800
P.O. Box 807
Sacramento, CA 95804

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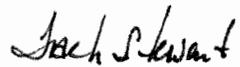
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Ms. Lilly Spitz

August 12, 1988
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Sincerely,



Jack P. Stewart
President

JPS:spr
enclosures

cc: P.A. Lafranchise
D. Hardisty



California Fair Political Practices Commission

August 19, 1988

Jack P. Stewart
Kern Economic Development
Corporation
P.O. Bin 1312
Bakersfield, CA 93302

Re: 88-326

Dear Mr. Stewart:

Your letter requesting advice under the Political Reform Act was received on August 19, 1988 by the Fair Political Practices Commission. If you have any questions about your advice request, you may contact Jeanette Turvill, in the Legal Division, directly at (916) 322-5901.

We try to answer all advice requests promptly. Therefore, unless your request poses particularly complex legal questions, or more information is needed, you should expect a response within 21 working days if your request seeks formal written advice. If more information is needed, we will contact you shortly to advise you as to the information needed. If your request is for informal assistance, we will answer it as quickly as we can. (See Commission Regulation 18329 (2 Cal. Code of Regs. Sec. 18329).)

You also should be aware that your letter and our response are public records which may be disclosed to the public upon receipt of a proper request for disclosure.

Very truly yours,

Katherine E. Griffiths
Diane M. Griffiths
General Counsel

DMG:plh

BYLAWS OF
KERN ECONOMIC DEVELOPMENT CORPORATION

ARTICLE I

NAME, OFFICE AND SEAL

Section 1. The name of the Corporation shall be Kern Economic Development Corporation (hereinafter referred to as "Corporation" or "KEDC").

Section 2. The principal office for the transaction of business of the Corporation is fixed and located in Kern County, California. The Board of Directors may at any time change the location of the principal office within Kern County.

Section 3. The corporate seal of the Corporation shall have inscribed thereon the name of the Corporation and the year of its incorporation.

ARTICLE II

PURPOSE AND OBJECTIVES

The Kern Economic Development Corporation is a non-profit, mutual benefit corporation organized for the purpose of attracting new business and industry to all cities and communities in Kern County, to retain existing industry and

businesses currently located in Kern County, to compile a comprehensive data base to be used in attracting and retaining industry and to support the development of a skilled and experienced labor force and educational programs to assure a source of talent for industry.

A. Corporation Activities and Duties. To accomplish its purposes, the Corporation shall:

1. Initiate and maintain an integrated development program for Kern County and its cities and communities, aimed at attracting new businesses to diversify Kern County's economic base through target marketing to prospective users;

2. Encourage and provide a supportive climate for economic growth and the conduct of business and industry by facilitating compliance with government regulations at all levels by streamlining procedures for permitting and other processes, where possible;

3. Actively seek out desirable businesses and industries looking to expand or relocate and assist them in locating into Kern County;

4. Make every effort to reach and to assist existing businesses and industries located within Kern County with their expansion plans;

5. Impartially serve all cities and communities within Kern County;

6. Maintain a solid and continuing base of support from the County and from all cities and communities within the County, the Board of Trade and other supporting agencies and organizations to maximize the Corporation's effectiveness;

7. Advocate and facilitate the cooperative efforts between the private and public sectors;

8. Promote and assist in the development of community support facilities which enhance the desirability of Kern County and its communities;

9. Make efficient and effective use of the resources supplied by the Board of Trade, the County and the cities and communities within the County;

10. Keep the Council informed of its activities;

11. Consider the recommendations of the Council;

12. Solicit funding from private sources in support of the Corporation and the Council and their activities.

ARTICLE III

MEMBERSHIP, VOTING AND DUES

Section 1. **Individual Members** - Any reputable person having an interest in Kern Economic Development Corporation objectives shall be eligible to apply for membership. Each regular member shall have one (1) vote and be eligible to become a member of the Board of Directors and an Officer of the Corporation.

Section 2. **Government Agency/Non-Profit Organization Members** - Any government agency or non-profit organization situated solely within Kern County and that has an interest in Kern Economic Development Corporation objectives shall be eligible to apply for membership. Such membership shall be in accordance with the provisions of the Public/Private Partnership Agreement for Economic Development in Kern County. Each government agency or non-profit organization member shall have one (1) vote. The agency or non-profit organization member must designate an individual to represent them. The representative may cast the vote for the agency or non-profit organization member and shall be eligible to become a member of the Board of Directors and an Officer of the Corporation.

Section 3. **Corporation Members** - Any for-profit corporation having an interest in Kern Economic Development Corporation objectives shall be eligible to apply for membership. Each corporation shall have one (1) vote. The corporation must designate an individual to represent them. The representative may cast the vote for the corporation and shall be eligible to become a member of the Board of Directors and an Officer of the Kern Economic Development Corporation.

Section 4. **Membership Application** - Applications for membership shall be reported to the Board of Directors. Qualifications for membership shall be determined by the Board of Directors.

Section 5. **Dues** - Member dues will be determined by the Board of Directors.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. **Management** - The business and affairs of this Corporation shall be managed by a Board of Directors of eleven (11) persons. Each Director shall be a member in good standing of the Corporation. The five (5) Directors representing the public sector may each have an authorized alternate who will act in place of the Director when the Director is absent. Each of

the Directors representing the private sector may vote by proxy in the event the private sector director is absent. The Board of Directors may appoint an Executive Committee to facilitate management of the Corporation.

Section 2. **Composition** - The governing board of this Corporation (the Board of Directors) shall be appointed in accordance with the provisions of the Public-Private Partnership Agreement for Economic Development in Kern County.

Section 3. **Term of Membership** - The term of membership for Directors representing the private sector shall be two (2) years. In order to achieve an orderly turnover of Directors, the Charter Directors will draw by lot for three (3) membership terms of two (2) years each and three (3) membership terms of three (3) years each. Upon the expiration of the membership terms of the Charter Directors, succeeding Directors will be elected to two (2) year terms by the then-remaining private sector members of the Board of Directors. No Director may serve more than two (2) full successive terms.

Section 4. **Vacancies** - Vacancies will be filled by the Board of Directors of the Corporation.

