



Legislation Text

File #: 09-0866, **Version:** 3

Health and Human Services Agency, Community Services Division, recommending the Board conduct a public hearing to receive and accept the close out of the Business Assistance Program conducted under 2009-2010 Community Development Block Grant, Economic Development Allocation Standard Agreement 09-EDEF-6547. (Est. Time: 15 Min.)

FUNDING: Federal CDBG Grant Funds and County General Fund.

Fiscal Impact/Change to Net County Cost: No change. Federal Community Development Block Grant Economic Development Allocation funds were awarded in an amount up to \$300,000, with required County matching funds in an amount up to \$2,000 from the Agency's General Fund, as approved by Resolution 197-2009.

Background:

The Housing, Community and Economic Development (HCED) Program, through the Health and Human Services Agency, Community Services Division, provides economic development support services to eligible businesses in unincorporated areas of the county through Business Assistance Programs that benefit low to moderate income workers and business owners, earning at or below 80% of the area median income based on household size, by offering technical assistance, start up, expansion and/or relocation assistance.

Following a public hearing on August 25, 2009 (Legistar File 09-0866, Agenda item number 26), the Board of Supervisors adopted Resolution 197-2009 authorizing the County to submit an application for a CDBG Economic Development allocation to continue Microenterprise Assistance and Business Loans programs activities. A \$300,000 grant was awarded on May 19, 2010, and the grant agreement executed on September 28, 2010.

The Microenterprise Assistance Program provides technical assistance and loans ranging between \$1,000 and \$25,000 to microenterprises, which are businesses with five or fewer employees that are either existing or start-up businesses and are located in the unincorporated areas of El Dorado County. Business owners must be low to moderate income eligible to participate in the program. Since 2002, technical assistance has been provided to 85 business owners.

The Business Assistance Program provides loans ranging between \$5,000 and \$100,000 to qualified business owners to start up, expand, or relocate in the unincorporated area of the County and create or retain jobs for low to moderate income workers. Funds can be used for working capital, purchase of supplies and equipment, property acquisition, and leasehold improvements. Since the Program's inception in 1998, the County has assisted 11 businesses.

Reason for Recommendation: The Business and Microenterprise Assistance Technical Assistance activities funded by the CDBG grant have been completed.

The California Department of Housing and Community Development (HCD) requires that the Board

of Supervisors, as the governing board, conduct a public hearing to advise the public of grant accomplishments. Following Board acceptance, staff will submit the close out documents to HCD within 90-days of the grant expiration date of March 31, 2013.

Action to be taken following Board approval: Health and Human Services Agency staff to submit final close out certification letter, the Financial and Accomplishment Report (FAR), and letter to disencumber unused CDBG ED grant funds to HCD to close out the 09-EDEF-6547 CDBG ED grant within 90-days of the grant expiration date of March 31, 2013.

Contact: Janet Walker-Conroy, Interim Director

Concurrences: N/A