



Meeting Date: 02/10/09

ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input checked="" type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Kymerly R. Horner KH Agenda Item No. I-3

Reviewed By: City Manager [Signature] City Attorney [Signature] Finance [Signature] Other N/A

DATE: January 21, 2009

TO: City Council

FROM: Curtis P. Cannon, Community Development Director  
Community Development Department

SUBJECT: Investment in Economic Development Collaborative – Ventura County Business Assistance Program

**RECOMMENDATION**

That Community Development Commission:

1. Approve funding in the amount of \$150,000 to the Economic Development Collaborative – Ventura County (EDC-VC) for participation in two business assistance programs to benefit Oxnard businesses.
2. Approve a special budget appropriation in the amount of \$90,000 from the Central City Project Area (“CCRP”) fund balance to EDC-VC for a one time investment in the amount of \$75,000 to the business assistance program and the first year of a 5-year annual investment of \$15,000 to EDC-VC’s, Business Enhancement Program (“BEP”).

**DISCUSSION**

The EDC-VC offers several types of assistance to companies throughout Ventura County. Two of these programs require financial participation from individual cities in order for the businesses located in those cities to take advantage of the services.

The first is a revolving loan fund, available to companies which are not able to secure conventional bank financing on their own. This loan fund has approximately \$2,000,000 available to lend to businesses throughout the county, on a first-come, first-served basis, as long as the cities where the businesses are located have contributed a local funds match to the \$2,000,000 of Federal funds. The City of Oxnard is required to make a one-time investment of \$75,000 in order for Oxnard businesses to have access to the loan fund hereafter.

The second program is the Business Enhancement Program (BEP). This program makes business/management consultants available for one-on-one counseling with businesses facing financial problems. This service comes at no cost to the business, again as long as the City makes a contribution to cover part of the cost of the program. In this case, the cost to the City is \$15,000 annually for five years, or another \$75,000. Once the investment is made, there is no limit to the number of businesses eligible for assistance.

With the local business climate increasingly unforgiving to small retailers, such as those the City wishes to see flourish in the downtown, it is a timely investment on the part of the City to make these programs of both professional advice and access to capital available to Oxnard businesses for the first time.

### **FINANCIAL IMPACT**

The current fiscal year amount of funds requested for this special budget appropriation is \$90,000. If approved, the contribution of these funds will be appropriated in the following manner: \$90,000 from the fund balance of CCRP to Account No. 401-8201-862-8209 (Services – Other Professional Contractors), for payment to EDC-VC. An additional \$60,000 will be earmarked in future budgets in increments of \$15,000 payable to EDC-VC over the next four years, as required for the Business Enhancement Program.

KH

Attachment #1 - Special Budget Appropriation

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# CITY OF OXNARD

## REQUEST FOR SPECIAL BUDGET APPROPRIATION

To the City Manager:

February 10, 2009

Request is hereby made for an appropriation of total . . . . .

\$ 90,000

Reason for appropriation: Economic Development Collaborative - Ventura County Business Assistance Program

<u>FUND</u>	<u>DESCRIPTION/ACCOUNT</u>	<u>AMOUNT</u>
CDC-CCRP (401)	CENTRAL BUSINESS DISTRICT 401-8201 862-8209 - Services-Other Prof/Contr Net Estimated Change to CDC-CCRP Fund	<u>90,000</u> <u>(90,000)</u>

*Maureen Hooper (for)*  
\_\_\_\_\_  
Manager  
*Curtis Cannon*

CHIEF FINANCIAL OFFICER

*James Cameron*  
\_\_\_\_\_

DOES NOT REQUIRE CITY COUNCIL APPROVAL

Disposition

Approved \_\_\_\_\_

Rejected \_\_\_\_\_

Transfer by Journal Voucher \_\_\_\_\_

\_\_\_\_\_  
City Manager

ATTACHMENT 1

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