Section 5. **Attendance** - Absence from three (3) consecutive regular meetings of the Board by a Director or his alternate or his proxy, may be construed by the Board as a resignation from the Board; after two (2) consecutive absences, the Board of Directors is required to investigate the matter and to take action to either replace or retain the affected member at the time of the third meeting.

Section 6. **Election of Officers** - The Board of Directors shall elect a Chairman of the Board, a Secretary and a Treasurer, as officers of the Corporation. In addition to the powers and authorities expressly conferred upon them by these Bylaws, the Board may exercise all powers of the Corporation and do all such acts and things, as are not prohibited by statute or these Bylaws.

Section 7. **Meeting Notice** - Meetings of the Board of Directors may be held at such place as a majority of the Directors designate or as may be designated in the Notice calling the meeting. Meetings will be held at regular intervals as determined by the Board of Directors. Notice of regular meetings of the Board of Directors shall be given to each Director by mail. The mailing shall be at least thirty (30) days prior to the day named for such meeting.

Special meetings of the Board of Directors may be called by the Chairman, President or Secretary or, in like manner and on like notice, at the written request of at least six (6) Directors. Petitioned meetings can only be held after the expiration of seven (7) days after the presentation of the petition. The petition must state the subjects to be discussed and the meeting will be limited to those subjects.

Emergency meetings may be called by the Chairman or President upon 24-hours notice, with diligent efforts made to reach every Board member.

Section 8. **Waiver of Notice** - Either before or after any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver by him of notice of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. **Quorum** - At all meetings except emergency meetings of the Board of Directors, seven (7) Board members will constitute a quorum for the transaction of business, and the acts of the majority of the Directors present and voting at a meeting at which a quorum is present shall be the acts of the Board of

Directors. The quorum for emergency meetings will be six (6) Board members. At the beginning of any meeting of the Board of Directors, a quorum is needed to conduct business. Once a quorum has been constituted, it shall be assumed to remain until the meeting has been adjourned or the absence of a quorum has been questioned and been found to be in order. In either case, the meeting shall be adjourned and cannot be reconvened until the entire Board of Directors has been given proper notice as stated in these Bylaws.

Section 10. **Consent** - If all Directors shall severally or collectively consent in writing to any action to be taken by the Corporation, such action shall be as valid a corporate action as though it had been authorized at a meeting of the Board of Directors.

Section 11. **Annual Meeting** - An annual meeting will be held each year for the purpose of transacting such proper business as may come before the meeting.

ARTICLE V

OFFICERS

Section 1. **Number** - The executive officers of the Corporation shall be a Chairman, a Secretary and a Treasurer, all of which shall be elected by the Board of Directors. The

President shall be appointed by the Board of Directors.

Section 2. **Election** - The election of officers shall take place at the annual meeting of the Board of Directors immediately following the election of members of the Board of Directors.

Section 3. **Term and Removal** - The officers of the Corporation shall hold office for one year or until their respective successors are chosen and have qualified. Any officer elected by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the Corporation will be served thereby. If the office or any officer shall become vacant for any reason, the vacancy shall be filled by the Board of Directors.

Any agents and employees of the Corporation, other than officers elected by the Board of Directors, shall hold office or employment at the discretion of the Board of Directors.

ARTICLE VI

DUTIES OF OFFICERS

Section 1. - **Chairman of the Board** - The Chairman of the Board shall be the principal officer of the Board of Directors of the Corporation and shall in general supervise all of the

business and affairs of the Board of Directors. He shall preside at all meetings of the Board of Directors and in general will perform all duties incident to the office of Chairman and such other duties as may be prescribed by the Board of Directors from time to time. The Chairman of the Board will meet on a regular basis with the President of the Corporation, to provide ongoing assistance in the management and supervision of the activities of the Corporation.

Section 2. **President** - The President shall be the chief executive officer of the Corporation and shall have such powers and duties as may be designated by the Board. The President shall be responsible for the general and active management of the business of the Corporation. The President shall keep in close contact with the Chairman of the Board regarding the ongoing business and activities of the Corporation. The President shall be an ex-officio non-voting member of all committees.

Section 3. **Secretary** - The Secretary or a Board designee shall keep the minutes of all meetings, shall have custody of the Corporation's seal for affixing to documents requiring attestation and shall have charge of any books and papers as the Board of Directors may require, all of which shall be open to the examination of any Director upon reasonable notice. The

Secretary or a Board designee shall, in general, perform all duties incident to the office of Secretary and shall give notice as required of all meetings of the Board of Directors.

Section 4. **Treasurer** - The Treasurer or a Board designee shall have custody of the Corporation funds and securities, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all monies and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors or the Executive Committee.

ARTICLE VII

COMMITTEES

The Board of Directors may create an Executive Committee and any other committees to serve at the pleasure of the Board. Any such committee, to the extent provided by Board resolution creating such a committee, shall have the authority of the Board to the full extent allowed under Section 7212 of the California Corporations Code, except that no committee may:

1. Take any final action on a matter requiring approval of the members;

2. Fill vacancies on the Board or on any committee that has the authority of the Board;

3. Fix compensation for the Directors for serving on the Board or on any committee;

4. Create any other committees of the Board or appoint members of committees of the Board;

5. Approve any contract or transaction between the Corporation and one or more of the Directors or between the Corporation and an entity in which one or more of the Directors has a material financial interest, subject to Section 5322(d)(3) of the California Corporations Code.

The committees of the Board presently standing are:

Data Base Development
Education of Labor Force
Finance
New Business and Industry
Retention of Business and Industry

ARTICLE VIII

MISCELLANEOUS PROVISIONS

Section 1. **Checks and Notes** - All checks, drafts, trade acceptances and promissory notes of the Corporation shall be

signed by such officer(s) or employee(s) as the Board of Directors may designate.

Section 2. **Fiscal Year** - The fiscal year of the Corporation shall be June 30.

Section 3. **Deposits** - All funds of the Corporation not otherwise employed shall be deposited to the credit of the Corporation in such depositories as the Board or Executive Committee may designate. For the purpose of such deposit, any officer or employee, to whom such power has been delegated by the Board, may endorse, assign and deliver checks, drafts and other orders for the payment of money to the Corporation.

