



Sierra Economic Development Corporation

Serving El Dorado, Lassen, Modoc, Nevada, Placer, Plumas, Sacramento, Sierra and Yolo Counties

May 6, 2015

Pamela Knorr CAO
El Dorado County
330 Fair Lane Court
Placerville, CA 95667

Dear Pamela:

At the April 1, 2015 SEDCorp and SPO meetings, the Board of Directors approved maintaining all member annual contribution for 2015/2016 at the same 2014/2015 levels. As a result, El Dorado County's proposed annual contribution is \$7,572.00.

Enclosed is an invoice and information pertaining to El Dorado County's yearly contribution to the Sierra Economic Development Corporation (SEDCorp) and Sierra Planning Organization (SPO).

Please forward your contribution prior to the beginning of SEDCorp's FY15/16 on October 1, 2015.

Included for backup purposes are the following:

- ✓ Rationale for Member Contribution Calculation
- ✓ Invoice for FY15/16
- ✓ Scope of Work for the 2015 EDA Planning Grant
- ✓ Fiscal Year 2014 Audit

Thank you very much for your continued county and region-wide partnership.

Sincerely,

A handwritten signature in black ink, appearing to read "Randy Wagner", is written over a horizontal line.

Randy Wagner
Chief Executive Officer
530.635.2115

cc: Sue Hennike, El Dorado County Purchasing

Attachments




Sierra Economic Development Corporation
Serving El Dorado, Sierra, Nevada, Placer, Plumas, Lassen and Modoc Counties

Invoice

| Bill To |
|--|
| El Dorado County Sue Hennike El Dorado County Purchasing 330 Fair Lane Placerville, CA 95667 |

| Date | Invoice # |
|----------|-----------|
| 4/1/2015 | 2015-2016 |

| Terms | Project |
|----------------|-----------------------------------|
| Due on receipt | El Dorado County (SEDCorp Member) |

| Description | Amount |
|---|-------------------------|
| SEDCorp Member Contributions for Fiscal Year 2015-2016 | 7,572.00 |
| Randy S. Wagner, Chief Executive Officer  | Total \$7,572.00 |

Sierra Economic Development Corporation (SEDCorp) Rationale for Member Contribution Calculation

(Approved by the SPO Board by Resolution 12-04-P on May 2, 2012)

| | | | | | | |
|-----------------------------|------------|--|--------------|----------------|--------------|----------|
| Matching funds requirement: | \$ 52,889 | minus contributions from utilities, etc. = | | \$42,889 | | |
| | | Proportionate | | Revised | | |
| Counties | Population | % of total | Contribution | % of remainder | Contribution | |
| Alpine | 1,262 | 0.001723 | \$ 73.89 | \$500 | | |
| El Dorado | 138,998 | 0.189752 | \$ 8,138.28 | 0.197241978 | \$7,572 | |
| Placer | 104,689 | 0.142915 | \$ 6,129.50 | 0.148556565 | \$5,703 | |
| Nevada | 67,242 | 0.091795 | \$ 3,936.99 | 0.095418244 | \$3,663 | |
| Sierra | 2,650 | 0.003618 | \$ 155.16 | \$500 | | |
| Plumas | 19,061 | 0.026021 | \$ 1,116.01 | 0.027048082 | \$1,038 | |
| Lassen | 17,131 | 0.023386 | \$ 1,003.01 | 0.024309359 | \$933 | |
| Modoc | 6,862 | 0.009368 | \$ 401.77 | \$500 | | |
| Cities | | | | | | |
| Citrus Heights | 83,301 | 0.113718 | \$ 4,877.24 | 0.118206406 | \$4,538 | |
| South Lake Tahoe | 24,059 | 0.032844 | \$ 1,408.65 | 0.034140382 | \$1,311 | |
| Placerville | 10,350 | 0.014129 | \$ 605.99 | 0.014686934 | \$564 | |
| Roseville | 102,191 | 0.139505 | \$ 5,983.24 | 0.145011835 | \$5,567 | |
| Rocklin | 50,494 | 0.068932 | \$ 2,956.40 | 0.071652372 | \$2,751 | |
| Lincoln | 27,356 | 0.037345 | \$ 1,601.68 | 0.038818915 | \$1,490 | |
| Loomis | 6,274 | 0.008565 | \$ 367.34 | \$500 | | |
| Auburn | 12,849 | 0.017541 | \$ 752.30 | 0.018233084 | \$700 | |
| Colfax | 1,822 | 0.002487 | \$ 106.68 | \$500 | | |
| Grass Valley | 13,006 | 0.017755 | \$ 761.50 | 0.018455871 | \$709 | |
| Nevada City | 3,050 | 0.004164 | \$ 178.58 | \$500 | | |
| Truckee | 15,657 | 0.021374 | \$ 916.71 | 0.022217713 | \$853 | |
| Loyalton | 888 | 0.001212 | \$ 51.99 | \$500 | | |
| Portola | 2,170 | 0.002962 | \$ 127.05 | \$500 | | |
| Susanville | 18,324 | 0.025015 | \$ 1,072.86 | 0.026002259 | \$998 | |
| Alturas | 2,838 | 0.003874 | \$ 166.16 | \$500 | | |
| total | 732,524 | 1 | \$ 42,889.00 | \$4,500 | 1.00 | \$38,389 |

remainder \$38,389
remainder pop. 704,708

| | | | |
|--|--------|---------------------------------|-----------|
| | number | rate | total |
| Utilities | 16 | \$ 500 | \$ 8,000 |
| Banks/Fin | 4 | \$ 500 | \$ 2,000 |
| | | | \$ 10,000 |
| Rural/Ag/Spec. Dist/Forestry Chambers Businesses | | non-paying non-paying tbd | \$ - |

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SEDCorp PROPOSED 2015/16 EDA SCOPE OF WORK

At present, there are five key opportunities to enhance the overall region-wide four predominately rural county Sierra Economic Development Corporation (SEDCorp) Economic Development District (EDD). These counties include El Dorado, Nevada, Placer and Sierra. The **five top priorities** are as follows.

