

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

(Applicant's Information)

Applicant's applying for Business Assistance Activity funding must complete and provide all the information requested in this section.

1.0 Need for Program

In this section of the Applicant is asked to provide the following information:

- Enter the Jurisdiction's poverty rate using information contained in Appendix J of the Application Instruction for Countywide Poverty or using target area information as documented in the NEED section of the submitted Application.
- Enter the jurisdiction's annual average unemployment rate using Appendix L of the EF Application's Supplemental Information document.

1.	Poverty Rate	7.1%
2.	Annual Average Unemployment Rate	11.1%
3.	Adverse Economic Event	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

- An Adverse Economic Event is an event that has occurred and has the effect of significantly reducing employment opportunities within the Applicant's jurisdiction.
- An adverse economic event must be documented with a detailed narrative and supporting data. Include the following to substantiate the event: the date the event occurred, and documentation and data to quantify the impact on the jurisdiction and resulting job loss.
- A condition that has existed longer than 18 months will not be considered to meet the above standard.
- The event can only be claimed one (1) time.

Note: Attach Adverse Economic Event" documentation in Section 2 Attachments.

Examples of Documentation and Data Supporting an Adverse Economic Event	Yes	No
Name of event and date	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Presidential Declaration of Disaster	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Federally Designated Disaster	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Governor's Declaration of Disaster	<input type="checkbox"/>	<input checked="" type="checkbox"/>
State of California Designated Disaster	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Explanation of methodology used for determining job loss.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Percentage (%) of documented civilian labor force job loss.	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Numbers of jobs lost resulting from the event.	<input checked="" type="checkbox"/>	<input type="checkbox"/>

2.0 Local Program Capacity

In this section of the application the staff will review the following:

- The applicant's performance on CDBG Economic Development Allocation grants that have been funded under the 2005, 2006 and 2007 program years. Performance on these grants will be measured under four categories: (1) timely submittal of required program and fiscal reports, (2) rate of expenditure of CDBG funds, (3) leverage of other non-state and non-federal funds, and (4) unresolved monitoring or audit findings. An assessment of actual vs. projected leverage on grants will be conducted to determine how accurately each local program is in projecting it's leveraging of other funds.

2.1 Past Performance Forms Fiscal Year 2005 – 2007

The staff will review the Applicant's performance on past CDBG Economic Development grants covering the following factors: achievement of job creation or job retention objectives specified in the grant agreement, leveraging of other funds as specified in the grant agreement, and the timely expenditure of CDBG funds.

Instruction to Applicant: *The Applicant must complete the following forms for the following grant award years – 2005, 2006 and 2007. If an Applicant was not awarded a grant for any of the grant award periods check the appropriate box.*

Use column one for the applicant's Business Assistance Program, and column two for an applicant's Microenterprise Assistance Programs.

2.1 Performance on Past CDBG ED Grants – 2005 - 2006	
Grantee: County of El Dorado	Grant #:
<input checked="" type="checkbox"/> Did not apply	<input type="checkbox"/> Held-out from applying
Contract Execution Date:	Contract Termination Date:
Business Assistance Loan Program	Microenterprise Assistance Activity
<input type="checkbox"/> Business Loans <input type="checkbox"/> Public Infrastructure in Support of Business	<input type="checkbox"/> Technical Assistance <input type="checkbox"/> Business Loans <input type="checkbox"/> Technical Assistance and Loans
Activity Budget: <input type="checkbox"/> Business Loans: \$ <input type="checkbox"/> Public Infrastructure: \$	Activity Budget: <input type="checkbox"/> Technical Assistance: \$ <input type="checkbox"/> Business Loans: \$
Funds: <input type="checkbox"/> 100% Expended <input type="checkbox"/> Returned: \$ <input type="checkbox"/> Disencumbered: \$ <input type="checkbox"/> Leverage Expended: \$	Funds: Technical Assistance: <input type="checkbox"/> 100% Expended <input type="checkbox"/> Returned: \$ <input type="checkbox"/> Disencumbered: \$ Micro Business Loans: <input type="checkbox"/> 100% Expended <input type="checkbox"/> Returned: \$ <input type="checkbox"/> Disencumbered: \$
Activity Results: Number of loans approved: Total funds disbursed: \$ Total Program Income used: \$ Total number of jobs created: Total number of jobs retained:	Activity Results: Technical Assistance: Total # of Entering Program: Total # Completing Program: Total Number of TIG clients: Micro Business Loans: Number of loans approved: Total funds disbursed: \$ Total Program Income used: \$ Total number of start-ups: Total number of expansions:

Reporting:	Reporting:
FARS: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Number missing:	FARS: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Number missing:
EDPR: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	EDPR: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
PI: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	PI: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
GPR: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	GPR: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
Wage Compliance: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	Wage Compliance: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
Monitoring Findings: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Cleared <input type="checkbox"/> Not Monitored	Monitoring Findings: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Cleared <input type="checkbox"/> Not Monitored

2.1 Performance on Past CDBG ED Grants – 2006 - 2007	
Grantee: El Dorado County	Grant #: 06-EDBG-2767
<input type="checkbox"/> Did not apply	<input type="checkbox"/> Held-out from applying
Contract Execution Date: 9/21/2007	Contract Termination Date: 2/28/2010
Business Assistance Loan Program	Microenterprise Assistance Activity
<input checked="" type="checkbox"/> Business Loans <input type="checkbox"/> Public Infrastructure in Support of Business	<input type="checkbox"/> Technical Assistance <input type="checkbox"/> Business Loans <input checked="" type="checkbox"/> Technical Assistance and Loans
Activity Budget: <input checked="" type="checkbox"/> Business Loans: \$214,200 <input type="checkbox"/> Public Infrastructure: \$	Activity Budget: <input checked="" type="checkbox"/> Technical Assistance: \$ 178,925 <input checked="" type="checkbox"/> Business Loans: \$ 75,000
Funds: N/A Open Grant <input type="checkbox"/> 100% Expended <input type="checkbox"/> Returned: \$ <input type="checkbox"/> Disencumbered: \$ <input type="checkbox"/> Leverage Expended: \$	Funds: N/A Open Grant Technical Assistance: <input type="checkbox"/> 100% Expended <input type="checkbox"/> Returned: \$ <input type="checkbox"/> Disencumbered: \$ Micro Business Loans: <input type="checkbox"/> 100% Expended <input type="checkbox"/> Returned: \$ <input type="checkbox"/> Disencumbered: \$
Activity Results: Number of loans approved: 2 Total funds disbursed: \$120,000 Total Program Income used: \$ Total number of jobs created: 4 Total number of jobs retained:	Activity Results: Technical Assistance: Total # of Entering Program: 13 Total # Completing Program: 11 Total Number of TIG clients: 13 Micro Business Loans: Number of loans approved: 1 Total funds disbursed: \$75,000 Total Program Income used: \$ Total number of start-ups: Total number of expansions: 1

Reporting:	Reporting:
FARS: <input checked="" type="checkbox"/> 100% submitted <input type="checkbox"/> Number missing:	FARS: <input checked="" type="checkbox"/> 100% submitted <input type="checkbox"/> Number missing:
EDPR: <input checked="" type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	EDPR: <input checked="" type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
PI: <input checked="" type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	PI: <input checked="" type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
GPR: <input checked="" type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	GPR: <input checked="" type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
Wage Compliance: Not applicable <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	Wage Compliance: Not applicable <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
Monitoring Findings: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Cleared <input checked="" type="checkbox"/> Not Monitored	Monitoring Findings: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Cleared <input checked="" type="checkbox"/> Not Monitored

2.1 Performance on Past CDBG ED Grants – 2007 - 2008	
Grantee:	Grant #:
<input checked="" type="checkbox"/> Did not apply	<input type="checkbox"/> Held-out from applying
Contract Execution Date:	Contract Termination Date:
Business Assistance Loan Program	Microenterprise Assistance Activity
<input type="checkbox"/> Business Loans <input type="checkbox"/> Public Infrastructure in Support of Business	<input type="checkbox"/> Technical Assistance Loans <input type="checkbox"/> Business Loans <input type="checkbox"/> Technical Assistance and Loans
Activity Budget: <input type="checkbox"/> Business Loans: \$ <input type="checkbox"/> Public Infrastructure: \$	Activity Budget: <input type="checkbox"/> Technical Assistance: \$ <input type="checkbox"/> Business Loans: \$
Funds: <input type="checkbox"/> 100% Expended <input type="checkbox"/> Returned: \$ <input type="checkbox"/> Disencumbered: \$ <input type="checkbox"/> Leverage Expended: \$	Funds: Technical Assistance: <input type="checkbox"/> 100% Expended <input type="checkbox"/> Returned: \$ <input type="checkbox"/> Disencumbered: \$ Micro Business Loans: <input type="checkbox"/> 100% Expended <input type="checkbox"/> Returned: \$ <input type="checkbox"/> Disencumbered: \$
Activity Results: Number of loans approved: Total funds disbursed: \$ Total Program Income used: \$ Total number of jobs created: Total number of jobs retained:	Activity Results: Technical Assistance: Total # of Entering Program: Total # Completing Program: Total Number of TIG clients: <u>Micro Business Loans:</u> Number of loans approved: Total funds disbursed: \$ Total Program Income used: \$ Total number of start-ups: Total number of expansions:

Reporting:	Reporting:
FARS: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Number missing:	FARS: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Number missing:
EDPR: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	EDPR: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
PI: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	PI: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
GPR: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	GPR: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
Wage Compliance: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:	Wage Compliance: <input type="checkbox"/> 100% submitted <input type="checkbox"/> Some missing:
Monitoring Findings: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Cleared <input type="checkbox"/> Not Monitored	Monitoring Findings: <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Cleared <input type="checkbox"/> Not Monitored

2.2 Relative Strength of Basic Program Design

Applications will be reviewed to evaluate whether the local program is designed to effectively and efficiently meet local economic development needs. The activity description component of the application asks for a two-fold description of the local program:

- **Program Design** should describe the activity, assess the local need, and demonstrate how the CDBG funding tool best accommodates the activity(s) designed to meet the Applicant's specific economic development needs.
- **Program Guidelines** should describe all the Applicant's CDBG activities, tasks, and roles that will be conducted by the applicant. The Guidelines must also include a task matrix that dovetails with those tasks, roles and activities in order to provide a framework for how the local program will ensure compliance with CDBG eligibility, national objective and federal overlay requirements (e.g., environmental review, labor standards, etc.). The applicant should refer to the Application Supplemental Information document for requirements and examples.

The Program Design and Program Guidelines should address the items listed below. Refer to the Application Instructions and Supplemental Information for information on environmental review and labor standards, content of Program Guidelines, and Task Matrix.

Program Design:

1. Description of activity, including:
 - a. Description of local need for the Program.
 - b. Description of how the Program Design relates to the local need such as the local economic development plan.
 - c. The estimated number and type (start-ups, existing businesses) of business loans, as applicable.

Program Guidelines:

1. Description of tasks related to Program implementation (Narrative of tasks included in the Matrix).
2. Description of staff roles necessary to implement program (Narrative of staff roles identified in Matrix).
3. Description of how the Program meets CDBG eligibility requirements, including:
 - a. Description of how the Program meets underwriting requirements; and
 - b. Description of how the Program meets Public Benefit Requirements.
4. Description of how the Program meets CDBG National Objective requirements.
5. Description of how the Program meets federal overlay requirements, including:
 - a. Environmental review requirements;

- b. Labor standards requirements; and
 - c. Other (including procurement, relocation, equal employment opportunity, fair housing, Section 3); and
6. Description of private equity requirements from owners for private business loans, if applicable.
- 7.

2.3 Relative Experience of Program Operators

The applicant should identify the parties responsible for implementing the program. This may include local staff or private consultants. The application should also document the experience of the organizations and individuals. This should be in the form of an executed subrecipient agreement or program operator contract in circumstances where the applicant has an ongoing contract with a subrecipient or a previously procured contractual relationship with a consultant.

Existing contracts must meet a completeness test for the Department – approved language required in Subrecipient and/or Program Operator Agreements. An applicant without an existing program operator or subrecipient must supply either resumes of local staff and/or letters of interest and resumes from potential consultants or a subrecipient. Resumes should include all relevant experience and emphasize actual CDBG Revolving Loan Fund and or microenterprise grants management experience where appropriate.

The experience of program operators must address the items listed below.

1. Provide overall program organization chart and activity chart identifying all organizations and individuals who will be doing the work.
2. Describe why the program organization and activity structure will effectively and efficiently carry out the activity (s).
3. Provide complete duty statements of individuals performing work for the activity(s).
4. Provide full and complete resumes of all individuals that include relevant experience, education and special training.
5. Approved contracts for all subrecipients and consultants:
 - a. Letters of commitment or interest with resumes that include relevant experience of all individuals who will be doing the work, including experience, education and special training.

2.4 Other Local Organization Support*

The applicant's local program capacity will also be measured by the applicant's ability and capacity to attract and use other local resources (cash and in-kind services) especially if the grant will be managed entirely in house. For example, the local workforce development agency may be willing to provide income-eligibility screening services for the program. The local Small Business Development Center may provide referrals to the program or may provide other assistance to prospective small business loan borrowers.

The applicant should include executed agreements for service or commitment letters from the contributing local organizations that describe the service and/or non-cash contribution. The applicant may also include cash or in-kind cash equivalent letters of support.

Letters of support from other local organizations must contain the following information:

1. All letters must be on the organization letterhead, dated and signed by the authorized representative of the organization.
2. Effective dates of the commitment.
3. Description of the nature of the contribution: (1) support only or (2) cash or in-kind cash equivalent.
4. Cash or in-kind cash equivalent letters can also be counted as a demonstration of "other local organizational support as well as commitment of other funding sources.

Place all letters of organizational support in Section 2, Attachments, Item 3, Other Local Organization Support or Section 2, Item 4, Commitment of Other Funding Sources.

Notes:

* Include all letters of non-cash in-kind support, cash and in-kind cash equivalent.

3.0 Program Effectiveness

The Applicant is asked to describe the extent to which the program complements local or regional economic development plans in this section.

All applicants are required to submit a current local economic development plan that will be used to evaluate, and rate and rank each applicant's application. A plan must have been locally adopted and is considered current if it is not older than 5 years old. **One copy of the plan should be placed in Section 4 of the original copy of the application.**

3.1 Commitment of Other Funding Sources

Applicants should seek to maximize the contributions from other available funding sources such as the SBA, private banks, the EDC to complement their Enterprise Fund program activities. This criterion will assess the leverage committed from private and local sources to the Applicant's program.

List all sources and uses of funds that will be used in the activity. Include anticipated CDBG funding and non-CDBG funding. Place all leverage commitment letters and/or documents in Section 2, Leverage Attachments.

USES	SOURCES						
	State CDBG	Bank	Jurisdiction	Other Local (specify)	Owner Equity (Min. 10%)	Private (specify) In-Kind	Other (specify)
Business Loans	118,000				11,800		
Infrastructure							
Activity Delivery	17,700					22,150	
General Administration	10,177		1,000				
Other (specify)							
TOTAL (\$)	145,877		1,000		11,800	22,150	

Notes:

1. All commitment letters must be on the organization letterhead, dated and signed by the authorized representative of the organization. All letters must contain the following information: description of the commitment, the amount of the cash (\$) or in-kind cash equivalent of commitment, and the term of commitment.