Section 4. **Acceptance of Gifts, Donations, etc.** - Any gift, donation, bequest or subscription to the corporation shall be reported to the Board of Directors.

Section 5. **Rules of Procedure** - All meetings of the Board and its Committees shall be governed by the current edition of Robert's Rules of Orders.

Section 6. **Books and Records** - The Corporation shall keep correct and complete books, records of account and minutes of the proceedings of its Board of Directors. At the principal office of the Corporation, a record shall be kept of the names

and addresses of the Board and of any Committee members. All books and records of the Corporation may be inspected by any Director or the Director's agent in a reasonable manner.

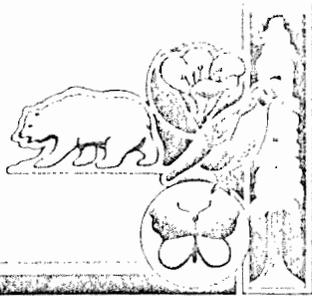
ARTICLE IX

AMENDMENTS

These Bylaws may be altered, amended or repealed at any regular or special meeting of the Board of Directors by the vote of a majority of the Directors, provided notice of the proposed change shall have been mailed to each Director not less than seven (7) days prior to such meeting.

KNOW ALL MEN BY THESE PRESENT: That the undersigned Secretary of Kern Economic Development Corporation does hereby certify that at a properly convened meeting of the Board of Directors held on the 4th day of August, 1988, the foregoing Bylaws were duly adopted by affirmative vote of the Directors then in office and that they constitute the official Bylaws of said Corporation.

Rayburn S. Dezember
Secretary



State
of
California

OFFICE OF THE SECRETARY OF STATE

CORPORATION DIVISION

I, *MARCH FONG EU*, Secretary of State of the State of California, hereby certify:

That the annexed transcript has been compared with the corporate record on file in this office, of which it purports to be a copy, and that same is full, true and correct.

IN WITNESS WHEREOF, I execute
this certificate and affix the Great
Seal of the State of California this

JAN 2 1987



March Fong Eu

Secretary of State

CERTIFICATE OF INCORPORATORS
RE AMENDMENT TO
ARTICLES OF INCORPORATION

WHEREAS, on March 12, 1987, William T. Balch and David B. Stanton, the incorporators, of GOLDEN EMPIRE ECONOMIC DEVELOPMENT CORPORATION, took action in their capacity as incorporators to amend the Articles of Incorporation of that entity.

NOW, THEREFORE, the incorporators hereby certify:

1. The signatories to the Amendment to Articles of Incorporation represent all of the incorporators of the agreement.

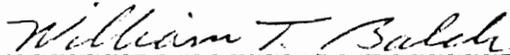
2. The Directors were not named in the original Articles of Incorporation and have not been elected.

3. The corporation has no members nor shares outstanding.

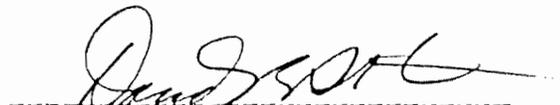
4. The undersigned incorporators adopt the Amendment, to wit, that (a) Article First shall be deleted in its entirety and substituted therefor shall be

Article First: The name of the corporation is:
KERN ECONOMIC DEVELOPMENT CORPORATION.

Dated: April 22, 1987



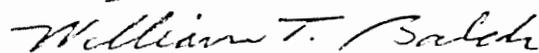
William T. Balch



David B. Stanton

VERIFICATION

Each of the undersigned declares under penalty of perjury that the matter set forth in the foregoing Certificate are true and correct of his own knowledge and that this Declaration was executed on April 22, 1987.



William T. Balch



David B. Stanton

ARTICLES OF INCORPORATION

OF

GOLDEN EMPIRE

ECONOMIC DEVELOPMENT CORPORATION

ENDORSED
FILED

In the office of the Secretary of State
of the State of California

DEC 24 1982

MARCH FONG EU, Secretary of State

1575751

The undersigned, desiring to form a corporation under the laws of the State of California, declares:

FIRST: The name of the corporation is:

GOLDEN EMPIRE ECONOMIC DEVELOPMENT CORPORATION

SECOND: This corporation is a non-profit, public benefit corporation and is not organized for the private gain of any person. It is organized under the Nonprofit Public Benefit Corporation Law of California for public purposes. The public purposes of the corporation are: to operate a non-profit organization to act as an outreach for attracting new business and industry to Kern County; to retain existing industry and businesses now located in Kern County; to obtain a comprehensive data base to be used in conjunction with the first two items above; and to develop a skilled and experienced labor force and to develop an educational program to assure a source of talent for such industries.

THIRD: Initial Agent for Service of Process: The name and address in this state of the corporation's initial agent for service of process is W. T. Balch, whose complete business address is: %Tenneco West, Inc., 10,000 Ming Avenue, Bakersfield, California, 93311.

FOURTH: Dedication and Dissolution:

(a) The property of this corporation is irrevocably dedicated to the aforesaid public purposes, and no part of the net income or assets of this organization shall ever inure to the benefit of any director, officer or member thereof, or to the benefit of any private persons.

(b) On the dissolution or winding up of the corporation, it's assets remaining after payment of, or provision for the payment of, all debts and liabilities of this corporation shall be distributed to a non-profit fund, foundation or corporation which is organized and operated exclusively for public purposes similar to those undertaken by this corporation, and operating for the benefit of the Kern County area, and which has established its tax-exempt status under Internal Revenue Code §501(c)(3).

(c) If this corporation holds any assets on trust, such assets shall be disposed of in such manner as may be directed by the decree of the Superior Court of the county in which the corporation has its principal office on petition therefor by the Attorney General, or by any person connected in the liquidation in a proceeding to which the Attorney General is a party.

FIFTH: Limitation on Corporate Activities. No substantial part of the activities of this corporation shall consist of the carrying on of propaganda or otherwise attempting to influence legislation, nor shall this corporation participate or intervene in any political campaign (including publishing or distribution of statements) on behalf of any candidate for public office.

