

# 2013 CDBG APPLICATION

## Enterprise Fund Activity – Business Assistance (BA) – Forms

APPLICANT NAME: County of El Dorado

### TABLE OF CONTENTS

*\*Click on the box, drop-down menu or text box to enter information.*

ACTIVITY	SELECT	DOCUMENTATION	PAGE(S)
Business Assistance <i>(All pages)</i>	Required	All Forms and Documentation	x to x
<b>NEED</b>			
Unemployment Rate <i>(As listed in Appendix O)</i>	No Action Required	No Action Required	No Documentation Required
Market Analysis:	Yes	Yes	x
- Understanding Market Conditions	YES	Narrative	x
- Identifying and Analyzing Lending Opportunities and Competitors	YES	Narrative	x
- Demand Projections	YES	Narrative	x
- Conclusions	YES	Narrative	x
<b>BENEFIT</b>			
Poverty Rate <i>(As listed in Appendix A)</i>	No Action Required	No Documentation Required	No Documentation Required
Proposed Activity and Beneficiaries	Yes	Chart	x
<b>READINESS</b>			
Program Description:	Yes	Yes	x
- Program Organization and Activity Flow Charts	Combination	Chart	x
- Business Assistance Task Matrix	Combination	Task Matrix	x
- Description of the Organization and Structure	Yes	Narrative	x
Program Operator's Status :	Yes	Yes	x
- Approved Contracts for all Subrecipients and Consultants Procured; <b>(or)</b>	NO	Combination	x

## 2013 CDBG APPLICATION

### *Enterprise Fund Activity – Business Assistance (BA) – Forms*

- Grantee will be Using In-House Staff Solely, or in Conjunction with Others for Activity; <b>(or)</b>	In-house staff	Combination	x
- Grantee Does Not Have Approved Contracts and/or Agreements, Executed Subrecipient Agreement, Program Operator Contract, and will be Procuring for Services for this Activity	YES	Draft RFP Duty State	x
Program Operator and/or Consultant Documentation:	Yes	Yes	x
- Complete Duty Statements	Yes	In-House Staff	x
- Complete Resumes of Program Operator and Staff	Yes	In-House Staff	x
- Identification Of Key Staff Performing ED Financial Analysis and Underwriting	Yes	In-House Staff	x
- Documented Experience of the Program Operator and Staff	Yes	In-House Staff	x
- Certificates or Training for ED/CDBG Financial Expertise or Specialization	NO	In-House Staff	x

# 2013 CDBG APPLICATION

## Enterprise Fund Activity – Business Assistance (BA) – Forms

### A. Activity Information:

1. **Description of Activity:** (See instructions.)

The County of El Dorado's Business Loan Program provides the critical and necessary capital needs for business and real estate projects within the county. The Business Loan Program will be capitalized with funds from the State of California Community Development Block Grant Enterprise Fund component and the County's Revolving Loan program. The Loan Program provides appropriate financial assistance to businesses and real estate development projects which in turn will create and/or retain jobs in the unincorporated county, primarily for low/mod income households, and increase the commercial and industrial base of the community.

The primary goal of the Program is to stimulate business and job growth through appropriate assistance to business. Through screening of applicants and identification of financing gaps, the Business Loan Program enhances the incentive for commercial lenders to meet the credit needs of risky, yet still credit-worthy businesses.

Funds can be used for working capital, purchase of supplies and equipment, property acquisition or leasehold improvements. Loans range from \$5,000 to \$100,000. Each borrower must create one full-time equivalent job for low/mod workers for every \$35,000 borrowed.

The County of El Dorado Business Loan Program has provided eleven (11) economic development loans for a total of \$595,000 since 1998. The types of businesses assisted include retail, agricultural, law firm, web design and manufacturers.

### B. Need for Activity:

In this section, the need for Business Assistance is based on the Jurisdiction's annual unemployment rate, as well as a Market Analysis provided by the Applicant.