1. The continued development and operationalization of the **California Finance Consortium (CFC)** with consists of four Northern California US EDA approved Economic Development Districts, and another non-profit small business lending organization based in Humboldt County. The aim of this consortium is to collectively attract and help infuse much needed capital into twenty-two Northern California counties in need of economic development assistance. These counties are within a "foot print" which starts in Sacramento and Yolo County and expands north to the Oregon border, west to the Pacific Coast and East to the Nevada border. These entities which strategically partner with private sector commercial banking institutions, credit unions and investors along with the US Department of Agriculture and Small Business Administration are uniquely positioned to make available much needed low cost capital to help incubate business, support start-ups and grow early stage businesses. All of these organization partner well, are collaborative and support a strategic symbiotic relationship with banks whereby we receive referrals, help establish and grow business to the extent we can financially and we offer the client back to the originating bank when their financial needs exceed our individual and/or collective financial means. Over the next several years, this organization expects to become operational, attract significant funding from strategic partners and deploy millions of dollars in valuable lending capital. SEDCorp's jurisdiction within the larger consortium foot print is pivotal as it houses the largest population centers with the current highest number of small businesses.
2. The second highest region-wide economic development priority is the continued permeation of high speed Internet/Broadband service throughout our mostly rural counties. Broadband the modern version of our telecommunication infrastructure is absolutely key to the continued development of the region's economic prosperity as it is one of the critical "life-lines" which allows for both community and economic development. Without minimum standard services counties will not be able to attract, retain and recruit target businesses. Additionally, they will not be able to support a mobile work force, a work from home business climate and models nor the continued attraction of Base business which drive the importation of new money to the county. The California Advanced Services Fund (CASF) currently managed by the California Public Utilities Commission, is funding an effort to support a state-wide consortium effort. SEDCorp manages one of 15 consortiums. Our **Gold Country Broadband Consortium (GCBC)** overlays with our EDD plus includes eastern Alpine County. Funding for GCBC has been extended through calendar 2015. Legislation to continue funding the consortium efforts to identify unserved, underserved and communities which need to increase their Internet "adoption rate" has expired, and there is a movement to officially extend it so that the good work that all consortiums are doing can continue for another couple years. SEDCorp's goal for the district is to continue to leverage these funds, legislation and other sources perhaps from the Federal Communications

Commission (FCC) to identify and help implement services which will make a 'real difference, right now" and into the future.

3. **Small Business Development** which consists of the incubation, growth, expansion, retention and recruitment of target Base business with the propensity for creating higher wage/salary jobs is again another key regional strategy. This strategy, however, does not benefit from the luxury of a well-structured and funded business approach similar to the Broadband effort. Within our greater Sacramento region and our JPA district there are counties numbers of public, private and non-profit entities which aim to assist counties and cities with their small business development plans. In some cases there are overlapping services and in others significant gaps. In every case that this SEDCorp CEO has witness there is a serious lack of a community-wide and regional strategic partnership approach to creating a compelling Small Business Development "ecosystem" which connects entrepreneur and small business owner basic and advanced business education, advice, counsel, mentoring, access to capital and ultimately easy access to appropriate local workforce resources and development capabilities. Entities within this spectrum typically operate independently, and often times they seek to control all aspects from "A-Z" even though they lack the financial resources and core competencies to deliver quality sustainable needed services. A community/regional strategic partnership approach to "connecting-the-dots" within this spectrum of base services, and to both operate and market this value delivery system as a local small business growth ecosystem is a significant opportunity which SEDCorp is strategically positioned well to influence, develop and implement over the next several years.
4. US EDA EDD legacy points to decades of successful local community partnership and collaboration to identify, research, assess, plan and financially support the development of critical local **Infrastructure**. Decades ago our successes related to streets, sewers, transportation, water, electricity, telecommunications, commercial district engine development, etc. Today the key infrastructure needs and wants of our EDD point to broadband which was mentioned earlier, as well as, our forests, waterways and watersheds and biomass. Biomass is significant natural resource for our communities which are the next logical Infrastructure and business opportunity. A regional biomass focused effort can help with public safety, preserve much needed water for our four-year drought stricken communities and economies, and serve as a viable sustainable source of production of such things as energy as well as new economic goods to be consumed locally and/or exported. SEDCorp will continue to partner with agencies such as the USDA to expand our biomass research and distribution planning tool, the forest and land management agencies, local county's which can serve as stewards, as well as, private sector investors and business owners with a similar interest. The infrastructure needed to support this significant new business engine will be a critical aspect of our collective region prosperity and safety concerns.
5. Lastly, another common region-wide economic development opportunity relates to our community youth. As demonstrated by other organizations throughout the country, there is an ever increasing need to significantly enhance the **Financial Literacy** of our young people. All too often small business owners will communicate to us that the introductory

work force cannot exhibit a base understanding of business basic financials. This issue may present itself in some part based on a shift in public and private education, as well as, parental support. And, in some cases regionally, SEDCorp has witnessed that the need for literacy does not stop with the young. The parents and older generations also lack both sound fundamental understanding, as well as, more advanced skills needed in this day-and-age where some much of our commerce is being done over the internet. Continuing to explore a broad understanding of the issues, needs, wants and challenges in this arena, as well as, exploring enhanced partnerships with private foundations, financial institutions and private business, other non-profits and service clubs to help target and "scale" Youth Financial Literacy Programs and services will be a critical basic region economic development district essential focus.