SIXTH: Distribution of Income and Prohibited Activities: Notwithstanding any other provision in these Articles of Incorporation, the corporation shall be subject to the following limitations and restrictions:

(a) The corporation shall distribute its income for each taxable year at a time and in a manner that will not subject the corporation to the tax on undistributed income imposed by §4942 of the Internal Revenue Code of 1954.

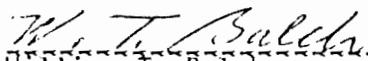
(b) The corporation shall not engage in any act of self-dealing as defined in §4941(d) of the Internal Revenue Code of 1954.

(c) The corporation shall not retain any excess business holdings as defined in §4943(c) of the Internal Revenue Code of 1954.

(d) The corporation shall not make any investments that will subject it to tax under §4944 of the Internal Revenue Code of 1954.

(e) The corporation shall not make any taxable expenditures as defined in §4045(d) of the Internal Revenue Code of 1954.

IN WITNESS WHEREOF, THE UNDERSIGNED, BEING THE INCORPORATORS OF THE GOLDEN EMPIRE ECONOMIC DEVELOPMENT CORPORATION, HAVE EXECUTED THESE ARTICLES OF INCORPORATION ON THE 17th DAY OF DECEMBER, 1986.



William T. Baich



David B. Stanton

ADMINISTRATION AND COURTS BUILDING
1415 Truxtun Avenue
Bakersfield, California 93301
Telephone (805) 861-2371

ADMINISTRATIVE OFFICE

COUNTY ADMINISTRATIVE OFFICER
Geary Taylor



RECEIVED
AUG 03 1988

CITY MANAGER'S OFFICE
July 20, 1988

Mr. Dale Hawley, Manager
City of Bakersfield
1501 Truxtun Avenue
Bakersfield, CA 93301

RE: PUBLIC-PRIVATE COOPERATIVE AGREEMENT FOR ECONOMIC
DEVELOPMENT IN KERN COUNTY

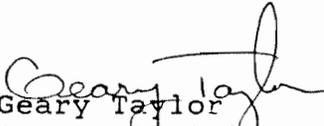
On July 19, 1988 the Board of Supervisors approved the attached amendments to the referenced agreement. It has also been approved by the Kern Economic Development Corporation (KEDC).

As the attached cover letter indicates, the primary change accomplished by this agreement is to shift more economic development responsibilities to the KEDC and away from the Board of Trade. The Assistant Board of Trade Manager position is eliminated and contract funds provided to KEDC to perform those services.

The City of Bakersfield is a participant in the agreement and your concurrence with the proposed amendments is requested. Once you approve the amended agreement, please sign all three copies of the enclosed document. Retain one copy for your files, and return two to this office.

Thank you for your cooperation in this matter. Should you or any of your staff have questions, please contact Joel Heinrichs, Director, Policy Analysis & Intergovernmental Relations.

Sincerely yours,


Geary Taylor
County Administrative Officer

GT/JH/ka/dhrob

ADMINISTRATIVE OFFICE

ADMINISTRATION AND COURTS BUILDING
1415 Truxtun Avenue
Bakersfield, California 93301
Telephone (805) 861-2371

COUNTY ADMINISTRATIVE OFFICER
Geary Taylor



July 19, 1988

Board of Supervisors
County of Kern
1415 Truxtun Avenue
Bakersfield, CA 93301

RE: PUBLIC-PRIVATE COOPERATIVE AGREEMENT FOR ECONOMIC
DEVELOPMENT IN KERN COUNTY

In response to the February 10, 1988 Report of the Kern County Board of Trade Ad Hoc Planning Committee, the Board of Supervisors directed to County Administrative Officer to enter into negotiations with the Kern Economic Development Corporation (KEDC). The intent of these negotiations was to restructure responsibilities as outlined in the Board of Trade report.

The specific request of the Board of Trade was as follows:

"Request the Kern County Board of Supervisors to direct the County Administrative Office to enter into negotiations with the Kern Economic Development Corporation to eliminate the Assistant Manager position. The services now performed by the Assistant Manager should be provided via a contractual arrangement."

The proposed agreement amendments accomplish this goal. The primary changes to the current agreement are highlighted below:

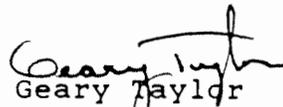
- Responsibility for organizing the annual Export Trade Seminar is shifted from the Board of Trade to KEDC.
- Responsibility for acting as the local liaison with the California Department of Commerce is shifted from the Board of Trade to KEDC.
- The Board of Trade responsibility for a specific list of special projects has been adjusted to increase Board of Trade flexibility. The Board is now required to accomplish projects "which may included, but are not limited to" the enumerated list.
- The Board of Trade will now provide three offices (rather than two) to the KEDC.
- The base level of fiscal support required for the Board of Trade is reduced to reflect the elimination of the Assistant Manager position.

- The requirement of additional, in-kind support for office supplies, utilities, telephones, and computer equipment and maintenance is reduced from \$30,000 to \$18,000 to reflect ongoing costs rather than initial purchase and installation costs.
- The County is required to pay \$35,000 to KEDC for the provision of specific services (some of which would have formerly been assigned to the Assistant Manager).
- Exhibit A, which describes the existing relationship between KEDC, Kern County Board of Supervisors, Board of Trade and Kern Economic Development Council, has been revised to better reflect actual relationships.

The combined impact of these changes, in addition to clarifying and streamlining the responsibilities of KEDC and the Board of Trade, will be an approximately \$20,000 reduction in Board of Trade costs for the support of KEDC.

Based on the previous action of the Board of Supervisors directing the Administrative Office to implement this restructuring, and the resulting savings to the Kern County Board of Trade, IT IS RECOMMENDED that the amended agreement be approved and forwarded to the City of Bakersfield for their concurrence. (The KEDC Board of Directors has already ratified the agreement).