3.2 Extent to Which Program Complements Local or Regional Economic Development Plan

The Applicant will be evaluated on how they describe the extent to which the program complements local or regional economic development plans. The Applicant is asked to describe and specify the link between the program's design and the existing economic development plan, and where the need for CDBG funding is cited.

1. The applicant should describe the following:
 - a. How will the Enterprise Fund business assistance activities will contribute towards the goals and objectives that have been identified in local and regional economic development plans;
 - b. How the proposed activity (s) will meet the goals and objectives of a local or regional economic development plan; and
 - c. Cite the link between the program's design and the existing economic development plan, which will specifically identify CDBG-fundable activity, as well as include the appropriate pages from the plan.
2. If a Plan is 5 years or older, the applicant must submit the most current Plan in addition to a detailed description of the current local economic conditions in the community and the specific need for CDBG funding to support local economic development programs, businesses and jobs.

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

1.0 Need for Program

El Dorado County has been adversely affected by the overall economic decline. Over 300 jobs have been lost in less than 12 months due to layoffs by some of the County's major employers. In January 2007 El Dorado County reported an annual average unemployment rate of 3.8%. The current annual average unemployment rate has grown to 11.1%, an increase of nearly 300%.

While businesses continue to survive, and in some cases thrive, current economic strains have made it more difficult for business owners to obtain credit lines from traditional lenders for capital improvements and/or expansion. In May 2009, the County Board of Supervisors recognized the need for a focused economic plan of action and adopted a 12-Month Economic Development Action Plan to address critical economic issues facing the county. A major focus of that plan is to provide economic development tools to businesses located in, or relocating to, the unincorporated area of the county, specifically applying for CDBG-EF grant funds to support economic stability and growth.

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

2.2 Basic Program Design

I Description of Activity

The County of El Dorado Business Loan Program is designed to provide 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 Economic Enterprise Fund component and the County's Revolving Loan program. The intent of the Loan Program is to provide appropriate financial assistance to businesses and real estate development projects which in turn will create and/or retain jobs in the county, along with increasing the commercial and industrial base of the community.

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

The County of El Dorado Business Loan Program has provided nine (9) economic development loans for a total of \$495,000 since 1998. The types of businesses assisted include retail, agricultural, law firm, web design and manufacturers.

II Program Goals

The primary goal of this 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 will enhance the incentive for commercial lenders to meet the credit needs of risky, yet still credit-worthy businesses. With reduced grant funding available, the County of El Dorado will seek applicants and participants to meet the following target goals:

Business loans – start-ups	1
Business loans – expansions	0
Jobs created/retained	2
Jobs to be filled by TIG	2

III Description of Local Need

El Dorado County has been adversely affected by the overall economic decline. Over 300 jobs have been lost in less than 12 months due to layoffs by some of the County's major employers. In January 2007 El Dorado County reported an annual average unemployment rate of 3.8%.

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

The current annual average unemployment rate has grown to 11.1%, an increase of nearly 300%.

While businesses continue to survive, and in some cases thrive, current economic strains have made it more difficult for business owners to obtain credit lines from traditional lenders for capitol improvements and/or expansion. In May 2009, the County Board of Supervisors recognized the need for a focused economic plan of action and adopted a 12-Month Economic Development Action Plan to address critical economic issues facing the county. A major focus of that plan is to provide economic development tools to businesses located in, or relocating to, the unincorporated area of the county, specifically applying for CDBG-EF grant funds to support economic stability and growth.

IV How Program Design Relates to Local Need

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

- Providing a program that improves the county's local employment base by increasing employment opportunities to the targeted income group (TIG)
- Encourage diversification of the economic base
- Fill the financial gap that hinders the business or project from moving forward without the Business Loan Program
- Providing necessary economic development tools to support economic stability and growth

V Adverse Economic Event

Over 300 jobs have been lost in less than 12 months due to layoffs by some of the County's major employers; The total closure of the Camino Lumber Mill owned by Sierra Pacific Industries; layoffs and cutbacks by the county's water utility provider; and, layoffs effecting County government. In January 2007 El Dorado County reported an annual average unemployment rate of 3.8%. The current annual average unemployment rate has grown to 11.1%, an increase of nearly 300%.

On March 31, 2009, Sierra Pacific Industries representatives announced to the El Dorado County Board of Supervisors the pending closure of their Camino lumber mill, and the closures of two other mills in Sonora and Quincy. One hundred and sixty-four (164) employees will be directly affected by the Camino closure and an additional 369 jobs through a calculated multiplier affect, for a total of 533 jobs lost in El Dorado County.

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

2.3 Program Operator Experience

The following is a statement of the qualifications of El Dorado County staff responsible for the administration of Community Development Block Grant programs.

Qualifications:

Daniel Nielson, M.P.A., as Director of Human Services will be responsible for overall grant management and supervision of the Human Services staff work. He will supervise the monitoring of grant performance. Mr. Nielson will review all financial and performance reports, and other documents relating to the grant. Mr. Nielson will coordinate HCD's monitoring of the county's grant performance.

Mr. Nielson's resume is attached.

Shawna Purvines, as Senior Planner will be responsible for assisting the Director in overall grant management and supervision of the CDBG Program. Ms. Purvines is responsible for managing the everyday tasks related to CDBG activities along with performance reports and other documents relating to the grant. Ms. Purvines is responsible for monitoring of grant performance. Ms. Purvines was formerly the Economic Development Coordinator for El Dorado County and developed and managed the County's Economic Development Program in addition to planning and coordinating economic development activities including business outreach referrals, marketing and capital improvements programs.

Ms. Purvines' resume is attached.

Lynda Webb, as Chief Financial Officer, is responsible for oversight of the budget and financial recordkeeping, including the review and approval of monthly cash reports, semi-annual Financial and Accomplishment Reports and Annual Grantee Performance reports. She will provide oversight of grant expenditures and coordinate the annual audits of same. Ms. Webb is also responsible for overseeing the County's Revolving Loan portfolio.

Resume:

Ms. Webb was Senior Accountant for Human Services (formerly Community Services) between 1989 and 2004 when she was promoted to Chief Financial Officer overseeing all social services programs. In her position she has managed the financial recordkeeping and auditing for various state and federal grants, including CDBG/EDBG/HOME grants. Prior to working for El Dorado

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

County, Ms. Webb was a controller for Checkmate Management, Inc., where she managed the financial operations of fifteen companies.

Jeanne Hall as Department Analyst II for the department will provide loan underwriting, including but not limited to program eligibility, business plan and financial analysis, credit analysis, and presentation to the Loan Advisory Board. Ms. Hall has extensive knowledge in the banking industry and completed the National Development Counsel's ED101 – Economic Development Finance training in 2008 ensuring in-depth EDBG processes are followed.

Ms. Hall's Resume is attached.

Sharon Guth as Department Analyst for Human Services is responsible for the daily management of grant program and revolving loan fund activities. Ms. Guth is responsible for monitoring of program loan portfolios. Ms. Guth will be responsible for monitoring the progress of the construction through completion of each project. Ms. Guth will monitor the wage compliance reports against the personal interviews performed on the construction site. Ms. Guth is responsible for general implementation of the 2005 CDBG multi-year grant. Her related background includes experience in accounting and construction.

Ms. Guth's resume is attached.

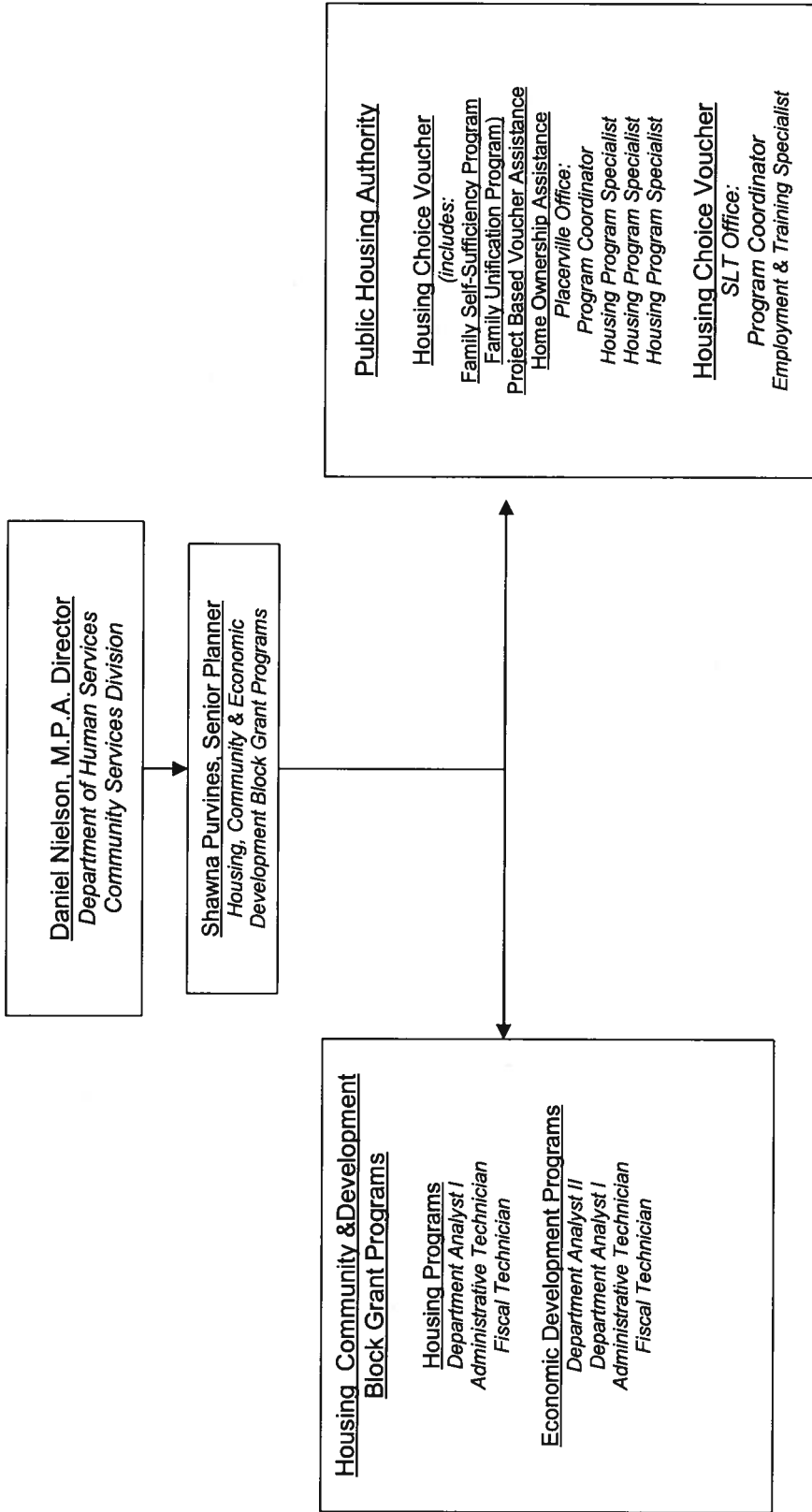
Cynthia Freeland as Administrative Technician for the Department is responsible for day to day activity delivery including but not limited to marketing, applicant eligibility, processing and training.

Ms. Freeland's resume is attached.

Sam Driggers is the Economic Development Coordinator for the County of El Dorado. Mr. Driggers will assist the Economic Development Block Grant Enterprise Fund Program through marketing to Businesses and Corporations the potential financing, training, and technical assistance opportunities through our program.

Mr. Driggers' Resume is attached.

Housing, Community & Economic Development Block Grant Programs
 El Dorado County
 Organizational Chart



DANIEL L. B. NIELSON

530-642-7275 (w)

530-409-1125 (c)

EDUCATION	Master of Public Administration <i>Advanced Public Management</i> University of Utah	December 2004
	Graduate Certificate in Public Administration <i>Personnel Administration</i> University of Utah	March 1990
	Management Certificate University of Utah	March 1987
	B.S. Sociology University of Utah	June 1984
	B.S. Family and Consumer Studies University of Utah	June 1984

EMPLOYMENT

EL DORADO COUNTY DEPARTMENT OF HUMAN SERVICES
July 2009 to present

Director.

MERCED COUNTY HUMAN SERVICES AGENCY **October 2006**
to July 2009

Deputy Director.

COMMUNITY HEALTH CENTERS **November 2002 to September**
2006

December 2004 to September 2006: **Project Director.**

November 2002 to December 2004: **Case Management Supervisor.**

COUNTY OF SANTA CLARA August 1999 to August 2002

July 2001 to August 2002: **Prevention Program Analyst II.**

May 2001 to July 2001: **Social Work Supervisor.**

October 2000 to May 2001: **Social Work Supervisor.**

August 2000 to October 2000: **Social Work Coordinator II.**

July 2000 to August 2000: **Social Work Coordinator I.**

August 1999 to July 2000: **Social Worker II.**

SALT LAKE LEGAL DEFENDER ASSOCIATION May 1995 to August 1999

May 1995 to August 1999: **Social Services Coordinator/Mitigation Coordinator.**

STATE OF UTAH, DEPARTMENT OF CORRECTIONS November 1989 to May 1995

November 1994 to May 1995: **Staff Supervisor**, Bonneville Community Correctional Center.

June 1992 to November 1994: **Adult Probation and Parole Officer**, Region III.

January 1992 to June 1992: **Licensed Social Service Worker**, Utah State Prison.

September 1990 to March 1991: **Adult Probation and Parole Officer**, Region II-D.

November 1989 to September 1990: **Licensed Social Service Worker**, Utah State Prison.

ST. MARY'S HOME April 1988 to November 1989

April 1988 to November 1989: **Program Director**, Transitional Housing Program.