1. **Average Unemployment Rate:** Since the applicant pool sets the scoring range for all data driven criteria, during rating and ranking the Department will use the Jurisdiction's county unemployment rate listed in **Appendix O**.
2. **Market Analysis:** See the application Instructions for the outline for developing the market analysis. All components listed below are required for scoring. ***Be sure to include the page numbers for the items below in the Table of Contents above.***

✓ Understanding Market Conditions

**2013 CDBG APPLICATION**  
***Enterprise Fund Activity – Business Assistance (BA) – Forms***

- ✓ Identifying/Analyzing Lending Opportunities and Competitors
- ✓ Demand Projections
- ✓ Conclusions

**C. Benefit:**

The Applicant must provide the following information:

1. **Poverty Rate:** Since the applicant pool sets the scoring range for all data driven criteria, during rating and ranking the Department will use the Jurisdiction's poverty rate listed in **Appendix A**.

**2013 CDBG APPLICATION**  
**Enterprise Fund Activity – Business Assistance (BA) – Forms**

**2. Proposed Activity and Beneficiaries – Business Assistance:**

<b><u>BUSINESS ASSISTANCE</u></b>						
<b><u>PROPOSED ACTIVITY(S) AND BENEFICIARIES</u></b>						
<i>Complete and enter the following information:</i> 1. <i>The projected number of businesses to be assisted; and,</i> 2. <i>The estimated number of jobs to be created and/or retained by each activity proposed under this application</i>						
<b><u>LOANS</u></b>	<u>No. of Business Expansions</u>	<u>No. of Business Start-Ups</u>	<u>No. of Jobs Created</u>	<u>No. of Jobs Retained</u>	<u>No. of Low/Mod Jobs*</u>	<u>CDBG National Objective*</u>
	3	0	8	3	6	<input checked="" type="checkbox"/> Low/Mod Jobs

\* For a Business Assistance activity meeting the Low/Mod benefit National Objective, at least 51% of the jobs created and/or retained must be held by low- or very low-income persons.

**D. Readiness:**

**1. Program Description:**

- a)  **Program Organization and Activity Flow Chart:** Please use the sample in **Appendix S**.
- b)  **Business Assistance Task Matrix:** Please use the Business Assistance Task Matrix sample below. Please mark the responsible party (Program Operator and/or City/County) who will be conducting the task and/or task for the grant activities, and activity projects.

**2013 CDBG APPLICATION**  
**Enterprise Fund Activity – Business Assistance (BA) –**  
**Task Matrix Form**

TASK	PROGRAM OPERATOR	CITY/COUNTY
Establish and Maintain Program Loan Files	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Legal Review of Loan Documents	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Approve RLF Guidelines	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Prepare Fiscal/Performance Reports	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Review Fiscal/Performance Reports	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Monitor Program Operator	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Conduct NEPA and CEQA Review	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Participate in LAB Review	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Loan Servicing and Accounting	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Provide Monthly Receipts of Loan Payments	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Provide Quarterly Statements on Loans	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Implement Collections and Foreclosures	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Approve Reuse Plan	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Meet with Participating Lenders	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Publicize and Market the RLF	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Screen and Assist Loan Applicants	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Refer Ineligible Applicants to Others	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Request preliminary Loan information	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Get Credit Report and Other Documentation	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Prepare Loan Package and Recommendation with Appropriate Determination	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Present Loan to LAB	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Close Loan with Other Lenders	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Monitor Loan and General Compliance	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Preview and Sign all HCD Reports	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Prepare Cash Requests and HCD Reports	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Clear Special Conditions	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Site Visits to Borrowers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Business Loans	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Track Jobs/Benefit (EEO)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Monitor Labor Standards	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Income Screening/TIG Benefit	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Conduct Appeal Process	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Establish Fair Share Amount	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Develop Fair Share Agreement	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Execute and Implement Fair Share Agreement	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Planning, Building and Public Works Reviews	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Attend HCD Workshops	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Provide Business Counseling – SBDC	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Provide Overall Review and Liaison Between RLF Components, City and CDBG Program	<input type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Add additional task here:</i>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Add additional task here:</i>	<input type="checkbox"/>	<input type="checkbox"/>