Sincerely yours,



Geary Taylor
County Administrative Officer

GT/JH/ka/ppca

**PUBLIC-PRIVATE COOPERATIVE AGREEMENT
FOR ECONOMIC DEVELOPMENT IN KERN COUNTY**

THIS AGREEMENT, made and entered into on March 17, 1987, by and among the County of Kern, a political subdivision of the State of California (hereafter "County"), the Kern County Board of Trade, an agency of the County of Kern (hereafter "Board of Trade"), the City of Bakersfield, a municipal corporation organized and existing under the laws of the State of California (hereafter "City"), and the Kern Economic Development Corporation, a California non-profit public benefit corporation (hereafter "Corporation"),

W I T N E S S E T H :

WHEREAS, traditionally the health of Kern County's economy fluctuates with and directly reflects the strength of its two major industries, agriculture and oil; and

WHEREAS, the recent economic downturn experienced by those two major industries has devastated the personal lives of thousands of agriculture and oil workers and demonstrated a critical need to expand and diversify the County's economic base; and

WHEREAS, recognizing the need to aggressively seek out business and industry, on December 22, 1986, a group of community and business leaders formed the Kern Economic Development Corporation, a nonprofit public benefit corporation dedicated to attracting new industry to the County; and

WHEREAS, the Corporation has requested the County, the City and the Board of Trade support and cooperate with it in its efforts to seek out and locate new business in Kern County; and

WHEREAS, California Government Code Section 26100 authorizes the Board of Supervisors of the County to induce immigration to and increase the commerce

of Kern County, and to do so in cooperation with or jointly by contract with other agencies, associations or corporations; and

WHEREAS, on January 20, 1987, the Board of Supervisors of the County formally endorsed the concept of a joint public-private effort to attract new industry to Kern County; and

WHEREAS, the affordable land, manpower, exceptional educational institutions, and excellent rail and freeway transportation facilities available in Kern County, make it appropriate that the effort to attract new industries be undertaken at this time; and

WHEREAS, the County, the Board of Trade, the City and the Corporation desire to formalize their understanding of the contribution each party is to make and the activities each party is to undertake in this effort and to establish procedures that will insure countywide participation, cooperation and benefits in this effort;

NOW, THEREFORE, it is mutually agreed as follows:

1. STATEMENT OF PURPOSE

a. This agreement creates the Kern County Economic Development Council, a broad-based countywide agency comprised of representatives of the public and private sectors concerned with developing, diversifying and thereby strengthening the economy of Kern County; and charge that agency with the task of providing guidance to the separate and joint efforts of the Board of Trade and Corporation to attract to, and maintain industry in, Kern County.

(1) In particular, the Council shall advise, support and assist the Corporation in its undertaking of an aggressive outreach program and the Board of Trade in its promotional activities and special projects;

(2) The Council shall serve as an informational channel between and among the County, the City, the Board of Trade and the Corporation and the rural and urban communities and citizens of Kern County.

b. This agreement provides a structure, as depicted on the diagrams marked Exhibit "A" (current structure) and Exhibit "B" (intended future structure) attached hereto, and procedure that will enable government and private industry to coordinate their efforts and resources in promoting the economic diversification and development of Kern County.

c. This agreement also provides for the scheduled review of the working structure as it is the parties' intent that, as circumstances permit, the activities and personnel of the Board of Trade and the Corporation will be combined to effect cost savings and efficiency; and toward that end, on or before April 1, 1989 and at least annually thereafter, the parties shall formally consider modifying this agreement in an effort to move toward a public-private partnership structured in the manner depicted in Exhibit "B", attached hereto.

2. KERN COUNTY ECONOMIC DEVELOPMENT COUNCIL

There is hereby created the Kern County Economic Development Council ("Council").

a. Membership - The Council shall consist of:

- (1) Board of Directors of the Kern Economic Development Corporation,
- (2) Board of Directors of the Board of Trade,
- (3) The Chairman or a designated representative of the Board of Supervisors,
- (4) The Mayor of the City of Bakersfield,

(5) A representative of each incorporated city within Kern County to be designated by its city council,

(6) A representative of each Chamber of commerce within Kern County, to be designated by its Chamber; a current listing of the Chambers of Commerce and business, visitors and improvement associations is attached to this agreement, marked Exhibit "C" and incorporated herein by this reference,

(7) A representative of each business, visitors and improvement association within Kern County, to be designated by its governing board,

(8) A representative of each Local Development Corporation within Kern County, designated by its Board of Directors,

(9) A designated representative from each unincorporated community within Kern County to be appointed by Board of Supervisors when the Council determines that an area constitutes a "community",

(10) Such other representatives as the Council may, by majority vote, approve from time to time,

b. Duties - The Council shall:

(1) Provide recommendations to the Corporation and the Board of Trade on all matters pertaining to economic development and promotional activities,

(2) Review proposed and accomplished activities of the Corporation and the Board of Trade,

(3) Assess the performance of and evaluate the benefit, productivity and impact of the activities of the Corporation and the Board of Trade,

(4) Through its individual members, solicit the input and participation of local businesses,

(5) Assist the Corporation and the Board of Trade in identifying economic development opportunities and promotional strategies,

(6) Make recommendations regarding staffing, organization, and other business matters of the Corporation and the Board of Trade.

c. Procedures

(1) The entity, organization, or community appointing each Council member shall be responsible for all costs associated with its representative's participation in Council activities, i.e., travel, lodging, per diem, etc.

(2) The Council shall develop its own procedures for the conduct of its business.

(3) The President of the Corporation shall serve as secretary to the Council.

(4) The Chairperson of the Board of Directors of the Corporation shall serve as Chairman of the Council until such time as the Council determines otherwise.

(5) Each representative and its sponsoring agency may provide support to the Council, i.e., red carpet tours for potential businesses, funds, staff time, materials, supplies, accommodations, etc.