HOUSING AUTHORITY OF THE COUNTY OF SALT LAKE
August 1985 to April 1988

June 1987 to April 1988: **Self Sufficiency Coordinator.**

August 1985 to June 1987: **Eligibility and Occupancy Specialist.**

**LICENSE/
CERTIFICATION**

Licensed Social Service Worker 1989-2010
Utah # 135416-3503

MEMBERSHIPS

Pi Alpha Alpha (National Honor Society for Public Affairs and Administration)

Pi Sigma Alpha (National Political Science Honor Society)

American Public Human Services Association

National Association of Public Child Welfare Administrators

National Association of Counsel for Children

American Society for Public Administration

American Political Science Association

SHAWNA LAHEY PURVINES

WORK HISTORY

May 2006 - Present County of El Dorado, **Senior Planner**

Responsibilities & Accomplishments

- ◆ Lead Staff on the 2008-2013 Housing Element Update; Adopted July 2008 with Certification anticipated by June 2009
- ◆ General Plan Amendments to increase Floor Area Ratio for Commercial, Industrial and R&D, including Supplement to the General Plan EIR
- ◆ General Plan and Zoning Ordinance Amendment to encourage higher density Mixed Use Development in Commercial Zones
- ◆ Housing Element Implementation including Grant application and management
- ◆ Current Case Planning (CEQA, Staff Report, exhibits, etc)
- ◆ Lead staff in updating, implementing and monitoring County's General Plan and Zoning Ordinance
- ◆ Coordinated General Plan Fee Study and Public Facilities and Services Financing Plan
- ◆ Act as liaison to other County departments, regional agencies, state/federal agencies, and local organizations
- ◆ Work closely with elected and appointed officials
- ◆ Prepare all CEQA required documents
- ◆ Prepare and present Board of Supervisors and Commission presentations
- ◆ Development of District Design Guidelines
- ◆ Coordinate with all County departments to ensure a comprehensive and consistent approach to Customer Service
- ◆ Permit Plan Check; Residential and Commercial
- ◆ Completed Redevelopment Project Area Study for 6 potential project areas

2001 to April 2006 County of El Dorado, **Economic Development Coordinator**

Responsibilities & Accomplishments

- ◆ Developed and manage the County's Economic Development Program
- ◆ Plan and coordinate economic development activities including business outreach referrals, marketing and capital improvements programs
- ◆ Assisted in the negotiation of development agreements, contracts, resolutions and requests for proposals
- ◆ Coordinated grant-securing efforts that total more than \$4 million. Funds benefit Business Development, Workforce Development, Recreation and Small Business Health programs
- ◆ Manage the County's Promotions program for Film and Tourism
- ◆ Assisted in the reorganization of the local and regional Workforce Development System
- ◆ Act as liaison to other County departments, regional agencies, state/federal agencies, and local organizations
- ◆ Designated LAFCO annexation negotiator for the Board of Supervisors
- ◆ Coordinate with the County's Planning, Building and Transportation departments to ensure a comprehensive and consistent approach to Customer Service
- ◆ Work closely with elected and appointed officials

1997-2001 City of Santa Ana, **Economic Development & Planning**

Responsibilities for Planning included:

- ◆ Most planning counter duties
- ◆ Current Case Planning
- ◆ Research of long range development projects
- ◆ Assisted in updating City's General Plan
- ◆ Commission and Council Presentations
- ◆ Drafting and Design work as needed
- ◆ Review and Complete Certificate of Occupancy, Variances, and Conditional Use Permits Application
- ◆ Prepared CEQA required documents

Responsibilities for Economic Development include:

- ◆ Implemented Empowerment Zone program by managing the development of and staffing for governance structure that includes a 23 member Board of Directors, 3 Board Task Forces, 5 Committees, and 8 sub-committees
- ◆ Contract Management for more than 50 Empowerment Zone Sub-recipient contracts
- ◆ Budget and Administrative Management for the Empowerment Zone program
- ◆ Developed Request for Qualification and Proposals
- ◆ Grant Writing & Report Writing
- ◆ Staff reports for Council, Commissions, and Board
- ◆ Developed a Monitoring and Procedure Policy for the allocation of Empowerment Zone funds
- ◆ Implement and Facilitate Business focus groups, forums and trainings
- ◆ Numerous public presentations on Agency programs
- ◆ Prepare CEQA and NEPA required documents
- ◆ Coordination of activities with developers of commercial and industrial projects
- ◆ National Representative for the 25 Western Regional Federal Empowerment Zones and Enterprise Communities
- ◆ Portfolio Management of over 100 Top Revenue generating companies actively utilizing the California State Enterprise Zone Program and Federal Empowerment Zone Programs
- ◆ Statistical and Trend Analysis,
- ◆ Citywide Assessment and Agency Database Management
- ◆ Launched Business Outreach Programs for retention/attraction
- ◆ Facilitate a Business Community Watch Program
- ◆ Web Page design & updating
- ◆ Citywide Tax Incentive Marketing
- ◆ Coordinated and Facilitated Redevelopment Projects located within Empowerment Zone Boundaries

1992-1997 Desert Community Bank & Wells Fargo Bank, Covina & Victorville, CA, **Operations Officer, Customer Service Manager,**

Responsibilities Banking and Finance include:

- ◆ Managed staff, general operations, auditing, state and federal compliance, security, purchasing, and payroll for mid-size branch.
- ◆ Prepared and executed commercial, real estate, business, auto and consumer loans. Certified in Money Market Fund Accounts.
- ◆ Managed local community marketing plans for Wells Fargo Bank.
- ◆ Develop and implement marketing projects to meet branches sales objectives.
- ◆ Represent Desert Community Bank and Wells Fargo Banks support of the community by participating in local business and social groups. Act as liaison for both institutions as a member of the Chamber of Commerce and Leads Group.

PROFESSIONAL PROFILE

- ◆ Excellent presentation, planning, organization, communication and time management skills
- ◆ Computer skills include: Microsoft Office (Word, Excel, Access, PowerPoint, Publisher), GIS ArcView
- ◆ Recipient of the City of Santa Ana's Top Award for *Exceptional Quality Customer Service* for my individual work on the 1998 Federal Empowerment Zone Application. Santa Ana was designated an Empowerment Zone on January 13, 1999 entitling the City to receive up to \$100 Million Dollars over a 10 year period.
- ◆ Member of the Board of Directors for the California Association of Local Economic Developers (CALED) from 2001 to 2006.
- ◆ Member of National American Planning Association and the California Chapter of APA

EDUCATION

1989-1994 **California State Polytechnic University, Pomona**
 Bachelor of Science Major: Economics

1997-2003 **California State Polytechnic University, Pomona**
 Master of Urban and Regional Planning

JEANNE HALL

PLACERVILLE, CA 95667

WJEANNE@SBCGLOBAL.NET

EXECUTIVE PROFILE

BANKING MANAGEMENT CONSULTANT, capitalizing 36 years of highly successful experience. Available to guide managers toward outstanding sales and unparalleled customer service. Areas of expertise include:

- Growth and development strategy.
- Training development and implementation.
- Team leadership.
- Bank merger conversions.
- Project planning and execution.
- Due diligence.

BANKING EXPERIENCE

Union Bank of California ~ Placerville, CA (1969 - 2006)

Gained comprehensive knowledge in all aspects of branch banking during 36 years of loyal service. Initially hired by **Bank of California** (1969 - 1984); earned continual promotions and a reputation for excellence while adapting during numerous mergers and acquisitions. Key roles and accomplishments are listed below.

VICE PRESIDENT/BRANCH MANAGER

Assigned to the Placerville Branch as an Acting Branch Manager and then Branch Manager, charged with determining whether this failing branch could thrive. Utilized strong analytical problem-solving and turnaround management skills to overhaul operations, and turned it into one of the most successful branches in the state. Directed all aspects of strategy and growth, boosting revenues through aggressive business development, relationship management, brand marketing, networking, and outreach through community service. Created and implemented effective sales and revenue-generating programs with a focus on consumer and small business lending. Established aggressive goals and instituted structure, policies, and staffing changes to attain those goals. Trained and motivated staff to deliver the top caliber customer service that ensured satisfaction and loyalty.

Accomplishments:

- During the acquisition of Security Pacific Bank, chosen to transition one of its branches to the Union Bank system. Trained and supported the Branch Manager, ensured that due diligence was adhered to, assisted customers through the conversion, and performed and transferred all audits.
- Boosted commercial loans from \$300K sub-prime to \$15M A-Grade commitments with over \$10M outstanding.
- Increased deposits from \$6M to \$40M and installment loans from \$5M to \$20M.
- 100% operational audits. (2005 and 2006)
- Top Business Loan Producer. (2005)
- Top Consumer and Small Business Loan Producer. (2004)
- Extreme Sales and Service manager of the Year for Edmiston Division. (2003)
- Branch Manager of the Year for Edmiston Division. (2002)
- Rated amongst the top 10 Union Bank branches in Standards of Excellence for customer service shops. (1995 - 2002, consecutively)
- Branch Manager Top Performer award in the Ross Division. (1996)
- Award of Excellence Honoree, one of 35 chosen from 250 offices. (1995)

TELLER TRAINING COORDINATOR

Designed, developed and coordinated Bank of California's first Financial Services Representative School in San Francisco. With a commitment to excellence, created a training program that enhanced tellers' interpersonal communication, sales and customer service skills. Recruited and hired an Instructor to implement the program.

ADDITIONAL EXPERIENCE

El Dorado County ~ Placerville, CA (11/06 - Present)

BUSINESS SERVICES REPRESENTATIVE

Hired by reputation to market a little-known business loan program in which the county partners with banks to spur economic development and facilitate start-up and expansion capital accessibility for businesses. Cold-call on bank Branch Managers and conduct informational presentations regarding opportunities to partner with the county for client loans. Network with CPAs, who familiarize their business clients with this supplemental source of funding. Evaluate and verify applicant's eligibility, collateralize and underwrite the loan, and present the package to the loan committee for final decision, and book and disburse loans upon approval.

Accomplishment:

- The Business Services Rep function had previously been outsourced to an entity outside of El Dorado County. County businesses were largely underserved and no loans had been generated since 2005. I quickly utilized my expansive network to educate the business community and stimulate referrals.

COMMUNITY SERVICE

Committed to giving something back to my community, I've served in numerous regional leadership roles, including those listed below.

El Dorado County Chamber of Commerce ~ Board Member (1988 - Present)

Served the Chamber of Commerce in all officer positions including Board Director, Vice President, Financial Vice President, President and Past-President.

- **Chair, Small Business Week** (2001 - 2005)

Spearheaded and chaired the annual EDC Small Business Week observance, which included training sessions, a trade show to promote local shopping, and a job fair. Trained and transitioned several Chamber members to continue this highly successful week-long event.

- **President** (2000)

As the hallmark of my term, established a Small Business Resource Center to assist local business owners.

- **Chair, Economic Development Council** (1989 - 1999)

Awards

- Named **Outstanding Community Service Individual** (2004)

- Recipient of the **President's Award**. (2001)

Job One OneStop Employment Resource Center ~ Board Member (1998 - Present)

In response to the Workforce Investment Act, El Dorado County established Job One, a nonprofit umbrella corporation comprised of Social Services, EDD, and other related organizations to streamline the process for unemployed and underemployed individuals.

Bank Administration Institute ~ Board Member (1977 - 1989)

Held each board position up to and including Board President (1988).

Optimist International ~ Charter Member (1988 - Present)

- **President** (1993 - 1995)

REFERENCES

References provided upon request.

Sharon Guth
Placerville, CA 95667

WORK HISTORY

Department Analyst, El Dorado County Housing Authority

September 2004 to current

- Administer grant programs for First-Time Homebuyer, Housing Rehabilitation, and Economic Development activities to ensure compliance with grant objectives
- Work with business owners, realtors, lenders, title companies, contractor and homeowners to meet program objectives
- Maintain program budgets for personnel and grant activities and provide budget projections to supervisor
- Submit required grant reports to State
- Assist in preparation of grant applications
- Prepare Board packets including public notices and resolutions
- Prevailing Wage compliance monitoring

Fiscal Technician, El Dorado County Housing Authority

April 2002 to September 2004

- Manage financial data for multiple Housing Programs
- Disburse monthly housing assistance payments to landlords
- Complete monthly reconciliations for ten program budgets
- Provide state and federal agencies with quarterly and annual financial data
- Establish and manage escrow accounts for first-time homebuyer and housing rehabilitation programs
- Assist building contractors, realtors, lenders, landlords and clients

Accounting Manager, Track 'n Trail

October 1996 – October 2001

- Supervised a team of Inventory Analysts
- Developed and implemented training programs for field personnel
- Reported inventory results to upper management
- Interviewed and trained new employees
- Reconciled petty cash, miscellaneous cash accounts, and store bank accounts

Inventory Analyst, Track 'n Trail

October 1993 – October 1996

- Tracked and processed shipping and receiving documents weekly for twenty retail stores
- Trained store personnel on paperwork procedures
- Reconciled and researched perpetual counts to physical counts for each store
- Generated inventory results reports

Assistant Buyer, Track 'n Trail

June 1988 – October 1993

- Managed merchandising of men's sandals and western boots, women's sandal, socks and accessories
- Maintained an open-to-buy purchasing budget
- Developed sales and delivery budgets
- Generated purchase orders
- Met with vendor sales representatives to select new merchandise and negotiate prices and terms
- Developed a line of private label merchandise

Office Assistant, Accurate Tax Service

January 1988 – April 1988

Customer Account Processor, California Furniture Rental

June 1987 – October 1987

Data Entry Operator/Supervisor, ADP Autotrak

December 1984 – June 1987

Sharon Guth
Placerville, CA 95667

EDUCATION

Folsom Lake College, GPA 3.87

Associate of Arts Degree, Accounting, December 2005

Associate of Arts Degree, Business, May 2006

Nan McKay & Associates - September 2003, September 2006

Section 8 Financial Management Training Certificate

National Development Council – January 2008

ED101 – Economic Development Finance

SKILLS

Proficient in Word, Excel, Outlook, Lotus 1-2-3, and Lotus Notes

Experienced in Internet applications

Trained in Peachtree and Axcent Accounting software

Mrs. Cynthia ("C.J.") Freeland
Rescue, California 95672

SUMMARY:

Extensive background in administration providing support to executive management in support of specialized programs to meet the needs of participants in the community. Highly successful in abilities related to creativity, organization and details. I have demonstrated ability to maintain cooperative working relationships with staff, the general public as well as State, Federal, corporate and out of agency personnel. I am a dedicated professional who enjoys problem solving.

AREAS OF EFFECTIVENESS:

Management
Writing
Budgets
Planning
Fund Raising

Organization
Editing
Accounting
Creativity
Marketing

COMPUTER SKILLS:

Microsoft Word
Microsoft Excel
Typing – 72+ wpm
WordPerfect
Eudora
Lotus Notes

Data Base Programs (QSS)
Internet
Microsoft PowerPoint
Microsoft Publisher
Microsoft Outlook

SELECTED ACCOMPLISHMENTS:

ADMINISTRATIVE: Extensive experience in key support of administrators in the coordination and execution of complex administrative duties including preparation, organization and performance of supportive responsibilities with state and federal child development grant programs under minimal supervision.

ORGANIZATION: Supervised and coordinated staff and suppliers for major projects while providing clear schedules, budgets and plans to senior management and clients.

COMPUTER SKILLS: Extensive experience in learning and applying software while providing training in many applications. Design forms and develop tracking documents. Able to assemble, analyze and report statistical data. Have combined a wide assortment of information from a variety of software programs to prepare complex reports for a broad group of audiences.

PUBLIC SPEAKING: Experience in speaking to large and small groups, professionals, and students including training, new business and marketing presentations.

ACCOUNTING: Extensive budgetary experience for a wide range of businesses on both an annual and project basis including AR, AP and payroll.

CREATIVITY: Developed award winning public awareness, marketing and fund raising campaigns and programs utilizing my skills in concept, copy writing, design, and layout. Successfully apply my creative skills to solve administrative problems.

PUBLIC RELATIONS: Developed press relations and special event programs for Andy Warhol (Pop Artist), Don Page (World Class Runner), and Jim Palmer (Hall of Fame Baseball Pitcher) on behalf of the Sacramento Weinstocks department store. Other clients have included Kirkwood Ski Resort, Waterworld USA, The Sacramento International Auto Show, Ridgeview Estates, and American Aerobatics Air Shows. Developed award winning public service anti-truancy campaign in Southern California.

