



Legislation Text

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Public hearing on the accomplishments of a 2009 State Community Development Block Grant (CDBG) Economic Assistance for a Microenterprise Business Support and Technical Assistance Program and Microenterprise Loan Program

Published Notice Required? Yes ☐ No ☒

Public Hearing Required? Yes ☒ No ☐

DEPARTMENTAL RECOMMENDATION:

It is recommended that the Board conduct a public hearing on the accomplishments of a 2009 State Community Development Block Grant (CDBG) Economic Assistance for a Microenterprise Business Support and Technical Assistance Program and Microenterprise Loan Program.

SUMMARY:

The County was awarded a two-year \$300,000 in grant funding in 2009 to develop a Micro-Enterprise Technical Assistance Program and a Microenterprise Loan Program that serves the non-entitled cities of Benicia, Dixon, Suisun City and Rio Vista and in the unincorporated areas of Solano County. The Solano College Small Business Development Center was selected to administer the grant activities. The grant expired in December 2011. A final requirement of the grant is to conduct a public hearing on the results of the activities during the grant period.

FINANCIAL IMPACT:

There is no direct cost to preparing this required report of the CDBG program.

DISCUSSION:

In conjunction with the non-entitled communities, Solano County explored ways to access Community Development Block Grant (CDBG) Economic Assistance funds to stimulate economic activity in the respective communities. This resulted in a successful award of a two-year \$300,000 grant to establish a Microenterprise Business Support and Technical Assistance Program and a Microenterprise Loan Program.

Microenterprise Business Support and Technical Assistance Program. Services under this program included providing low- to moderate-income businesses with training and counseling services related to business startup basics, business planning, financing, marketing, basic bookkeeping, hiring employees, and other small business topics necessary for current and prospective business owners to succeed and grow their businesses. Over the two-year grant period, the program served a total of 31 clients.

The following details the accomplishments of the program:

Counseling services

- 78 hours of financing and capital assistance to 12 clients;
- 71 hours of business start-up assistance to 7 clients;

- 59 hours of business plan assistance to 13 clients;
- 38 hours of marketing and sales assistance to 10 clients; and
- 16.5 hours on managing a business, buying/selling of a business, accounting/ budgeting, legal issues, and human resources/managing employees to 12 clients.

Outcomes

- 12 jobs created from 5 businesses;
- 10 jobs retained from 7 businesses;
- 5 clients started a business activity;
- 4 businesses reported increased sales activity

Microenterprise Loan Program. A total of \$150,000 of the grant was initially dedicated to provide loans of \$5,000 to \$50,000 to microenterprise businesses. The objective is to provide existing and startup businesses with matching capital to develop and/or expand business activity. Several businesses inquired about the program and four actively engaged in all or part of the formal application process. Ultimately, the program successfully awarded one \$50,000 microenterprise loan to Chepo's Tamales and Groceries in Elmira to enable the business to meet U.S. Department of Agriculture requirements to expand its wholesale tamales sales.

ALTERNATIVES:

The Board could choose not to receive this report; however, the report is a requirement of the grant program to inform the public on the use of the grant dollars to achieve the national objectives of benefiting low-income households or persons, elimination of slums or blight, and/or meeting an urgent community development need.

OTHER AGENCY INVOLVEMENT:

The Small Business Development Center as the sub-recipient of the CDBG grant funds assisted in the preparation of this report. Through the grant period, the economic development staff of the non-entitled communities helped promote the microenterprise programs to potential clients.

CAO RECOMMENDATION:

APPROVE DEPARTMENTAL RECOMMENDATION