3. THE KERN ECONOMIC DEVELOPMENT CORPORATION

The Corporation is a nonprofit, public benefit corporation organized for the purpose of attracting new business and industry in Kern County, to retain existing industry and businesses currently located in Kern County, to compile a comprehensive data base to be used in attracting and retaining industry, and

to support the development of a skilled and experienced labor force and educational programs to assure a source of talent for industry.

a. **Activities and Duties.** To accomplish its purposes, Corporation shall:

(1) Initiate and maintain an integrated development program for Kern County, and its cities and communities aimed at attracting new businesses to diversify Kern County's economic base through target marketing to prospective users;

(2) Encourage and provide a supportive climate for economic growth and the conduct of business and industry by facilitating compliance with government regulations, at all levels by streamlining procedures for permitting and other processes, where possible;

(3) Actively seek out desirable businesses and industries looking to expand or relocate and assist them in locating in Kern County;

(4) Make every effort to reach and assist existing businesses and industries located within Kern County with their expansion plans;

(5) Impartially serve all communities within Kern County;

(6) Maintain a solid and continuing base of support from the County, the City, the Board of Trade and supporting agencies and organizations to maximize the Corporation's effectiveness;

(7) Advocate and facilitate the cooperative efforts between the private and public sectors;

(8) Promote and assist in the development of community support facilities which enhance the desirability of Kern County and its communities;

(9) Make efficient and effective use of the resources supplied by the Board of Trade, the County, and the City;

(10) Keep the Council informed of its activities;

(11) Consider the recommendations of the Council;

(12) Solicit funding from private sources in support of the Corporation and the Council and their activities.

(13) Develop statistical research, studies and reports regarding demographics, business and industry data and other data relevant to actual and potential economic development in Kern County.

(14) Act as liaison with the California Department of Commerce.

(15) Organize and manage special projects that promote the economic interests of Kern County, including but not limited to the Export Trade Seminar.

b. Board of Directors. The eleven member Board of Directors of the Corporation shall consist of:

(1) One member appointed by the Board of Supervisors of the County of Kern;

(2) One member appointed by the Board of Trade;

(3) One member appointed by the City Council of the City of Bakersfield;

(4) Two members appointed by the Kern County Association of Cities;

(5) Six members representing the private sector; the original incorporators shall select the initial six private sector members and their replacements shall be selected and appointed by the then remaining private sector members of the Board of Directors.

c. Annual Funding. The Corporation shall provide no less than \$100,000 annually from private sources to enable it to undertake its activities. On or before July 1, 1987 and every year thereafter on or before April 1, the Corporation shall furnish to all parties written evidence that such sum is or will be available prior to October 1 of the subsequent fiscal year for Corporation's use.

d. Personnel. The Corporation shall select and hire a President and his or her secretary who shall be full-time employees of the corporation. All wages and employee benefits of such employees shall be the full and exclusive liability of the Corporation, which shall comply with all laws and regulations governing their employment, including but not limited to, the provision of workers' compensation insurance.

(1) In addition to his or her duties to the Corporation, the President shall:

- (a) Serve as secretary to the Council,
- (b) Keep the Council informed on the Corporation's economic development activities,
- (c) Supervise his or her staff, ~~including those County employees specifically designated and charged with working under the supervision of the President.~~

(2) The President shall cooperate fully with the Manager of the Board of Trade in the use of manpower, equipment, and facilities located at 2101 Oak Street, Bakersfield, California, and in the time demands placed on the Board of Trade's employees supplying support services to the Corporation.

e. Office Furnishings. The Corporation shall provide all office furnishings for its President and his or her secretary and all other

Corporation employees. All such personal property shall be and remain the property of the Corporation.

f. Annual Budget and Program Activities. Annually on or before April 1, the Corporation shall prepare its budget and a program of activities to be undertaken in furtherance of its purposes and cooperative activities and submit the same to the County and the City for review and approval as to their respective contributions to the Corporation's activities.

g. Independent Contractor. In relation to all other parties to this agreement and in undertaking activities pursuant to this agreement, Corporation shall be an independent contractor and shall not be deemed the agent of the other parties.

4. BOARD OF TRADE

a. The Board of Trade shall undertake the following activities in support of the partnership mission:

(1) Organize and manage special projects and exhibits that promote the economic interest of Kern County, which may include but are not limited to, the annual Kern County Business Outlook Conference, annual Agricultural Tour, ~~Export Trade Seminar~~, biennial Kern Products Dinner for State Legislators in Sacramento, annual Outdoor Writers' Tour, and other meetings and events; exhibits and displays at the California State Fair, Los Angeles County Fair, Kern County Civic Center, Kern County Air Terminal, Buttonwillow and Interstate 5 rest areas; and act as liaison with the California Chamber of Commerce, ~~the California Department of Commerce~~, auto clubs and other regional public and private organizations in connection with the promotion and development of Kern County;

(2) Produce and publish promotional materials, brochures, pamphlets, newsletters, and other publications;

(3) Perform statistical research, studies and reports regarding demographics, business and industry data and other data relevant to its mission;

(4) Promote tourism and film-making in Kern County;

(5) Prepare and recommend contracts for funding Chambers of Commerce to the Board of Supervisors;

(6) Prepare resolutions and proclamations honoring or recognizing significant individuals, achievements and events as requested by the Board of Supervisors or other parties.

b. In direct support of the Corporation and its activities the Board of Trade shall supply the Corporation the following:

(1) Access to all of its reports, studies, information and data relating to demographics, business, industry, sales and property and other data helpful to Corporation;

(2) Reasonable assistance in developing the statistical information needed by the Corporation to perform its activities (all information developed by the partnership shall be public information);

~~(3) Referral of information from the California Department of Commerce relating to potential opportunities to attract business and industry to Kern County;~~

3 ~~(4)~~ Office space for use of the Corporation at the Board of Trade facility located at 2101 Oak Street, Bakersfield, California;

(a) Consisting of ~~two~~ three offices for the exclusive use of the Corporation;

- (b) The joint use of reception and meeting areas;
- (c) All remodeling costs (estimated to be \$7,600) to be paid by Corporation;
- (d) All improvements made and affixed to the premises shall become the property of the County;
- (e) All office space provided by the Board of Trade to the Corporation shall be maintained by the Board of Trade including janitorial services, maintenance, and utilities provided the annual cost of such items does not exceed \$3,000;

4 (5) Office supplies and services, including duplicating, mailing (postage), telephone, equipment rental, publications, maps, and brochures at a cost not to exceed \$12,700 annually;