HUMAN RESOURCES: Five plus years in Merit System Office of Education with supervisory experience and skills in recruitment, position control, budget, classified and certificated issues, benefits, research, reports, class specification development, state and federal mandates. Interpreted contract language and applied same for classified, certificated and administrative personnel. Experience working in highly confidential areas and sensitive to organizational climates.

MEDIA PRODUCTION: As a production manager I have experience with black and white through four color process print production including magazines, brochures, newsletters, programs, fliers and direct mail materials. Strong layout and design skills including use of digital photography and clip art also applied to reports and presentations. Experience with development and production for radio and television marketing.

EDUCATION:

Teaching Credential Program, Chapman College, Diamond Springs Campus
Bachelor of Arts Degree, Communications/Public Relations, CSU, Fullerton
Associate of Arts Degree, Sociology, Santa Ana Community College
Diploma, Villa Park High School, Villa Park, CA

SUMMARY OF WORK HISTORY:

El Dorado County Department of Human Services
Housing and Economic Development Department
937 Spring Street
Placerville, CA 95667
Cynthia Wallington, Program Manager

Administrative Technician
Housing Element
5/2007 to present
(530) 642-7276

El Dorado County Office of Education
6767 Green Valley Road
Placerville, CA 95667
Kaye Medellin, Executive Director

Office Manager
Child Development
8/2006 to 5/2007
530-295-2270

El Dorado County Office of Education
6767 Green Valley Road
Placerville, CA 95667
Current Executive Director, Jeremy Meyers

Program Assistant (conf.)
Human Resources
3/2000 to 8/2006
530-295-2219

Blue Ribbon Temps, Placerville
EID Customer Service - temp position

Temp Assignments
1/2000 to 3/2000

American Aerobatics, Inc. (Air Shows)
Cameron Park, CA
Julie E. Clark, President

Project Manager
2/93-11/99
530-677-0634

The Mountain Democrat

Sales Consultant

El Dorado Office of Education

Substitute Teacher

DDB Needham Worldwide Advertising

Account Supervisor

Executive Place Magazine , Sacramento

Production Manager

Sacramento Savings & Loan

Advertising Assistant

Weinstock's Department Stores

Ad Copywriter & P.R.

Bower Communications, Advertising/PR

Media Director

Disneyland

Cast - Christmas Parade

AWARDS AND RECOGNITION:

Certificate of Accomplishment, Leadership Training, EDCOE 2004
Outstanding Service Award, EDCOE 2003
Certificate of Appreciation, EDCOE Personnel Commission, 2000
Sacramento Women in Advertising Woman of the Year, 1987

PROFESSIONAL AND COMMUNITY AFFILIATIONS:

Rescue Community Center, Rescue Day Committee
Shingle Springs Community Center
Ponderosa High School Athletic Boosters Club, Fund Raising Committee
Golden Sierra Private Industry Council, Private Sector Member
Sacramento Advertising Club, Second Vice President, 1989
Sacramento Women in Advertising, President 1986
Sacramento Area Special Olympics, Print Production Manager
American Heart Association Advisory Committee
Student Public Relations Society of America (SPRA), Officer

SAM DRIGGERS

3266 Treasure Island Road • West Sacramento, CA 95691 • Cell: 916-761-7821
Driggers_Sam@hotmail.com

SUMMARY OF QUALIFICATIONS

- More than fourteen years experience in economic and business development, international trade promotion, and sales/marketing.
- Experience promoting business relocation, expansion, and investment in California.
- Successful relationships with leading educational, commercial, non-profit, and community stakeholders.
- Strong leadership and motivational ability; exceptional entrepreneurial and marketing skills.
- Languages: conversational German, some Spanish, and French.

EXPERIENCE

El Dorado County, Office of Economic Development

ECONOMIC DEVELOPMENT COORDINATOR

04/07 - Present

- Responsible for Economic Development Activities throughout the County.
- Developed & implementing County Econ-Dev. Strategy, BOS adopted Oct. 2, 2007
- Developed Barriers to Business Development report, Board of Supervisors adopted Jan. 29, 2008
- Established and managed first El Dorado Hills Business Walk – 169 businesses visited
- Kick-started deployment of county-wide Business Retention and Expansion program (Metro Pulse) resulting in regulatory reform and market development opportunities.
- Organize and coordinate successful Promotional Awards program for Arts, Recreation & Tourism, Business, and Film development, \$535,000 annual budget
- Created consensus and multi-jurisdictional support for Lake Tahoe basin-wide Prosperity Plan, seeking pre-application funding from US Department of Commerce, Economic Development Administration
- Established and coordinate successful Community Forum public outreach campaign
- Manage activities of County's Economic Development Advisory Commission
- Formulated and managed all aspects of Leadership El Dorado – Economic Development Day

Sacramento Metropolitan Chamber of Commerce

DIRECTOR of BUSINESS and ECONOMIC DEVELOPMENT

01/04-04/07

- Reestablished and managed Economic Development and Small Business Assistance programs
- Developed regional consensus for the Sacramento Regional Business Retention and Expansion (BRE) program – Metro Pulse
- Established and managed Metro Chamber Business and Economic Development programs:
 - Business Walk, taking the pulse of business along commercial corridors
 - Chamber Pulse, Metro Chamber's membership survey program
 - Chamber 411/911 business assistance program, issue and problem solving
- Managed all aspects of six internal and two external, public policy committees
- Successfully established and coordinated Regional Economic Forum events
- Responsible for five Cap-to-Cap public policy teams and advocacy issues coordination
- Organized and led first International Study Mission - Dublin, Ireland

ECONOMIC DEVELOPMENT CONSULTANT

05/03-12/03

- Awarded Phase One - Manufacturing Attraction Strategy, City of Brentwood, California (10/02)
- Appointed to the Yolo County Economic Development Council by Yolo County Board of Supervisors

- Independent proposal reviewer, State of California Manufacturing Technology Program (2002 & 2003)

Sam Driggers

Resume, Page 2

Burlington Northern & Santa Fe Railway

REGIONAL SALES MANAGER – INDUSTRIAL PRODUCTS

11/02-05/03

- Executed B2B sales, identified, and captured small to medium sized enterprise rail freight capacity opportunities in Northern California and Nevada – *Estimated FY 03-revenue growth of \$6.2 million*
- Leveraged existing network of alliances and forged new relationships with State and local economic development officials, port directors and staff, and key trade associations
- Developed Northern California and Nevada strategic sales plan
- E-tools: Zephyr™, Siebel based CRM program, iPower™ suite of web-enabled interactive freight shipment tools

Economic Development Division, City of Stockton

BUSINESS ATTRACTION and STRATEGIC ALLIANCES MANAGER

11/01-07/02

- Secured \$956,000 from the California PUC to assist small and medium sized enterprises in the Stockton area
- Sponsored and co-authored a regional strategic plan for San Joaquin County outlining the development, promotion, and adoption of information technologies
- Coordinated the activation of the Port of Stockton Foreign Trade Zone with the Port of Stockton, San Joaquin County Airport Authority, San Joaquin Partnership, and C-level executives of Cost Plus
- 71 manufacturing opportunities for estimated 3,192,920 sq. ft. of new construction valued at \$31,735,000 and estimated to create 1,229 new jobs
- E-Tools: Proficient with Landmaster™ Property Management Software, and CoStar™ Commercial Real Estate

California Technology, Trade, and Commerce Agency (TTCA)

PROGRAM MANAGER, MANUFACTURING TECHNOLOGY PROGRAM

12/00-11/01

- Successfully managed a \$3.2 M Federal/State partnership program
- Cultivated successful strategic partnerships resulting in bioscience and technology business creation
- Developed customer communications including technology themed exhibition booth, and marketing materials
- Developed budget change proposals and administered annual RFP process
- Represented State of California on MANEX and CMTC Boards of Directors

GLOBAL BUSINESS DEVELOPMENT MANAGER

06/98-12/00

- Secured export actions - clients reported generating \$46 M in export sales FY 99-00; \$26 M FY 98-99
- Recruited 131 firms for California Trade Delegations attending 13 international trade events
- Promoted global expansion of California ICT, biotech, medical, E-business, and telecom firms
- Crafted and executed California export promotion campaigns
- Built and maintained relationships with international trade organizations, C-level executives, and foreign officials

Volunteers in Overseas Cooperative Assistance (VOCA)

INTERNATIONAL DEVELOPMENT RECRUITER

03/94-06/96

- Recruited U.S. agribusiness consultants for more than 180 international business and cooperative development and technical assistance projects throughout 31 emerging democracies and middle-income nations
- Marketed VOCA programs to national agribusinesses, land grant universities, agricultural cooperatives, international trade, and domestic development groups, along with state agriculture departments and county extension agencies
- Coordinated development and training efforts with World Bank, Peace Corps, and national governments from transitioning economies, emphasizing market development and transnational linkages

EXPERIENCE PRIOR TO 1994

International Election Research Analyst, International Republican Institute, Washington, D.C.
Development Specialist, Republican National Committee, Washington, D.C.
First-Tier Opposition Research Analyst, National Republican Senatorial Committee, Washington, D.C.
Economic - Political Research Assistant, International Freedom Foundation, Washington, D.C.
International Trade Consultancy Assistant, Samuels International Associates, Washington, D.C.
Nature Reserve Game Warden, Sea Farm Nature Reserve, Betty's Bay, South Africa
Agriculture Exchange Student, National Future Farmers of America, Germany, and Australia

EDUCATION

Oldahoma University – Economic Development Institute		2006-2008
Year Three	Indianapolis, IN	December 2008
Year Two	Reno, NV	December 2007
Year One	Oklahoma City, OK	April 2007
International Economic Development Council (IEDC)		2004-Present
Economic Development Credit Analysis Course	Atlanta, GA	June 2006
Economic Development Finance Course	Princeton, NJ	January, 2006
Business Retention & Expansion Course	Chicago, IL	September 2005
Pursuing CEcD certification		
Keys to Successful Economic Development (CALED)		January 2005
Basic Economic Development Course	Sacramento, CA	
MA, International Policy Studies (Marketing and Trade),		December 1997
Monterey Institute of International Studies		
African Regional Studies Coursework, National Security Department,		Fall 1997
United States Naval Postgraduate School		
BA Honors, International Relations,		December 1990
Rhodes University, South Africa		
BA, African Economic History and Political Studies,		December 1989
University of Cape Town, South Africa		

RECENT AWARDS/HONORS/MEMBERSHIPS

State of California, Office of Small Business Advocate,	2008
Workforce Development/Education, Pod member	
California Association of Local Economic Developers, Member	2004-Present
California Association of Local Economic Developers, Awards Reviewer	2006-2009
International Economic Development Council, Member	2007-2009
Yolo County Economic Development Council, Appointed Member	2003-2007
German Ministry of Economics and Technology, Transatlantic Program	Fall 2002
California Technology, Trade and Commerce Agency,	2000
Agency Secretary Recognition Certificate	
Monterey Institute of International Studies, Presidential Scholarship	1996 - 1997
American Marketing Association – Sacramento Valley Chapter, Member	1996 - 2004

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

3.0 Program Effectiveness

In May 2009, the County Board of Supervisors recognized the need for a focused economic plan of action and adopted a 12-Month Economic Development Action Plan to address critical economic issues facing the county. A major focus of that plan is to provide economic development tools to businesses located in, or relocating to, the unincorporated area of the county, specifically applying for CDBG-EF grant funds to support economic stability and growth.

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

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

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

- Providing a program that improves the county's local employment base by increasing employment opportunities to the targeted income group (TIG)
- Encourage diversification of the economic base
- Fill the financial gap that hinders the business or project from moving forward without the Business Loan Program
- Providing necessary economic development tools to support economic stability and growth

The County of El Dorado Business Loan Program has provided nine (9) economic development loans for a total of \$495,000 since 1998. The types of businesses assisted include retail, agricultural, law firm, web design, and manufacturers.

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

3.2 Extent to Which Program Complements Local or Regional Economic Development Plan

On May 18, 2009, The El Dorado County Board of Supervisors recognized the need for a focused economic plan of action and adopted a 12-Month Economic Development Action Plan to address critical economic issues facing the county and to strengthen the Economic Development Strategy adopted by the Board on October 30, 2007. The El Dorado County Business Assistance Loan Program will complement the Plan by playing an integral role in providing economic development tools to businesses located in, or relocating to, the unincorporated area of the county by utilizing CDBG-EF grant funds to support economic stability and growth.

Within the Economic Development Element of the El Dorado County General Plan there are Goals, Objectives, Policies, and Measures. The main Goals of the Economic Development Element are 10.1 Cooperation and 10.2 Public Service and Infrastructure.

Goal 10.1: Cooperation

The county shall work with all levels of government and with the various economic development organizations including the business community to cooperatively identify and promote the County's positive opportunities and strength.

Goal 10.2: Public Service and Infrastructure

Provide adequate levels of public services and infrastructure for existing residents and targeted industries and establish equitable methods to assure funding of needed improvements to existing infrastructure and services and new facilities to further economic development consistent with the County's custom, culture, and economic stability.

These goals are echoed in the Economic Development Strategy's Primary Objectives. Objective 3, Build Service Provider Support Network for Business Retention and Expansion Program, specifically sites the need for a collaborative effort to establish financing programs.

The Department of Human Services and California Department of Community Development are key partners in the success of the County's Economic Development Plan by providing needed business tools in the form of funding through the CDBG Enterprise Fund for the County's Business Assistance Loan Program.

SECTION 2. BUSINESS ASSISTANCE ATTACHMENTS

This Section Contains:

- 4.1 Task Matrix Attachments
- 4.2 Program Guidelines
- 4.3 Local Organizational Support Attachments
- 4.4 Leverage Attachments
- 4.5 Adverse Economic Event

Business Assistance Task Matrix

Note: "X" - identify organization responsible for task.

Task	Contract Program Operator	County	Contract Loan Servicer
Establish and Maintain Program Loan Files		X	
Legal Review of Loan Documents		X	
Approve RLF Guidelines		X	
Prepare Fiscal/Performance Reports		X	
Review Fiscal/Performance Reports		X	
Monitor Program Operator		X	
Conduct NEPA and CEQA Review		X	
Participate in LAB Review		X	
Loan Servicing and Accounting		X	
Provide Monthly Receipts of Loan Payments		X	
Provide Quarterly Statements on Loans		X	
Implement collections and foreclosures		X	
Approve Reuse Plan		X	
Meet with Participating Lenders		X	
Publicize and Market the RLF		X	
Screen and Assist Loan Applicants		X	
Refer ineligible applicants to others		X	
Request preliminary Loan information		X	
Get Credit Report, other documentation		X	
Prepare loan package and recommendation with appropriate determination		X	
Present loan to LAB			
Close loan with other lenders		X	
Monitor loan and general compliance			
Preview and Sign all HCD Reports		X	
Prepare Cash Requests and HCD Reports		X	
Clear special conditions		X	
Site visits to borrowers		X	
Track jobs/benefit (EEO)			
Infrastructure Grants		X	
Business Loans			
Monitor Labor Standards		X	
Income Screening/TIG Benefit		X	
Conduct Appeal Process		X	
Establish Fair Share Amount		X	
Develop Fair Share Agreement		X	
Execute & Implement Fair Share Agreement		X	

Task	Contract Program Operator	County	Contract Loan Servicer
Planning, Building & Public Works Reviews		X	
Attend HCD Workshops		X	
Provide Business Counseling – SBDC		X	
Provide Overall review and liaison between RLF components, City & CDBG program		X	

Note: "X" indicate party responsible for task.