# 2013 CDBG APPLICATION

## *Enterprise Fund Activity – Business Assistance (BA) – Forms*

- c)  **Description of the Organization and Structure:** *Be sure to add the page numbers for the associated documentation in the Table of Contents above.*

Describe:

In May 2009, the County Board of Supervisors recognized the need for a focused economic plan of action and adopted an Economic Development Action Plan to address critical economic issues facing the County. A major focus of the Plan is to provide economic development tools to businesses located in, or relocating to, the unincorporated area of the county, specifically applying for CDBG-Enterprise Fund grant dollars to support economic stability and growth.

Since that time, the Board, through it's Community and Economic Development Advisory Board (CEDAC) has supported programs for sustainable economic growth. CEDAC is to annually review the success of the Economic Development Element and County's Economic Development Strategy, assist with the drafting and implementation of an annual 12-month action plan for the coming year, and take action to ensure sustainable economic growth and continued diversification of the economy.

The County of El Dorado Business Loan Program provides the critical and necessary capital needs for business and real estate projects within the county. The Business Loan Program provides appropriate financial assistance to businesses and real estate development projects which in turn create and/or retain jobs in the county, and increase the commercial and industrial base of the community.

Eligible applicants include ongoing and start-up private, for-profit business concerns, corporations, partnerships, sole proprietorships and cooperatives that are incorporated and licensed, and are located in or locating to the County. The project financed with the Business Loan Program must be within the unincorporated area of the County.

The project must be commercial or industrial. Loans range from \$5,000 to \$100,000. Business Loan Program funds can be used for construction and permanent financing, working capital, inventory equipment, real property acquisition, construction and rehabilitation. Each borrower must create one full-time equivalent job for low/mod workers for every \$35,000 borrowed.

County staff are responsible for the loan packaging activities, including review of all proposals presented to the Loan Advisory Board (LAB).

The County of El Dorado Business Loan Program meets local need by:

- Providing a Program that improves the county's local employment base by increasing employment opportunities to the targeted income group of low/mod workers;
- Encourages diversification of the economic base;
- Filling the financial gap that hinders the business or project from moving forward without the Business Loan Program; and
- Providing critical economic development tools for economic stability and growth.

**2013 CDBG APPLICATION**  
**Enterprise Fund Activity – Business Assistance (BA) –**  
**Task Matrix Form**

**2. Program Operators Status:** *(Check the appropriate box.) Be sure to add the page numbers for the associated documentation in the Table of Contents above.*

- The application has approved contracts for all subrecipients and consultants according to HUD Procurement Guidelines.
- The application states the Grantee will use in-house staff to act as the sole program operator, or in conjunction with a subrecipient or consultant. The Applicant has identified the staff responsible for doing the work and/or activity.
- The application states the Grantee does not have approved contracts or agreements but will be procuring services for this activity. *The Applicant must provide a copy of the subrecipient agreement or Request for Proposal (RFP) that will be used by the grantee to procure the program operator and/or consultants for this activity. In the case where the Applicant uses an RFP procurement process, the Applicant must provide the method of evaluation and selection for the program operator and/or or consultants.*

**3. Program Operator Qualification Documentation:** *Be sure to add the page numbers for the associated documentation in the Table of Contents above.*

Based on the answer provided in the previous question, the Applicant must include the following for each individual performing work under this activity:

- Complete duty statements of all job positions.
- Complete resumes of all individuals performing work under the activity (include relevant experience with emphasis on any CDBG RLA, grant management, marketing, and CDBG financial underwriting training and experience).
- Identify individual(s) performing ED financial underwriting for BA loans.
- Provide certificates of training that substantiate ED financial expertise or CDBG specialization.