5 (6) All data processing equipment, consisting of two personal computers, one printer and the necessary software, ~~and maintenance of such equipment at a cost not to exceed \$9,684 for the 1987-88 fiscal year~~ provided by the County to the Corporation shall be maintained by the Board of Trade at a cost not to exceed \$2,300 annually;

~~(7) The part time services of the current Assistant Manager of the Board of Trade. It is estimated that the Assistant Manager will devote 80% of her time to the Corporation's activities. While performing work for the Corporation, the Assistant Manager shall be under the immediate supervision of the President of the Corporation but shall remain an employee of the County, and all wages and employee benefits shall be paid in full by the County from its annual contribution. The County shall pay the travel expenses of the Assistant Manager while on the Corporation's business provided such expenses do not exceed \$3,000 annually.~~

~~c. With the exception of time devoted by the Assistant Manager of the Board of Trade to the Corporation's activities, no other County employee shall be assigned to work directly for the Corporation, but the entire staff of the Board of Trade shall cooperate with the President of the Corporation and be available to support and assist the Corporation in its marketing and outreach efforts with the full resources of the Board of Trade.~~

c d. The Board of Directors, the Manager and all employees of the Board of Trade shall cooperate fully with the President of the Corporation.

5. COUNTY SUPPORT

The County shall continue to approve the annual budget and fund the Board of Trade at no less than ~~its current (1986-87) level~~ \$288,455 throughout the term of this agreement. In addition for the 1987-88 1988-89 fiscal year, the County shall provide funds to the Board of Trade in its budget in an amount not to exceed ~~\$30,000~~ \$18,000 to permit the Board of Trade to provide the Corporation the services and support described in paragraphs ~~4~~ 3, 4, & 5 above and for which costs are estimated therein. These additional funds shall be reviewed annually by the County to determine if and to what extent their continuation is needed for subsequent fiscal years. Any further or additional contributions to Corporation's activities shall be subject to approval of the Board of Supervisors of County.

The County shall also provide \$35,000 annually to the Corporation for the provision of specific services. These services shall include all of the activities listed below. For each service, a product will be produced and provided to the Board of Trade Manager as indicated.

<u>ACTIVITY</u>	<u>PRODUCT</u>
1. <u>Provide technical assistance and coordination of industrial development projects.</u>	<u>Quarterly Report</u>
2. <u>Provide information and update of Countywide data base in association with Business Research Institute, Cal State University, Bakersfield.</u>	<u>Monthly Report</u>
3. <u>Formulate and implement a Countywide marketing program to meet the goals of the Agreement.</u>	<u>Quarterly Report</u>
4. <u>Review proposed County Economic Development Strategies for recommendations of an implementation plan.</u>	<u>Report by 12/31/88</u>
5. <u>Sponsor a series of Workshops/ Seminars regarding Export Trade, Finance, Agri-Business and the Data Base.</u>	<u>Quarterly Report</u>

This provision of the Agreement shall be reviewed annually by the County. If the Corporation fails to adequately perform these services, this provision may be voided with 30 days notice by the County to all other parties listed in Section 19: Notices.

6. CITY SUPPORT

The City shall provide the Corporation \$50,000 annually; such sum shall be deposited with Corporation on or before October 1, 1987 and on or before October 1 each year thereafter throughout the term of this agreement. Any further or additional support from the City shall be subject to approval of the City Council of City.

7. TERM

a. This Agreement shall remain in full force and effect through June 30, 1992, and may be renewed for additional five year terms if the parties so agree.

b. At the end of the term of this agreement, if not renewed or otherwise expended, or upon termination of county's participation in this agreement, if County so requests, the Corporation shall abandon the premises at 2101 Oak Street, Bakersfield, California, and return all equipment and supplies to the party that contributed the item.

c. This Agreement is intended as a first step toward an effective and continuing public-private partnership.

d. The parties shall review annually on or before April 1 the results of the efforts undertaken pursuant to this agreement and determine whether it is feasible and beneficial to consolidate further the promotional and economic development activities performed by the Board of Trade and the Corporation respectively. Such annual review may include an examination of changing circumstances, needs and opportunities and at that time the parties may modify the terms of this agreement. Each party reserves the right to terminate its participation in this Agreement for any subsequent fiscal year by delivering written notice thereof to all parties on or before May 15.

8. PARTIES' LIABILITY

Each party shall be liable only for its own debts, liabilities, and obligations. No part shall be liable in any way for the debts, liabilities, and obligations of any other party. County shall be liable only for its own employees, ~~including the Assistant Manager,~~ and damages arising from their acts. City shall be liable only for its employees and damages arising from their acts. Corporation shall be liable for its own employees and damages arising from their acts.

Except as explicitly provided for by this agreement, no debt, liability, or obligation of any one party to this agreement shall constitute the debt, liability or obligation of any of the other parties to this agreement.

Each of the parties to this agreement shall indemnify and hold harmless the other parties to this agreement for any damages, costs, or liabilities arising out of the acts or omissions of its own officers, agents, and employees.

9. INSURANCE

The Corporation shall, at Corporation's expense, maintain in effect at all times during the performance of activities hereunder automobile insurance on any automobile of Corporation or its personnel used hereunder at least at the level required by California State law and name the County and City as additionally-named insureds.

10. MERGER AND MODIFICATIONS

This agreement sets forth the entire understanding between the parties and supersedes all other oral or written provisions.

11. ASSIGNMENT

The rights and duties described herein shall not be assigned without the prior written consent of the parties hereto.

12. PLEDGE OF COOPERATION

Each of the parties hereto pledges its cooperation to the other parties hereto in the accomplishment of the purposes of this agreement.

13. SEVERABILITY

Should any part, term, portion, or provision of this agreement be finally decided to be in conflict with any law of the United States or of the State of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the parties intended to enter into in the first instance.

14. EFFECTIVE DATE OF AGREEMENT

This agreement shall be effective commencing with the day and year first written above.

15. WAIVER OF DEFAULT

The failure of any party to enforce against another a provision of this Agreement shall not constitute a waiver of that party's right to enforce such a provision at a later time and shall not serve to vary the terms of this Agreement.