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

4.2 Program Guidelines

**EL DORADO COUNTY
BUSINESS LOAN PROGRAM GUIDELINES**

I. PURPOSE:

The County of El Dorado Business Loan Program (BLP) is designed to provide the critical and necessary capital needs for business and real estate projects within the County. The BLP will be capitalized with funds from the State of California Community Development Block Grant (CDBG) Program. The intent of the BLP is to provide appropriate assistance to businesses and real estate development projects, which in turn will create and/or retain jobs, along with increasing the commercial and industrial base of the community.

The Business Loan Program provides loans, in which repayments are “revolved” or “recycled” to be loaned again in the same program. Therefore, the initial funds that capitalize the program will be used again to create additional jobs, assist more businesses and projects, and provide significant benefits beyond the Business Loan Program’s initial loans.

The Business Loan Program will assist businesses and projects that start-up, expand, and/or locate within the unincorporated areas of the County. The Business Loan Program proceeds can be used to finance:

- Working Capital/Lines of Credit,
- Inventory Purchase,
- Equipment Acquisition,
- Real Property Acquisition, Construction, Rehabilitation; and
- Furniture/Fixtures.

II. POLICY:

The following elements are critical in the selection of loans for the BLP:

- That the terms and conditions of the Business Loan Program are appropriate;
- That a sufficient number of jobs will be created or retained in accordance with CDBG requirements;
- At least 51% of the jobs created and/or retained must be from the Target Income Group (TIG). The TIG is a low/moderate income person whose household income does not exceed 80% of County median household income, adjusted by family size. In order to meet the criterion for created and/or retained jobs, the employees must be from the TIG at the time they are hired or retained. For job retention projects, income self-certification will be conducted on all employees prior to the approval of the loan. For job creation projects, all of the TIG employees will complete income self-certification; and
- The loan meets the Business Loan Programs underwriting requirements.

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 to be financed with the Business Loan Program must be within the unincorporated area of the County.

The project must be commercial or industrial. Business Loan Program funds can be used for construction and permanent financing, working capital, inventory equipment, real property acquisition, construction and rehabilitation.

III. SOURCE OF FUNDING

The source of funding for the Business Loan Program is the State of California Community Development Block Grant Enterprise Fund Component Program. Loans are not from the El Dorado County General Fund.

IV. DESCRIPTION OF FUNDING

4.1 Guidelines:

Loans will range from a minimum of \$5,000 to a maximum of \$100,000. Although all loans must be reviewed by HCD/CDBG prior to final approval, loans above \$250,000 will require additional approval by the State Department of Housing and Community Development's (HCD) loan committee.

- **Leveraging:** ~~The business owner is required to leverage one dollar for every loan dollar.~~ The Program's overall goal is to leverage a realistic pledge of dollars from equity and/or debt for every one Program dollar loaned. On a case-by-case basis this leverage requirement may be waived. A private dollar can be either debt financing or owner equity. Owner equity can be cash and/or land. The land is counted only for construction projects. Expenditures made by the loan applicant prior to the Business Loan Program loan award are not counted unless made as part of the submittal, and made within 60 days of the Business Loan Program loan submittal, related to and in anticipation of such submittal. **A minimum of 10% of the total project funding must be from owner equity.**
- **Loan Terms:** Up to ten years, depending on the asset being financed, the "financial gap," and the demonstrated need for the Business Loan Program funds. The length of loan shall not exceed the economical life of the equipment/asset being financed.
- **Loan Fee:** A loan fee of up to 1.5% may be charged to the borrower.
- **Prepayment Penalty:** None
- **Deferral of Payments:** On a case-by-case basis, determined based on the financial gap.
- **Job Creation and/or Retention:** One full time equivalent job (1,750 hours annually) per \$35,000 loaned shall be achieved for each loan. Two permanent part-time jobs (at least 875 annually) can be aggregated to count as one full time equivalent job. For loans meeting the national objective of principally benefiting the Targeted Income Group (TIG), at least 51% of the jobs created/retained shall be held by TIG persons.
- **Collateral Requirements:** All Business Loan Program loans shall be fully secured by collateral in order to maintain the Business Loan Program. No unsecured loans shall be made. Types of collateral may include liens on real property; deeds of trust; liens on machinery, equipment or other fixtures; lease assignments; personal and/or corporate guarantees; and other collateral, as appropriate.

4.2 General Administrative Features:

The Business Loan Program will comply with all CDBG requirements, including, but not limited to:

- Confidentiality of Client Financial Information, as allowed by law;
- Equal Opportunity/Affirmative Action Policy;
- Attorney review all contracts and legal forms;
- Monitoring and Reporting Forms;
- Collection and Foreclosure Policy;
- Labor standards (where applicable);
- Clearing CDBG special conditions;
- Relocation assistance (where applicable);

- Section 3 requirements;
- Fair Housing requirements;
- Environmental reviews; and
- The County staff will be responsible for overall project marketing, loan evaluation, loan packaging, and monitoring.

4.3 Project Evaluation Criteria

The following evaluation criteria will be adhered to during the course of the Business Loan Program:

- The number of jobs created and/or retained and the percentage benefiting members of the targeted income group;
- The amount of private dollars leveraging BLP funds;
- The financial viability of the proposed enterprise; and
- The demonstrated need for the funds.

4.4 General Credit Requirements

Loan Applicant must be:

- Be of good character;
- Show ability to operate a business successfully;
- Have enough borrowing ability or equity to operate, with the loan, on a sound financial basis;
- Show the proposed loan is of sound value or reasonably secure to assure repayment; and
- Show that the past earnings record and future prospects of the firm indicate ability to repay the loan and other fixed debt, if any, out of the profits.

4.5 Loan Packaging

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

4.6 Loan Advisory Board

The Loan Advisory Board (LAB) shall be responsible for reviewing funding proposals and making recommendations to County staff. The El Dorado County Housing, Community and Economic Development Agency will decide the terms and conditions of loan agreements. The LAB shall be comprised of:

- One representative of County staff; and
- One Certified Public Accountant;
- Two representatives of a El Dorado County lending institution; and
- Two representatives of the business community appointed by the County.

All projects meeting the established criteria shall be brought before the LAB. HCD/CDBG will make the final loan determination after County LAB approval.

4.7 Length of Review Process

On average, the BLP review process takes six to eight weeks from submittal of a complete loan application through LAB review. Loan funds can be disbursed two to three weeks after signing the BLP documents, depending on the financing. All loans must be approved in advance by HCD. Additional commitments can be made prior to final approval from another funding source. Every effort will be made to facilitate the process to coincide with the other funding source and the project's requirements.

4.8 Linking Jobs with Long-Term Unemployed

County staff will work closely with the local One Stop Center to support the Workforce Investment Act (WIA) programs and services that provide assistance to the unemployed and low and moderate-income persons. Early and consistent involvement with each loan applicant will be an integral policy of the BLP.

V. ELIGIBILITY

5.1 Eligible Applicants

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 to be financed with the BLP must be within the unincorporated area of the County.

5.1.1 Conflict of Interest

When the County's program contains Federal funds, the following shall be addressed: in accordance with title 24, Section 570.611 of the Code of Federal Regulations, no member of the governing body and no official, employee or agent of the local government, nor any other person who exercises policy or decision-making responsibilities (including members of the loan committee and officers, employees, and agents of the loan committee, the administrative agent, contractors and similar agencies) in connection with the planning and implementation of the Program shall directly or indirectly be eligible for this Program. This ineligibility shall continue for one year after an individual's relationship with the County ends. Exceptions to this policy can be made only after public disclosure and formal approval by the governing body of the locality.

5.2 Eligible Uses

The project must be commercial or industrial. BLP funds can be used for construction and permanent financing, working capital, inventory, equipment, real property acquisition, construction and rehabilitation.

5.3 Ineligible Uses

Projects must be located in the unincorporated part of El Dorado County. Projects cannot be residential in nature. Projects must have reasonable assurance of repayment. Projects are not eligible if they create a conflict of interest pursuant to California Government Code S87100 et seq for any current County employee or Loan Advisory Board (LAB) member. Projects must create or retain jobs, primarily for the Targeted Income Group, and must leverage private or equity funds.

5.4 Eligible Projects

Project eligibility is based on the project satisfying the CDBG Program's national objective of principally benefiting targeted income group persons through job creation and/or retention, or aid in the elimination of slums or blight or meet a community development need having a particular urgency. Additionally, the eligibility of a project is dependent on the appropriate determination being made to justify the provision and extent of CDBG assistance.

5.5 Eligible Costs

- Land costs, including engineering, legal, grading, testing, site, mapping and related costs associated with the acquisition and preparation of land.
- Building costs, including real estate, engineering, architectural, legal and related costs associated with acquisition, construction and rehabilitation of buildings including leasehold improvements.
- Working capital, inventory, furniture, fixtures, machinery and equipment.

5.6 Ineligible Costs for CDBG Loans

- Costs incurred prior to CDBG grant execution, submittal of the loan application, and environmental review requirements, except for private leverage as specified in Section 4.1.
- Costs other than those listed as eligible in Section 5.5.

VI. ROLE OF THE COUNTY

6.1 Role of the County Staff

County staff will, as required will:

- Publicize and market the BLP;
- Screen all applicants for loans;
- Meet with potential lenders;
- Perform site visits, as appropriate;
- Refer candidate that are not eligible, do not meet the BLP criteria or need technical assistance to the Small Business Development Center;
- Obtain from candidates preliminary information and an application, along with accompanying financial information;
- Prepare packages, along with recommendation to LAB;
- Perform any appeal process;
- Provide expenditure reports and other miscellaneous information to County to operate the BLP;
- Assist the County in any implementation process of the BLP (clearing special conditions, environmental review, etc.).
- If approved, assist with loan processing and closing; and
- Once closed, monitor the loan, maintain the loan records, and monitor compliance with job objectives.

The County of El Dorado staff is responsible to:

- Provide the overall oversight and liaison among the County Staff, loan applicants, recipients, lenders, and other interested parties;
- Prepare all reports, financial information and performance reports as required by CDBG on each loan during the term of the loan;
- Serve as the contact for the State Department of Housing and Community Development for the BLP;
- Meet with each BLP applicant at the application conference (prior to submission of application to LAB) to review application and ensure the applicant understands all requirements and obligations of the BLP;
- Perform any special conditions clearances required by CDBG;
- Review the standard loan documents (in conjunction with County Legal);
- Amend and submit for approval the BLP guidelines and reuse plan as needed;
- Meet with lenders as appropriate;
- Make the final decisions to foreclose and declare defaults (in consultation with legal counsel, based upon recommendations of staff);

- Monitor on-going operations of the loan recipient;
- Monitor compliance with BLP requirements;
- Attend HCD/CDBG training as appropriate; and
- Assist other County departments as required to implement loan application (Planning/Building, DOTs, etc.).

6.2 Role of the Loan Collection Agent

The County will conduct the duties of loan collection agent. The duties will include the following:

- Loan servicing and accounting;
- Provide monthly receipts of loan payments;
- Provide quarterly statements on each loan;
- In concurrence with the County's legal counsel, undertake loan collections, including asset liquidation; and
- Obtain credit reports on all loan applicants.

VII. LOAN SELECTION AND APPROVAL PROCESS

7.1 (A) Marketing

The marketing of the BLP will be accomplished by a variety of means. There will be media coverage, marketing brochures, and joint marketing through County Staff's existing loan packaging and financial services. Local lenders will recommend clients and projects, when appropriate. The Small Business Development Center, local Realtors, and business associations will also refer potential applicants. The County staff will also use existing business and community networks to market the BLP.

7.1 (B) Procedure

Once a potential project has been identified, the County staff will conduct a preliminary review for eligibility with the BLP criteria. If another lending source is more appropriate, or the project does not meet the BLP criteria, the County staff will refer the prospective borrower to another organization for assistance and technical assistance. This will include referrals to the Greater Sacramento Small Business Development Center, the SCORE program, and financial institutions. As a condition of the loan, the County staff or LAB may require that applicants receive pre-loan and/or post-loan counseling.

County staff may require applicants who have received loans to undertake business counseling if it appears that the applicant's financial position is declining and the BLP loan may become delinquent.

If the project appears to meet the criteria, the applicant will be asked to submit preliminary information. Preparation and submission by an applicant of preliminary information and supporting documents include, but are not limited to:

- Business and personal tax returns for the last three years or since commencement of operations (whichever is less);
- Business financial statements (balance sheet and income statement) for current year and prior three years;
- Current personal financial statement;
- Credit history; and
- A proposed project summary.

Start-up businesses must submit pro-forma financial statements for the first three years. Real estate projects must submit pro form projections for the first five years, and pre-leasing information.

The County staff will review the preliminary information. If the project is viable, a draft loan analysis will be prepared. If the decision is to decline the request, the County staff will provide the applicant with a written explanation of the denial. If appropriate, referrals to other organizations will be made.

If the review is positive, the applicant will be invited to an application conference with County staff and to submit a formal application to County staff, which will be presented to the LAB for their recommendation. At the application conference, the County staff will review with the applicant the formal BLP checklist and required information, forms and financial schedules deemed necessary by County staff to complete the loan package. County staff will determine project needs/conformance with local requirements, including the necessary environmental review for the project.

The applicant, in conjunction with the County staff will develop the employment agreement.

Upon completion of the necessary information, the County staff will present applications to the LAB. The presentation will include a completed BLP Project Evaluation form. If the private funds are from equity, then the commitment letter must be from the applicant. The County staff presentation will include a recommendation. This recommendation will include the proposed terms and conditions, based upon the identified "financial gap" and the appropriate analysis undertaken by County staff, along with a checklist insuring that the loan meets the BLP guidelines and criteria.

The LAB will decide to recommend approval or to decline the loan request. If loan request is declined, the applicant will be informed in writing by County staff as to the reason. If recommended, the LAB's recommendation may be based on the terms and conditions proposed by County staff, or the LAB can recommend alternative terms and conditions. The LAB recommendation is to be presented to the County staff. Prior to final County approval, County staff will review the loan package for completeness and regulatory compliance, as well as final review for compliance with BLP guidelines and criteria.

When the County approves or denies the loan request, the applicant will be notified in writing. If denied, the reasons for denial will be included. The County staff approval shall include a certification statement that, based on his/her review of the staff report and LAB recommendation, the County finds that the CDBG loan is appropriate and that the assistance is commensurate with both the needs of the borrower and level of benefit to TIG persons in addition to other public benefits stemming from the project.

7.1 (C) Loan Closing

Upon approval by County LAB, the County Staff will complete the special conditions (including the environmental review). Once approved by HCD/CDBG the Borrower will sign all the necessary documents and agreements. County staff will request a draw down of funds from the State Department of Housing, Community and Economic Development (the timing of the request may vary depending on the project). The County staff will prepare the loan closing documents, prepare title and lien searches, and UCC-1 filings, if appropriate (the sample pre-closing checklist and escrow instructions attached will be developed and used for each loan closing). County legal counsel will review all agreements and documents, as necessary.

