

AGREEMENT BETWEEN  
THE GULF COAST ECONOMIC DEVELOPMENT DISTRICT AND HOUSTON-GALVESTON AREA LOCAL  
DEVELOPMENT CORPORATION

This Agreement is entered into by and between the Gulf Coast Economic Development District ("District") and the Houston-Galveston Area Local Development Corporation ("Corporation") (collectively referred to as the "Parties"), effective as of June 1, 2025.

RECITALS

WHEREAS, the District was established to promote economic growth in the Gulf Coast region of Texas and to guide and support the region's economic development objectives;

WHEREAS, the District is authorized under 13 CFR Part 304 by the U.S. Department of Commerce's Economic Development Administration (EDA);

WHEREAS, the District engages in a full range of economic development activities, as listed in its EDA-approved Comprehensive Economic Development Strategy (CEDS), including:

1. Coordinating and implementing economic development initiatives;
2. Conducting research, planning, implementation, and advisory functions identified in the CEDS; and
3. Collaborating with local, state, federal, and private organizations in support of the CEDS;

WHEREAS, the District may contract for services to accomplish these activities;

WHEREAS, the EDA has awarded Economic Adjustment Assistance grants to the District, including funding to establish and manage Revolving Loan Funds (RLFs) to support business lending, public infrastructure, and other authorized lending activities;

WHEREAS, the District intends to leverage its experience in loan program administration to attract additional lending opportunities;

WHEREAS, the Corporation is a Certified Development Company (CDC) authorized by the U.S. Small Business Administration (SBA) to originate and service SBA 504 loans and administer other loan programs, including RLFs;

WHEREAS, the Corporation possesses the staffing and infrastructure necessary to perform loan origination, servicing, marketing, and administrative functions;

WHEREAS, the District desires to enter into this Agreement to formally contract with the Corporation for the provision of such services;

WHEREAS, both the District and the Corporation operate under the umbrella of the Houston-Galveston Area Council (H-GAC), which employs the staff assigned to both entities;

WHEREAS, the leadership team for the District (e.g., Director, Executive Director) also serves in equivalent leadership roles for the Corporation;

NOW, THEREFORE, in consideration of the mutual covenants and conditions herein, the Parties agree as follows:

#### TERMS AND CONDITIONS

1. **Program Funding and Oversight**  
The District shall continue to apply for and administer EDA and other funding to establish and manage Revolving Loan Funds and related programs supporting small businesses and infrastructure projects.
2. **Administrative and Operational Support**  
The Corporation shall provide staff and operational support for the District's loan programs, including marketing, loan review, loan packaging, closing, servicing, compliance reporting, and other duties necessary to maintain effective and compliant loan programs.
3. **Corporation Governance**  
The Corporation's affairs shall be managed by its independent Board of Directors, which retains sole responsibility for loan approvals, portfolio oversight, and the adoption of policies and procedures.
4. **Staffing**  
H-GAC shall employ a full-time Manager responsible for overseeing the day-to-day operations of the Corporation and providing support to both the Corporation and the District.
5. **Manager Responsibilities - Corporation**  
The Manager, in consultation with the Corporation's President, shall:
  - a. Develop meeting agendas and facilitate corporate actions by the Corporation's Board;
  - b. Ensure compliance with all applicable SBA and other funding entity regulations;
  - c. Advise the Board on matters of compliance and place necessary recommendations before the Board.
6. **Manager Responsibilities - District**  
The Manager, in consultation with the District's President, shall:
  - a. Develop meeting agendas and facilitate actions by the District's Board;
  - b. Provide regular updates on RLF portfolio performance;
  - c. Advise the Board on matters of compliance and place necessary recommendations before the Board.

7. Independence of the Corporation

The Corporation's Board retains ultimate responsibility for all loan approvals and servicing actions. These responsibilities must be carried out independently of any contractors.

8. Third-Party Contracting

The Corporation may engage third-party providers for loan generation, packaging, legal, and other professional services as necessary.

9. Termination

Either party may terminate this Agreement with sixty (60) days written notice.

10. Confidentiality

- a. All records, documents, financial information, correspondence, credit memoranda, loan authorizations, and other materials ("Records") accessed or reviewed in connection with this Agreement shall be treated as confidential.
- b. Parties agree that Records may only be used for purposes related to the functions and duties set forth in this Agreement and their association with the District and Corporation's lending programs.
- c. Parties shall not disclose or misuse any Records, including names of program participants, trade secrets, vendor information, financial data, or personally identifiable information.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their duly authorized representatives:

Approved

**Gulf Coast Economic Development District**

By: \_\_\_\_\_

Name: Mike Rozell

Title: Board President

Date: \_\_\_\_\_

Approved

**Houston-Galveston Area Local Development Corporation**

By: \_\_\_\_\_

Name: Salim Nathani

Title: Board President

Date: \_\_\_\_\_