16. FORUM

Any lawsuit pertaining to any matter arising under or growing out of this contract shall be instituted in Kern County, California.

17. TIME

Time is of the essence in this Agreement.

18. HEADINGS

All paragraph or section captions are for reference only and shall not be considered in construing this Agreement.

19. NOTICES

All notices relative to this Agreement shall be given in writing and shall be sent by certified or registered mail and be effective upon depositing in the United States mail. The parties shall be addressed as follows, or at any other address designed by notice:

County Administrative Officer
County of Kern
1415 Truxtun Avenue, Room 704
Bakersfield, California 93301

Manager
Kern County Board of Trade
2101 Oak Street
Bakersfield, California 93301

Manager
City of Bakersfield
City Hall
1501 Truxtun Avenue
Bakersfield, California 93301

Mr. Jack Stewart, President
Kern Economic Development Corporation
P. O. Box 1312
Bakersfield, California 93302

20. BINDING EFFECT

The rights and obligations of this agreement shall inure to the benefit of, and be binding upon, the parties to the contract and their heirs, administrators, executors, personal representatives, successors and assigns.

21. CORPORATE AUTHORITY

Each individual executing this Agreement represents and warrants that they are duly authorized to execute and deliver this agreement on behalf of the entity he or she represents and that this Agreement is binding upon said entity in accordance with its terms.

22. EQUAL EMPLOYMENT PROVISIONS

During the term of this Agreement, the Corporation shall not discriminate against any employee or applicant for employment because of race, creed, color, sex, or national origin. The Corporation will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, sex, or national origin.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective authorized officers and agents.

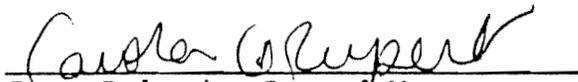
COUNTY OF KERN

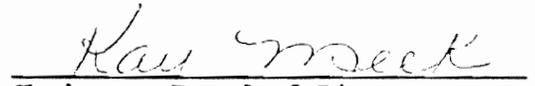

Chairman, Board of Supervisors

"County"

Recommended and Approved
Board of Trade

KERN COUNTY BOARD OF TRADE

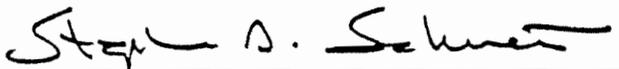

James Radounis, General Manager


Chairman, Board of Directors

"Board of Trade"

Approved as to Form
Office of County Counsel

CITY OF BAKERSFIELD


B. G. Barmann, County Counsel

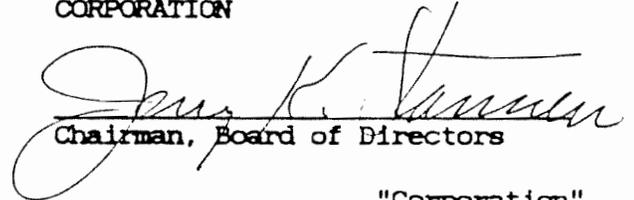
Mayor

"City"

Approved as to Form

KERN ECONOMIC DEVELOPMENT
CORPORATION

R. J. Oberhelzer, City Attorney


Chairman, Board of Directors

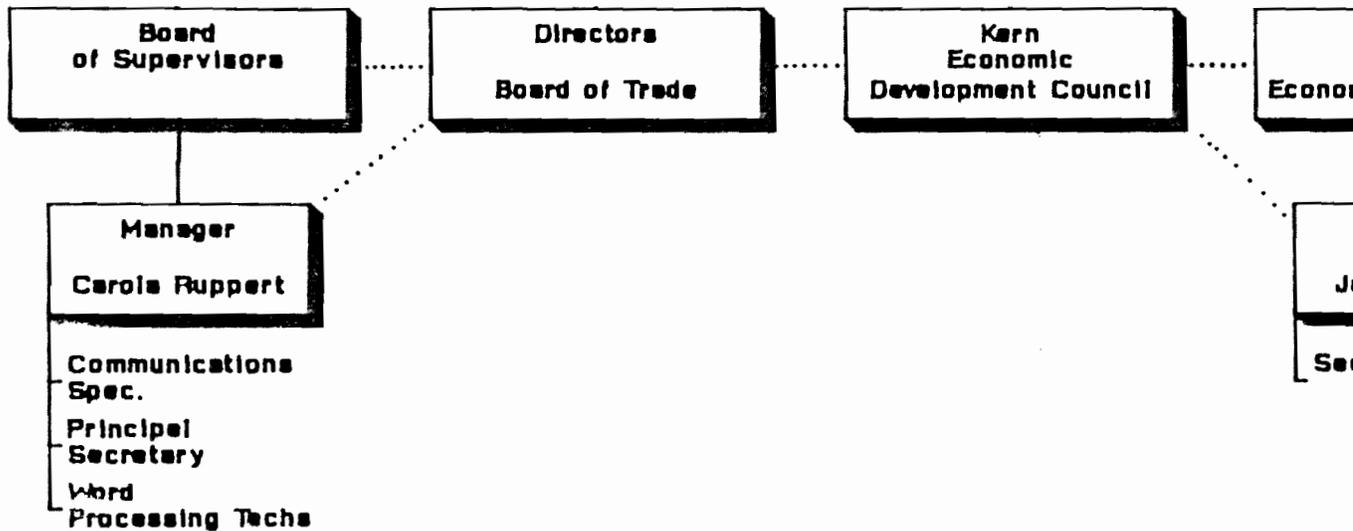
"Corporation"

Approved
City of Bakersfield

Finance Director

kedc.amt

Public / Private Partnership Board of Trade/Kern Economic Devel. Corp



Revised July 1988

KERN COUNTY ECONOMIC DEVELOPMENT COUNCIL

KERN ECONOMIC DEVELOPMENT CORP.

PRESIDENT

Functions as defined in Paragraph 4

Functions as defined in Paragraph 3

- Corporation's Directors
- Board of Trade's Directors
- Representative of Board of Supervisors
- Mayor, City of Bakersfield
- Representative of each city council
- Representative of each chamber of commerce
- Representative of each local development corp.
- Representatives from unincorporated communities