The County staff will undertake loan closing. At the time of closing, the Borrower will be provided with a checklist outlining their obligations under the BLP. At closing, or another specified time, funds will be disbursed to the Borrower.

The County staff will complete any remaining legal, regulatory or other items. Monitoring and compliance files will be set-up at this time.

7.1 (D) Loan Monitoring

Two separate loan files will be maintained. The first is the legal file, which holds all the original loan documentation, along with the original documents. This file shall be kept in the County's fireproof vault for safekeeping. The second is a credit file, which shall contain the day-to-day administrative records of the loan.

The legal file shall include, at a minimum:

- Note;
- Loan Agreement, including Non-Financial Employment Plan;
- Mortgage;
- General Security Agreement;
- Personal Guaranty;
- Corporate Guaranty;
- Subordination Agreement;
- Life Insurance Policy and Assignment;
- Hazard Insurance Policy and Assignment;
- General Resolution;
- Certificate of Secretary;
- Opinion of Counsel; and
- Inter-creditor Agreement.

The credit file shall contain, at a minimum:

- Loan Application;
- Financial Information Associated with the Application;
- Credit Memo;
- LAB Recommendation;
- Final County Approval;
- Disbursement Records;
- Reports of Site Visits;
- Updated Financial Information Provided by Borrower; and
- Job Creation/Retention Data.

A reporting system will be established for each loan and the loan portfolio as a whole. The report should be updated at least quarterly. The County staff shall be responsible for preparation of this report. The County staff will use the report to monitor the loans and identify problems. The report will contain the following:

- **Fund Report Balance:** A monthly summary of the beginning fund balance, principal and interest recaptured during the month, disbursements made during the month and funds committed but not yet disbursed, and amount remaining in the BLP which is unencumbered. The monthly receipts from the lender on each loan will serve as the basis for this report.
- **Portfolio Summary Report:** A quarterly summary of the total loans outstanding and authorized loans. The report shall include a quarterly statement on each loan, prepared by the lender. The quarterly report shall include the last payment date and loan balance. Delinquent loans shall be identified and a summary of actions to date to collect delinquent loans shall be included.
- **Employment Report:** A quarterly report on each project detailing the jobs created/retained, and those hired that meet the Targeted Income Group.
- **Loan Loss and Delinquent File:** A list of all loans that have been classified as uncollectible and a summary of foreclosure procedures to date on the loan. Loans

that are delinquent will also be listed, along with a summary of recommended steps, and steps taken to date.

- **Tickler File:** A listing of the current loan portfolio and dates for receipt of financial statements, employment information, renewal of UCC-1 filings, review date, dates for insurance renewal and other information.

In addition, the County staff will establish and maintain a loan monitoring file which will include a summary of the monitoring requirements of the State Department of Housing and Community Development. A tickler file will be part of this overall file to insure that loan and BLP monitoring is undertaken and completed.

VIII. LOAN UNDERWRITING

The loan underwriting policies of the El Dorado County Business Loan Program (BLP) are designed to insure the Program's ongoing viability, assist businesses that could not proceed without the BLP, and ensure that the BLP assistance is appropriate.

8.1 HUD Underwriting Guidelines:

The County has adopted the HUD underwriting guidelines for the BLP to determine whether a proposed CDBG subsidy is appropriate to assist with business expansion or retention. In addition, the project will be reviewed to determine that a minimum level of **public benefit** will be obtained from the expenditure of the CDBG funds in support of the project.

The objectives of the underwriting guidelines are to ensure that:

- Project costs are reasonable;
- All sources of project financing are committed;
- To the extent practicable, BLP funds are not substituted for non-Federal financial support;
- The project is financially feasible;
- To the extent practicable, the return on the owner's equity investment will not be unreasonably high;
- To the extent practicable, BLP funds are disbursed on a pro rata basis with other financing provided to the project; and
- Sufficient public benefit will be received from the expenditure of BLP funds.

8.1(A) Project Costs are Reasonable

All project costs will be reviewed for reasonableness, and to avoid providing either too much or too little BLP assistance. The amount of time and resources expended evaluating the reasonableness of a cost element shall be commensurate with its costs. In some instances, it will be necessary to obtain third-party, fair-market price quotations or a cost element. Particular attention will be documenting the cost elements in non-arms-length transactions.

Procedures:

1. Start with Sources and Uses of Funds.
2. For each Use of funds, determine if costs are reasonable.
 - a. For construction, machinery, equipment. Determine if the costs are estimated by a third-party (e.g. architect, engineer, equipment supplier, etc.). Determine if the estimates are included in the application. Determine if the contingency is adequate.

- b. For land, determine if the price is based upon Fair Market Value. If not, determine the Fair Market Value and how was price determined. Obtain an appraisal or an opinion of Fair Market Value.
 - c. For development costs (building fees, architectural/engineering costs, financing costs, franchise fees, etc.), determine if these costs are itemized and supported by contracts or other documentation.
 - d. For working capital, compare the amount of working capital to industry averages, risk, historical needs of the business and the projected need. Analyze business financial statements, projections, operating cycle and financial ratios.
3. A higher level of review will be required if there are no third party estimates.
 4. Sources of information:
 - Sources and Uses of Funds Statement;
 - Financial Statements and Projections;
 - Industry Averages (Robert Morris);
 - Third Party Costs Estimates;
 - Building Department/Public Works;
 - Realtors;
 - Appraisers;
 - Architects/Engineers;
 - Contractors;
 - Equipment Suppliers; and
 - Other similar projects.

8.1 (B) Commitment of All Sources of Project Financing

Prior to the commitment of BLP funds to the project, a review shall be conducted to determine if sufficient sources of funds have been identified and committed to the project, and the participating parties have the financial capacity to provide the funds to ascertain if the project is viable and will move ahead in a timely manner. In certain circumstances, the BLP may commit its funds in advance of final commitments from other funding sources. However, to conduct the underwriting analysis, the approximate terms and conditions of the other funding sources should be known. Final commitments from the other funding sources will be required, with substantially similar terms and conditions as used in the underwriting analysis, prior to any loan closing or disbursement of funds.

Procedures:

1. Start with Sources and Uses Form.
 - a. For all sources of funds, determine if there is evidence verifying commitment or intent to commit.
 - b. For debt sources, be in receipt of letters of intent or interest, which specify the level of commitment and terms/conditions of the loan. The proposed terms should be reflected in the business projected debt schedule and in the financial projections. Determine if actual loan packages have been submitted to lenders.
 - c. For equity sources, determine if the equity injection is verified on the business or personal financial statements. Or if an investor provides the equity, obtain evidence of the level and terms of commitment (e.g. letter of intent with accompanying financial statement verifying availability of funds).
2. Sources of information:
 - a. Sources and Uses of Funds,
 - b. Business and Personal Financial Statements, and
 - c. Letters of intent/interest form lenders, partners and investors.

8.1 (C) Avoid Substitution of CDBG Funds for Non-Federal Financial Support

The project will be reviewed to ensure that, to the extent practicable, BLP funds will not be used to substantially reduce the amount of non-federal financial support for the project to make the most efficient use of the BLP funds.

8.1 (D) Financial Feasibility of the Project

Each project will be examined to determine the financial viability of the project, and thus the reasonable assurance that the public benefit will be realized. The current and past financial statements for both the business and individuals must be analyzed, along with tax returns and projections. The assumptions behind the projections must be critically analyzed. Income and expense costs shall be evaluated and compared historically, where applicable, and compared to industry averages (using guides such as Robert Morris' Annual Financial Statements). Project costs, including both hard and soft costs, must be determined to be reasonable. Accurate project costs are vital to determining project feasibility.

As part of the financial analysis, the past, current, and projected financial data shall be analyzed to determine if the job estimates are reasonable and supportable. Labor costs shall be looked at the break-even point. In addition, labor costs shall be checked against industry averages. Variations should be explained in the loan analysis.

The terms and conditions of the BLP loan must be appropriate. In general, the interest rate shall be set at a rate where available cash flow is able to meet debt obligations, after other obligations are met, with enough cash flow remaining to operate successfully. The loan term typically is based in the asset being financed. The term should not exceed the economic life of the asset being financed. However, a longer loan amortization schedule, with the loan due at the end of the economic life may be justifiable

Each loan shall include a written explanation of the appropriate analysis that was undertaken, and the reason the terms and conditions of the loan were approved.

8.1 (E) Financial Analysis.

Historical and projected financial statements will be subject to financial analysis to determine the gap, and structure the terms and conditions of the BLP loan, as discussed above, but also to determine that the project is feasible. In addition, use prudent underwriting guidelines, demonstrating that the proposed loan is of sound value, and note how past earnings and future prospects indicate an ability to meet debt obligations out of profit.

Information that will be required to be submitted by the applicant will depend on the project, ownership structure and whether it is an ongoing or start-up business. In general, the information required is outlined in the BLP checklist in the exhibits.

The financial analysis will differ depending on whether the business is a start-up or existing business. The analysis will include for existing businesses a spread of the current and financial statements to determine trends. The pro forma statements will then be compared to these past statements. Financial ratios will be analyzed. The statements and ratios will be compared to industry averages. For start-up business the projections will be analyzed and ratios developed, and both compared to industry averages.

Ratios that will be analyzed include:

- **Current Ratio:** Current assets/current liabilities. This ratio is a rough indication of a firm's ability to service its current obligations. A ratio of 2:1 is considered secure.

- Quick Ratio: Cash & equivalents plus accountants & notes receivable/current liabilities. The ratio is a refinement of the current ratio. A ratio of 1:1 usually indicates ample liquidity.
- Cash Flow Coverage: Net profit & depreciation & depletion-amortization expenses/current portion of long term debt. This ratio is a measure of the ability to service long term debt.
- Another coverage ratio is: Earnings before interest and taxes/annual interest expenses. This ratio is a measure of a firm's ability to meet interest payments. A Cash Flow Coverage of 1.25 debt service shall be used as a guideline.
- Debt to Worth: Total liabilities/tangible net worth. This ratio is the relationship between debt and a businesses net worth. A lower ratio is an indication of greater long-term financial safety and greater flexibility to borrow. In general, a Debt to Worth ratio of higher than 5:1 should not be exceeded as an underwriting policy. There are exceptions when the industry average is high due to its capital intensive nature or when projections show the ratio lowering quickly.
- Collateral Coverage: The value of collateral as compared to the amount of the loan. Typical underwriting guidelines suggest that 125% of loan balance be used. However, this is highly dependent on the quality and security of the collateral. In addition, collateral requirements are a cause of "financial gaps". The BLP shall use 125% as a guideline, which shall only be lowered with specific and detailed analysis and explanation.
- Break-Even Analysis: The analysis of the project's ability to support the projected labor costs and additional debt service at its break-even point (BEP) will be analyzed to determine what proportion of the jobs can be supported at that BEP. This will serve as a worst case look at the business' prospects for success, ability to service new debt, etc.

The financial and ratio analyses must be supported by the business plan. The business plan must provide a clear understanding of the project, competition, market strategy, sales estimates, management capacity and other factors.

Lastly, to ensure project feasibility, an evaluation will be conducted of the experience and capacity of the business principals to manage the business and achieve the projections.

Procedures:

1. Perform financial underwriting analysis.
 - a. Spread historical financial statement sand projections. Identify any significant differences and compare to industry averages.
 - b. Review assumptions to projections. Determine if projections are reasonable and supported by market studies, business plan, and historical trends.
 - c. Review financial ratios for project and compare to industry averages. If significantly different, determine the reasons and impact on feasibility.
 - d. Review cash flow for project. Determine if there is adequate working capital.
 - e. Determine break-even point for project, and how much the projections are above the break-even point. Determine if the public benefit will be realized at the break-even point.
2. Review the business plan, market information, historical financial statements, projections, ratio analysis, break even analysis, spreadsheet analysis, and management capacity to determine the project feasibility.
3. Sources of information:
 - a. Historical Financial Statement;
 - b. Financial Projections;

- c. Business Plan;
- d. Market and Industry information; and
- e. Industry Averages.

8.1 (F) Return on Equity Investment

The return on equity investment is the amount of cash that the investor/business owner is projected to receive in relation to their initial equity. For a sole proprietor, this equates to salary plus net income. To the extent practicable, the BLP should not provide more than a reasonable return on investment to the business owner. This will help ensure that the BLP will maximize the use of BLP funds and not unduly enrich the business owner/investor. However, care shall be taken to ensure that the rate of return will not be too low, so that the business owner's motivation remains high to pursue the business with vigor.

If the project's financial returns are projected to be too low to motivate the business and/or investor to proceed with the project then risks of the project outweigh the returns. An inadequate rate of return, adjusted for industry and locational risks, is a third method to determine the gap appropriate to be funded with BLP funds. To analyze this gap, the projected return on investment must be compared to the return on investment on similar projects. If it is shown that a gap does exist, then the BLP financing rate and terms must be set at a rate that provides a return equal to the "market rate". Real estate appraisers and lenders are important sources of information on "market rate" returns.

Procedures:

1. Review projections.
 - a. Review revenues, expenses (including officer's salary/owners' draw), debt service and net operating income, and compare to historical financial information and to industry averages. Determine if these items are reasonable.
 - b. Review indicators of owners' return on equity, including officers' salary, owners' draw, and net operating income. Given the project's risk and local conditions, determine if the return on equity is reasonable compared to industry averages.
2. Review the business and personal obligations. Determine what return on equity is necessary to meet personal and business obligations.
3. If return on equity is above industry averages, adjusted for risk and local conditions, take steps to reduce the return to within a reasonable rate by restricting owners' draw/officers' salary, or adjusting the BLP loan terms.
4. If return is below average, adjust BLP subsidy to bring the rate of return closer to the industry average.
5. Sources of information:
 - a. Financial projections;
 - b. Historical financial statements;
 - c. Personal financial statements; and
 - d. Industry averages.

8.1 (G) Disbursement of BLP Funds on a Pro Rata Basis

To the extent practicable, BLP funds should be disbursed on a pro rata basis with other funding sources to avoid placing BLP funds at a greater risk than other funding sources. When it is determined that it is not practicable to disburse BLP funds on a pro rata basis, other steps shall be taken to safeguard BLP funds in the event of a default.

Procedures:

1. Review Sources and Uses of Funds. Determine when BLP funds will be expended as compared to other funds.

2. Determine other funding sources' policies towards expenditure of funds. These policies may require the use of BLP funds first. If so, may need to negotiate with other funding sources.
3. If BLP funds are to be expended first, consider actions to safeguard BLP funds (e.g. performance or completion bonds).
4. Sources of information:
 - a. Sources and Uses of Funds
 - b. Construction Contracts; and
 - c. Lender Requirements/Policies.

8.1 (H) Standards for Evaluating Public Benefit

Each project will be reviewed to determine if a minimum level of public benefit will be obtained from the expenditure of BLP funds. The minimum standards are:

- The project must lead to the creation or retention of at least one full-time equivalent (FTE) job per \$35,000 of BLP funds used; or
- The project must provide goods or services to residents of an area, such that the number of TIG persons residing the areas served by the project amounts to at least one TIG person per \$350 of BLP funds used.

Procedures:

1. Review historical financial statements.
 - a. Review historical labor costs as a percentage of revenues. Compare the percentage to projected labor costs. Determine if the two figures are consistent. If not, obtain an explanation.
 - b. Determine if the number of projected jobs is consistent with the projected increase in labor costs. Compare the labor costs percentage to industry averages.
2. Review the projections.
 - a. Determine if the assumptions used to project revenues and labor costs are reasonable. Determine if market/industry information and historical financial statements support revenues and labor costs.
3. Determine if project meets minimum public benefit requirements (one full-time equivalent job for every \$35,000 in BLP funds, or one TIG resident per \$350 in BLP funds residing in the area served by the project).
4. For infrastructure projects, determine the area of benefit; negotiate fair share contributions; develop, execute, and implement fair share agreement; and track jobs from the benefiting business(s) if the projected cost/job is less than \$10,000, or track jobs in the area of benefit if the projected cost per job is \$10,000 or more.

IX. BUSINESS LOAN PROGRAM (BLP) TASK MATRIX

TASK	COUNTY STAFF	COUNTY
Establish and Maintain Program Loan Files		X
Legal Review of Loan Documents		X
Approve BLP Guidelines		X
Prepare Fiscal/Performance Reports		X
Review Fiscal/Performance Reports		X
Monitor County Staff		X
Conduct Environmental Reviews		X
Participate in LAB Review		X
Loan Servicing and Accounting		X
Provide Monthly Receipts of Loan Payments		X

TASK	COUNTY STAFF	COUNTY
Provide Quarterly Statements on Loans		X
Implement Collections and Foreclosures		X
Approve Reuse Plan		X
Meet with Participating Lenders		X
Publicize and Market the BLP		X
Screen and Assist Loan Applicants		X
Refer Ineligible Applicants to Others		X
Request Preliminary Loan Information		X
Get Credit Report, Other Documentation		X
Prepare Loan Package and Recommendation with Appropriate Determination		X
Present Loan to LAB		X
Close Loan with Other Lenders		X
Monitor Loan and General Compliance		X
Prepare and Sign all HCD Reports		X
Prepare Cash Requests and HCD Reports		X
Clear Special Conditions		X
Site Visits to Borrowers		X
Track Jobs/Benefit (EEO)		X
Monitor Labor Standards		X
Income Screening/TIG Benefit		X
Conduct Appeal Process		X
Planning, Building & Public Works Reviews		X
Attend HCD Workshops		X
Refer for Business Counseling - SBDC		X
Provide Overall Review and Liaison Between BLP Components, County Staff, County and CDBG Program		X

X. CDBG MONITORING

10.1 Environmental Review

Once a loan is determined to be viable under the CDBG criteria, staff will work to initiate the Environmental Review process for the project specific activity. Environmental review procedures are included.

CDBG monitoring requirements will vary depending on the use of funds and the applicable federal overlays.

10.2 Public Benefit Requirements

Job Creation/TIG Benefit

See **Section 8.1 (H)** for project evaluation criteria. The El Dorado County Department of Housing, Community and Economic Development will be responsible for the Income Certification processes.

10.3 Labor Standards Requirements

CDBG loans may trigger compliance with Federal Labor standards and provisions. The following CDBG-assisted projects may be subject to the payment of Federal prevailing wage rates:

- New construction or rehabilitation
- On-site improvements in support of new construction
- Installation of equipment

When a project is determined to be subject to Federal labor standards, the County will be responsible for assigning in-house or contract staff to monitor compliance with this requirement.

10.4 Other Monitoring Requirements

Other requirements that apply to CDBG funding and may need to be monitored for compliance include:

- **Acquisition, Anti-Displacement, and Relocation.** If the County uses CDBG funds to acquire property, then it must comply with CDBG acquisition procedures. The County must minimize the displacement of persons (families, individuals, businesses, non-profit organizations, and farms) that may result from CDBG-funded activities. (24 CFR 570.606). If the displacement occurs, then the grantee must insure that the affected parties are provided with adequate relation assistance (24 CFR 570.606).
- **Equal Opportunity/Section 3.** The County must insure that no one is being excluded from participating in, or benefiting from, the CDBG program on the basis of race, color, religion, national origin, or sex (24 CFR 570.602). The County must have a system in place for tracking the “protected class” status of loan applicants, loan recipients, job applicants, and job recipients (24 CFR 570.607).
- **Procurement.** The County will utilize procedures in procuring services, supplies, equipment and construction contracts that maximize free and open competition and the efficient, economical use of the CDBG funds (24 CFR 85.36).
- **Contractor Eligibility and Certification.** The County will ensure that contractors are not on the federal list of ineligible contractors and that they are licensed and in good standing (24 CFR 570.609).

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

4.3 Local Organizational Support Attachments

4.4 Leverage Attachments



*A non-profit partnership of public and private
members organized to create jobs and foster a
strong economic climate in the
County of El Dorado*

July 15, 2009

Shawna Purvines
Senior Planner
County of El Dorado
937 Spring Street
Placerville, CA. 95667

Dear Mrs. Purvines,

The El Dorado County Economic Development Corporation strongly supports the application of the County of El Dorado for funding under the State Department of Housing and Community Development, California Community Economic Enterprise Funds program. The proposed Micro-enterprise Technical Assistance and Business Loan Fund program will assist low-income individuals and local businesses in their needs and be a valuable tool for improving the economic base of El Dorado County.

The El Dorado County Economic Development Corporation will assist the County in the recruitment and prescreening for eligible applicants. We will assist in marketing this program and providing coordination of trainings and other support services necessary to ensure participation in this program.

We estimate the commitment provided to this program by our publication, help with programs, seminars, counseling service, marketing and use of our facility for meetings will equate to at least \$ 15,000 in-kind contribution over the two year duration of the grant.

Sincerely,

A handwritten signature in cursive script that reads "Laurel Brent Bumb".

Laurel Brent-Bumb
Chief Executive Officer

**Economic Development
Corporation
of El Dorado County**

542 Main Street
Placerville, CA 95667
(530) 621-5885

09-0866.2D.58



Shawna Purvines
Senior Planner
County of El Dorado
937 Spring St.
Placerville, CA 95667

Dear Mrs. Purvines,

Umpqua Bank strongly supports the application of the County of El Dorado for funding under the State Department of Housing and Community Development, California Community Economic Enterprise Funds program. The proposed Microenterprise Technical Assistance and Business Loan Fund program will assist low income individuals and local businesses in their needs and be a valuable tool for improving the economic base of El Dorado County.

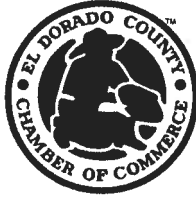
Patti Pitts and Umpqua Bank will assist the County in recruitment and prescreening for eligible applicants. We will assist in marketing this program and providing coordination of trainings and other support services necessary to ensure participation in this program.

We estimate the commitment provided to this program by our publication, help with programs, seminars, counseling service, marketing and use of our facility for meetings will equate to at least \$5,000 in-kind contribution over the two year duration of the grant.

Sincerely,

A handwritten signature in black ink, appearing to read "Patti A. Pitts", written over a light blue horizontal line.

Patti A. Pitts
Manager
3970 J Missouri Flat Rd
Placerville, CA 95667
530-295-3085



Still Finding Gold In El Dorado County

July 15, 2009

Shawna Purvines
Senior Planner
County of El Dorado
937 Spring Street
Placerville, CA. 95667

Dear Mrs. Purvines,

The El Dorado County Chamber of Commerce strongly supports the application of the County of El Dorado for funding under the State Department of Housing and Community Development, California Community Economic Enterprise Funds program. The proposed Micro-enterprise Technical Assistance and Business Loan Fund program will assist low-income individuals and local businesses in their needs and be a valuable tool for improving the economic base of El Dorado County.

The El Dorado County Chamber will assist the County in the recruitment and prescreening for eligible applicants. We will assist in marketing this program and providing coordination of trainings and other support services necessary to ensure participation in this program.

We estimate the commitment provided to this program by our publication, help with programs, seminars, counseling service, marketing and use of our facility for meetings will equate to at least \$ 15,000 in-kind contribution over the two year duration of the grant.

Sincerely,

Laurel Brent-Bumb
Chief Executive Officer

EL DORADO COUNTY CHAMBER OF COMMERCE

542 Main Street, Placerville, California 95667
(530) 621-5885 (800) 457-6279 Fax (530) 642-1624

09-0866.2D.60

Your SBA 504 Loan Partner

CAPITAL FUNDING



GREATER SACRAMENTO
CERTIFIED DEVELOPMENT
CORPORATION

July 13, 2009

Shawna Purvines
Senior Planner
County of El Dorado
937 Spring Street
Placerville, CA. 95667

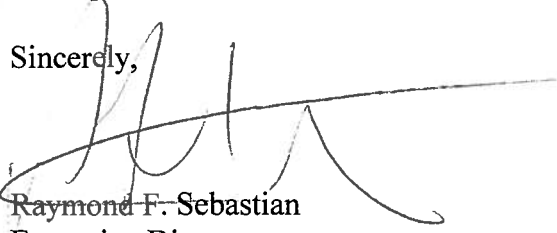
Dear Mrs. Purvines,

Greater Sacramento Certified Development Corporation strongly supports the application of the County of El Dorado for funding under the State Department of Housing and Community Development, California Community Economic Enterprise Funds program. The proposed Microenterprise Technical Assistance and Business Loan Fund program will assist low income individuals and local businesses in their needs and be a valuable tool for improving the economic base of El Dorado County.

Greater Sacramento Certified Development Corporation will assist the County in the recruitment and prescreening for eligible applicants. We will assist in marketing this program and providing coordination of trainings and other support services necessary to ensure participation in this program.

We estimate the commitment provided to this program by our publication, help with programs, seminars, counseling service, marketing and use of our facility for meetings will equate to at least \$6,000 in-kind contribution over the two year duration of the grant.

Sincerely,


Raymond F. Sebastian
Executive Director



El Dorado Hills Chamber of Commerce

August 5, 2009

Shawna Purvines
Senior Planner
County of El Dorado
937 Spring Street
Placerville, CA. 95667

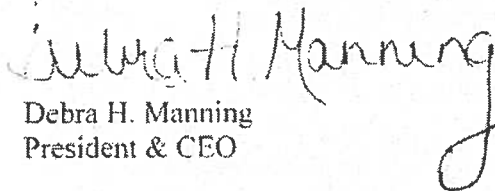
Dear Mrs. Purvines,

The El Dorado Hills Chamber of Commerce strongly supports the application of the County of El Dorado for funding under the State Department of Housing and Community Development, California Community Economic Enterprise Funds program. The proposed Microenterprise Technical Assistance and Business Loan Fund program will assist low income individuals and local businesses in their needs and be a valuable tool for improving the economic base of El Dorado County.

The Chamber will assist the County in the recruitment and prescreening for eligible applicants. We will assist in marketing this program and providing coordination of trainings and other support services necessary to ensure participation in this program.

We estimate the commitment provided to this program by our publication, help with programs, seminars, counseling service, marketing and use of our facility for meetings will equate to at least \$3300.00 in-kind contribution over the two year duration of the grant.

Sincerely,


Debra H. Manning
President & CEO

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

4.5 Adverse Economic Event(s)

SECTION 2. BUSINESS ASSISTANCE ACTIVITY

4.5 Adverse Economic Event

El Dorado County has been adversely affected by the overall economic decline. Over 300 jobs have been lost in less than 12 months due to layoffs by some of the County's major employers; The total closure of the Camino Lumber Mill owned by Sierra Pacific Industries; layoffs and cutbacks by the county's water utility; and, layoffs and furloughs effecting County government. In January 2007 El Dorado County reported an annual average unemployment rate of 3.8%. The current annual average unemployment rate has grown to 11.1%, an increase of nearly 300%.

Camino Lumber Mill - March 2009

Jobs Lost - 164

On March 31, 2009, Sierra Pacific Industries representatives announced to the El Dorado County Board of Supervisors the pending closure of their Camino lumber mill, and the closures of two other mills in Sonora and Quincy. One hundred and sixty-four employees will be directly affected by the Camino closure and an additional 369 jobs through a calculated multiplier affect, for a total of 533 jobs lost in El Dorado County.

Camino is an unincorporated town in El Dorado County and has a population of 4,961. According to the USGS, it lies at an elevation of 3133 feet (955 m).[1] Nearby cities and towns include Pollock Pines, Placerville, Diamond Springs, El Dorado, Grizzly Flats, Somerset, Coloma, Garden Valley, Cameron Park, Shingle Springs, and Lotus. The elevation of Camino ranges between 3,000 and 3,500 feet, and gets snow several times per year. Camino is a popular area in the fall for apples and is often incorrectly referred to as Apple Hill, which is the trademarked name of the Apple Hill Growers Association, a 55 member collection of ranches in Camino/Placerville/Pollock Pines. Camino is located about half way between Sacramento and South Lake Tahoe on U.S. Route 50.

El Dorado Irrigation District – December 2008

Jobs Lost - 46

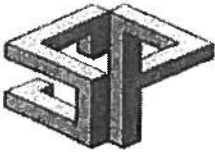
El Dorado Irrigation District (EID) announced the layoff of 31 employees in December, 2008 in addition to eliminating 8 management positions early September, downgrading 7 others and eliminating 8 vacant positions. The total of these positions represent a cut of 15% in the district's workforce that totaled more than 300 positions in 2008. EID is a water utility serving nearly 100,000 residents in the county.

County of El Dorado – November 2008 February 2009

Jobs Lost - 90

Jobs Lost- 10

The El Dorado County Board of Supervisors voted in November 2008 to eliminate 5% of employee positions to head off a projected \$20 million deficit in the next fiscal year. The Board agreed to cut 90 positions affecting 26 departments from law enforcement to library services. In February, an additional 10 positions were cut from the Health Services Department.



Sierra Pacific Industries

Human Resources • P.O. Box 496011 • Redding, CA 96049-6011 • (530) 378-8200

March 23, 2009

California WARN Act Coordinator
Workforce Services Division
Employment Development Department
PO Box 826880, MIC 50
Sacramento, CA 94280-0001

El Dorado County
Board of Supervisors
330 Fair Lane
Placerville, CA 95667

Sierra Pacific Industries ("SPI") will be permanently closing its Camino Division in Camino, California. This letter will serve as official notice under both the Federal and California state Worker Adjustment and Retraining Notification (WARN) Acts that a mass layoff will occur at SPI, Camino Division, 2960 Carson Road, Camino CA 95709. A list of the affected job titles and the number of affected employees in each job classification is attached.

We expect that affected employees will be out of work beginning on May 29, 2009. The specific date of layoff for each employee will depend on the flow of lumber as it moves through the production process. Our best estimate at this time is that the closure will be within a 14-day window beginning on the following dates:

Log Yard (Excluding Sawmill Loader Operators)	May 29, 2009
Shop	May 29, 2009
Trucking Department	May 29, 2009
Sawmill, including the Sawmill maintenance workers	June 12, 2009
All others not otherwise listed	June 12, 2009
Dry Kiln and Boiler	June 19, 2009
Planing Mill, including the Planing Mill maintenance workers	July 3, 2009
Shipping Department and the remaining maintenance workers	July 10, 2009

This is the best information currently available. If these dates change we will notify you of the change as soon as we can. However, the soonest layoffs will occur is May 29, 2009. Under the current labor agreement, employees do not have bumping or transfer rights to other SPI locations.

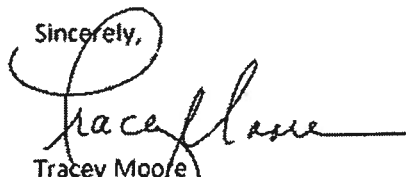
The Carpenter's Industrial Council represents affected employees. The chief elected officers for this union are:

Mike Pieti
Carpenter's Industrial Council
12788 SE Stark St
Portland, OR 97233

Jim Laughton
Carpenter's Industrial Council
PO Box 185
Sutter Creek, CA 95685

Should you have any questions concerning this matter, please contact me at (530) 378-8288.

Sincerely,


Tracey Moore
Human Resources Manager

COPY SENT FORWARD MEMBERS
FOR THEIR INFORMATION
DATE 3/24/09
Dists. 1-5

2009 MAR 24 PM 12:12

COPIES SENT
EL DORADO COUNTY

Sierra Pacific Industries
Camino Division
Eliminated Jobs and Number of Affected Employees

Job Title	Count
Bander	2
Chain Puller	2
Chipper/Hog Operator	3
Cleanup	4
Clerk-Accts Payable	1
Clerk-Log Acctg	1
Construction	1
Debarker #1	2
Dispatcher	1
Dropout #2	2
Electrician	4
Equipment Operator	7
Feeder	2
Filer	3
Filer-Head	1
Fireperson	4
Forklift #1	7
Forklift #2	2
Gang Operator	2
Grader-Certified #1	3
Grader-Certified #2	1
Grader-Certified #3	1
Grader-Noncertified	3
Grader-Student	2
Kiln Operator	6
Kiln Operator-Lead	1
Laborer	9
Log Diverter Op	2
Log Scaler #1	1
Machinist #1	1
Mechanic #1	4
Mechanic-Lead	1
Millwright #3	16
Oiler	3
Optimizer Operator	2
Paper Wrap	4
Personnel Coordinatr	1
Planer Operator	3
Quality Control	1
Relief #1	7
Resaw Operator	2
Resaw-Quad	2
Safety Coordntr-Div	1
Sorter Operator	2

Sierra Pacific Industries
Camino Division
Eliminated Jobs and Number of Affected Employees

Stacker Operator	3
Supervisor-Salary	8
Truck Drvr-Chip	3
Truck Drvr-Log	13
Truck Drvr-Lumber	1
Truck Drvr-Yard/Watr	1
Unscrambler	2
Utility	2
Weighmaster	1
	164



County of El Dorado

Legislative File Number 09-0428 (version 3)

Supervisor Nutting updating the Board on the Camino Division of Sierra Pacific Industries.
(Refer 3/31/09, Item 19)

On March 31, 2009, Sierra Pacific Industries representatives announced to the Board of Supervisors the pending closure of their Camino lumber mill, and the closures of two other mills in Sonora and Quincy. One hundred and sixty-four employees will be directly affected by the Camino closure and an additional 369 jobs through a calculated multiplier affect, for a total of 533 jobs lost in El Dorado County.

Several reasons are specifically cited as causes for the decision to close the mill:

- Lumber prices have fallen dramatically, and are at levels not seen since 1991 (see chart).
- Litigation of national forest timber sale projects in California has put nearly 400 million board feet of timber on hold - enough to run five average size sawmills for a year.
- The U.S. Forest Service's timber sale program achieved only 54% of its Fiscal Year 2008 target for sawtimber, fuelwood, and biomass. Sawlog sales totaled about 115 million board feet. The fall-off in awarded volume was primarily due to direct litigation, or sales withheld by the agency because of litigation.
- Costly and cumbersome permitting requirements (Timber Harvest Plans) in California have reduced the amount of private timber for sale. The average cost of a THP to landowners is \$40,000. The state spends an additional \$60,000 reviewing those plans.
- Imports of lumber into California still continue to take market share. The state imports about 75%-80% of the lumber used here. These imports are from other states and Canada.
- These factors have led to an overall reduction of milling capacity in California. Since 1990, nearly 70 percent of the state's sawmills have gone out of business (see chart). Timber harvest on California's public forestlands is down 90 percent, and down 60 percent on private forestlands.

Also of concern are issues of future timber management in the national forest and consistency with the Multiple-Use Sustained Yields Act of 1960; managing for merchantable timber provides for economic sustainability of our forests; a decrease in forest fuels management contradicts the intent of the Healthy Forests Act; California and the federal government should be concerned about the disruption of timber harvesting that will negatively impact the production of alternative energies through bio-fuels and the closure of existing plants that provide infrastructure for sustainable, alternative energy products and generation; and, finally, the negative impacts that occur to both air and water

quality when wildfires rage through untreated forests.

The Board of Supervisors of the County of El Dorado calls on the Obama Administration and the Congress of the United States to direct the U.S. Forest Service to manage the national forests of California in a manner that will enhance forest health, improve carbon sequestration, and produce sufficient raw materials for sawmills and biomass electric generation plants.

The Board also would urge the California State Legislature and Governor Schwarzenegger to approve legislation that will improve the permitting process for private timber harvests by increasing the length of Timber Harvesting Plans, encourage the state to give a purchase preference for California-grown wood products, and provide a mechanism for the state to approve comprehensive forest conservation plans.

Recommendation: Adopt Resolution of Support for Legislative Assistance for Sierra Pacific Industries Lumber Mill



For Immediate Release
December 9, 2008

Discussions with employee association fail to avert layoffs

31 employees to lose their jobs

Placerville, CA... El Dorado Irrigation District (District) today announced the layoff of 31 employees after first eliminating 8 management positions and downgrading 7 others in early September. Today's layoffs are part of the District's efforts to erase a pending \$5-million budget deficit in fiscal year 2009, which begins on January 1 for the District, less than a month from now.

The layoffs came after talks with the District's employee association failed to reach agreement on methods to avoid job cuts.

"This is the least desirable solution to our deficit situation," said Tom Gallier, the District's general manager. "Putting people out of work in the current economic climate is the choice of last resort. We don't want to lose valuable knowledge and skills. Nor do we want to add to unemployment lines and the ripple effects that job losses have on local businesses. However, once the employee association turned down our offer to avoid as many layoffs as possible, we had no choice but to eliminate positions."

Gallier added that "any time you're forced to lay off employees, it's a tough decision. Our number one priority was to ensure that we are able to continue the reliable delivery of safe water to our customers. As deep as these cuts are, we will meet that commitment."

The early-September management downsizing will save \$1.1 million in 2009 and \$1.4 million annually beginning in 2010. But that was before the meltdown of the financial markets on Wall Street began in mid-September, and credit seized up. As a result, the District will pay more interest than anticipated on existing debt and on money it needs to borrow next year to cover the costs of ongoing and new capital improvement projects. The District's financial department calculated that \$5 million on top of the savings realized through the reduction in management ranks had to be cut from the 2009 budget to balance the budget and meet the obligations contained in the District's debt covenants.

"Our revised 2009 budget was already approximately 10 percent less than we originally planned," said Mark Price, head of the District's financial department. "Since the Wall Street fiasco, we have cut an additional 2 percent, or approximately \$300,000, from materials and services line items. We then factored in savings of \$600,000 from the elimination of 8 vacant positions and about \$1.4 million in savings from the elimination of positions held by up to a dozen employees who have indicated they will retire this year or in the middle of 2009. All of that amounted to \$2.3 million in budget savings, leaving some \$2.7 million—equal to 30 to 32 jobs—still to cut."

To meet the remaining \$2.7 million target and decrease the need for layoffs, Gallier proposed 11 days of unpaid furloughs for all employees, or a little more than a 4-percent average reduction in pay, saving \$1 million. He also recommended foregoing the 4-percent 2009 cost-of-living allowance (COLA) for all employees and eliminating 5-percent merit increases in 2009 for eligible employees, thus creating \$1.5 million more in savings.

MORE >

"The employee association turned the offer down," Gallier said. "Their last counter offer accepted furloughs, eliminated 2009 COLAs, and initiated other budget cuts, which they said would save the District about \$2.4 million in 2009. But the proposal also extended the current union contract and COLAs for three years and committed the District to 'payback' provisions for the 2009 COLA on top of other personnel-related costs. Those provisions would erase 2009 savings and hamstring future budgets. In these uncertain economic times, that makes no sense."

The 31 layoffs announced today—effective December 31—along with elimination of the 8 management positions in September and the 8 vacant positions noted above represent a cut of 15 percent in the District's workforce that totaled more than 300 positions earlier this year.

* * * * *

For more information, contact Deanne Kloepfer at 530-622-4513.

THE SACRAMENTO BEE sacbee.com

This story is taken from Sacbee / Our Towns / Folsom/El Dorado News

El Dorado supervisors cut 90 positions to plug \$20 million budget hole

clocke@sacbee.com

Published Thursday, Nov. 20, 2008

The El Dorado County Board of Supervisors was advised six months ago to make budget cuts in the face of the state's financial woes and of uncertain tax revenues.

Had officials acted then, said board Chairman Rusty Dupray, the current impact might have been less severe.

Instead, on Tuesday, the board bit the bullet and voted to eliminate 5 percent of employee positions to head off a projected \$20 million deficit in the next fiscal year.

The board agreed to cut 90 positions, 49 of which are filled. The county work force currently totals 1,972 employees.

The cuts affect 26 departments, from law enforcement to library services, and more layoffs are likely. Gayle Erbe-Hamlin, county chief administrative officer, said the bulk of reductions in Health Services – mental health and public health – will be considered Dec. 16.

The cuts, which take effect Jan. 3, will save about \$3.1 million this fiscal year and result in annualized savings of \$6.5 million, reducing the projected 2009-10 general fund deficit to \$10.6 million, Erbe-Hamlin said.

"We are in trouble, and I don't think it's going to get better," said Dupray.

The board had sought to avoid cutting deputy sheriff positions. But Sheriff Jeff Neves said he opted to eliminate seven unfilled positions rather than make deeper cuts in support staff, such as dispatchers and records clerks.

Neves said not filling the seven positions would mean reassigning deputies to patrol duties, including those serving as school resource officers and handling specialized duties like vehicle abatement. "These are sustained reductions that we can deal with, but it is a reduction in service levels," Neves said.

Cuts in the Human Services Department include welfare fraud investigators. The board received petitions

with nearly 200 signatures protesting those cuts, especially in a tight economy when welfare applications are on the rise.

Those investigations will be handled by the District Attorney's Office, for a savings of about \$250,000, said District Attorney Vern Pierson.

Some cuts may be more visible to the public.

Jeanne Amos, county library director, said in an interview that her staff will lose 2.4 positions that became vacant last month. Also of concern is the potential loss of employees who assist with everything from children's programs to reference requests.

Amos said the goal is to limit the impact on services, but library hours may be reduced. "The sands keep shifting," she said of the county's increasingly bleak budget forecasts.

County government isn't the only public agency in the county struggling to make ends meet. The El Dorado Irrigation District, which serves about 100,000 customers on the west slope, has announced that it might cut up to 40 positions if employee unions do not agree to furloughs and elimination of cost-of-living and merit increases.

The county and the irrigation district have been hard hit by the downturn in housing construction.

In Placerville, the county seat, officials are keeping an eye on the trickle-down effect.

Sales tax revenues, which account for about 45 percent of the city's general fund budget, were down about 19.4 percent for the quarter ending in August compared with the same quarter last year, said Dave Warren, finance director. The decline was due in part to the loss of a major auto dealership last November.

In addition, he said, the city's utility billing department has received more notices of customers filing for bankruptcy this year than in any of the past five years.

It is hard to say what impact county layoffs will have on the city's economy, Warren said, "but with any layoff, that is one less consumer who has discretionary dollars to buy things in the city."

Laurel Brent-Bumb, El Dorado County Chamber of Commerce executive director, called the county government layoffs heartbreaking for employees and their families. The one bright spot, she said, is that the layoffs don't take effect until January, so people will have paychecks through the holidays.

As far as the impact on merchants, Brent-Bumb said she expects retail sales will be "a little flat" this holiday season.

"I think everybody is spending less," she said.

But Brent-Bumb said she sees a bit of a disconnect between the general state of the economy and local business.

Business owners complain that the economy is horrible, Brent-Bumb said. But when she asks how their business is doing, she said most reply, "Oh, I'm OK."

ShareThis

Call The Bee's Cathy Locke, (916) 608-7451.

Mountain Democrat (Placerville, CA)

February 12, 2009

No Headline

Eric Laughlin

City editor

Ten workers, or 10 percent of the county's mental health services division, will get pink slips following a vote by the El Dorado County Board of Supervisors Tuesday, in an effort to manage the financially suffering division.

The 10 employees will likely be notified before the board's next meeting on Feb. 23, when Health Services Department manager Neda West will present the eliminated positions to the board.

The mental health division is part of Health Services, which also includes the public health division. That division, according to mid-year revenue data, is generating \$2.3 million in revenue, while mental health is losing \$1.1 million. Part of the measure passed Tuesday sets aside some of the public health and social services revenues for mental health to help compensate for the loss. There are currently 24 vacant positions in Health Services that will also not be filled.

But the bad news doesn't stop with the **layoffs**. With the State Controller's Office deferring reimbursement payment to the county for a long list of state-mandated public and mental health programs, some of those programs could get the ax if the state doesn't act soon.

Although the board did not go with a recommendation to eliminate contracts with non-profit private providers, it did put them on notice that the agreements will likely end in 30 days if the state doesn't start issuing payment. All of the contracts are written with a clause stating they can be eliminated with only seven days' notice.

There would be some programs in which exceptions would have to be made, such as court-ordered ones and ones related to Child Protective Services, but many, including drug and alcohol treatment programs, could potentially be stopped.

Supervisor Jack Sweeney and his colleagues expressed sympathy to a handful of care providers who came to the meeting, but he blamed the state for the problem.

"We have the compassion, we have the tears and we have the open hearts," Sweeney said.
"What we don't have is the state funds.

"As a county we have already begun being sucked down the state's whirlpool, and we've got to do something to avoid getting taken further down," Sweeney said.

Supervisor John Knight agreed: "We're at the end of the rope. And we've tied knots in it and there's no place to go."

If the county did continue providing such services, it's estimated that it will cost \$7 million through the fiscal year. The Department of Transportation would also be affected by the deferrals, with the county set to lose \$4 million if no payment is received. The county already faces an \$11 million General Fund deficit.

John Johnson, who serves as executive director of a foster home that could be impacted, asked the board to keep the contracts and let his internal management work on a plan to keep providing services.

The supervisors did vote to keep the contracts, but put the providers on notice that it could be a matter of only weeks before they get that seven-day notice.

El Dorado County has joined Sacramento and San Diego counties in the filing of a lawsuit against the state, in which they accuse the state of improperly withholding the funds.

County Chief Administrative Officer Gayle Erbe-Hamlin made several suggestions on how to potentially deal with the economic crisis. They included a merger of the county Transportation and General Services departments, and possible cuts to programs that include elder services, school counseling, aid to fire and even library services.

The supervisors did not seem to embrace such suggestions. The issues will likely come up again in the board's next meeting Feb. 23.

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