

AGENDA ITEM TRANSMITTAL		Agenda Time Estimates: <input checked="" type="checkbox"/> Regular or <input type="checkbox"/> Consent	Leave Blank: 119	Date/Time Rec'd: 12/9/14
TO: BOARD OF SUPERVISORS FROM: Ray Espinosa County Administrative Officer		CONTACT FOR INFORMATION: Name: Ray Espinosa Phone: 831-636-4000		NUMBER OF CERTIFIED COPIES REQUIRED:
MEETING DATE: December 16, 2014	(1) SUBJECT San Benito County Revolving Loan Fund Program; transfer of funds to the Fresno Community Development Financial Institution			
(2) BACKGROUND INFORMATION: This resolution approves the transfer of Revolving Loan Funds to the Fresno Community Development Financial Institution (Fresno CDFI), of \$686,878 of Economic Development Revolving Loan Funds with the concurrence of approval by the City of Hollister. The City of Hollister and County of San Benito Economic Development Revolving Loan Funds have not been utilized for numerous years and the return of these funds back to EDA is required by December 31, 2014 if these funds are not transferred to another accepting organization. Fresno CDFI has indicated it is willing to accept these funds and administer and loan these funds in the San Benito County area.				
(3) SUPPORTIVE DOCUMENTS RELATIVE TO THIS ITEM: Resolution and letter to Mary Rudokas		(4) PREVIOUS RELEVANT BOARD ACTIONS ON THIS SPECIFIC ITEM: N/A		
(5) FUNDING SOURCE(S): N/A		(6) CURRENT YEAR COST: \$ N/A	(7) ANNUAL COST: \$ N/A	(8) BUDGETED: <input type="checkbox"/> YES <input type="checkbox"/> NO
(9) WILL PROPOSAL REQUIRE ADDITIONAL PERSONNEL? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO If YES, STATE NUMBER: <div style="display: flex; justify-content: space-between; width: 100%;"> Permanent Limited Term </div>				
(10) RECOMMENDED ACTION(S): Adopt Resolution No. 2014- _____, A Resolution of the Board of Supervisors Approving the Transfer of Funds to the Fresno Community Development Financial Institution, and authorizing the County Administrative Officer to execute a contract or any necessary documents with the Fresno Community Development Financial Institution in order to effectuate this transfer prior to December 31, 2014 and taking other related action.				
Signature of Agency or Department Authorized Representative			DATE 12/11/14	
(11) ADMINISTRATIVE REVIEW:				

CLERK'S USE ONLY

<input type="checkbox"/> APPROVED	<input type="checkbox"/> DENIED	<input checked="" type="checkbox"/> ADOPTED	<input type="checkbox"/> CONTINUED TO _____
<input type="checkbox"/> ACKNOWLEDGED	<input type="checkbox"/> ACCEPTED	<input checked="" type="checkbox"/> RESOLUTION NO. 2014-108	<input type="checkbox"/> OTHER _____
<input type="checkbox"/> SET PUBLIC HEARING	<input type="checkbox"/> APPOINTED	<input type="checkbox"/> ORDINANCE NO. _____	<input type="checkbox"/> NO ACTION TAKEN

BY: Clerk of the Board DATE: 12/14/14	
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COPIES: BOARD - ORIGINATING DEPT. - AUDITOR - HOLDING COPY

REVISED: 4/3/01

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CITY OF HOLLISTER

375 Fifth Street • Hollister, CA 95023-3876

Ms. Mary Rudokas
Civil Engineer-RLF Coordinator
Economic Development Administration
915 Second Avenue, Room 1890
Seattle, WA 98174

RE: Economic Development Administration (EDA)
EDA Award Number: 073903348

Dear Ms. Rudokas:

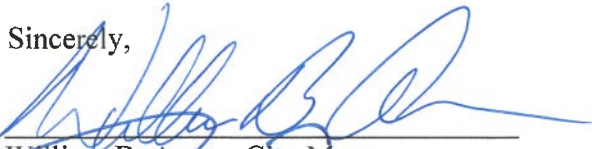
The CITY OF HOLLISTER/ SAN BENITO COUNTY received grant funds from the EDA totaling \$300,000 in 1996 which we used to build our San Benito Loan Fund. This fund was established with the purpose of assisting the communities in the San Benito County area affected by the downturn. In the past several years these funds have been significantly underutilized; we have had budget and staff reductions resulting in the program being in sequestration for many years. Our goal is to ensure this program is fully optimized by assisting businesses across the County with operational funding to help them grow, create jobs, and generate private investment.

FRESNO CDFI has an EDA revolving loan fund which they have successfully utilized capitalizing a diversity of companies. We are proposing to transfer the San Benito Loan funds to FRESNO CDFI to help them further their primary initiative which is to make San Benito County area the best place to develop small businesses. These additional funds would expand FRESNO CDFI's reach and financing of companies in the small business sector throughout the San Benito County area. FRESNO CDFI is already an active participant in small businesses.

We ask that you approve this request to proceed forward and allow FRESNO CDFI to present documents outlining how they would utilize the funds.

Thank you for your consideration and I look forward to having a discussion with you about the benefits this proposal would mean for our area.

Sincerely,


William B. Avera, City Manager
of the City of Hollister


Ray Espinosa, County Administrative
Officer of San Benito County

RESOLUTION NO. 2014 - 108

**A RESOLUTION OF THE SAN BENITO COUNTY BOARD OF SUPERVISORS
APPROVING TRANSFER OF REVOLVING LOAN FUNDS**

WHEREAS, the Economic Development Administration (EDA) awarded a grant in the amount of \$300,000 to the City of Hollister and San Benito County in June 1992 and the City of Hollister and San Benito County matched \$200,000 to establish a Revolving Loan Fund (RLF) which has operated under the provisions of an EDA approved RLF Plan that has been periodically revised; and,

WHEREAS, on June 26, 1992 EDA awarded a \$300,000 grant to the City of Hollister and San Benito County to establish an EDA RLF to service the communities of San Benito County; and,

WHEREAS, the City of Hollister with San Benito County's concurrent approval wishes to relinquish custody of the Economic Development Administration Revolving Loan Fund to Fresno Community Development Financial Institution; and,

WHEREAS, Fresno Community Development Financial Institution wishes to gain custody of the remaining balance of approximately \$686,878 and has agreed to accept all funds and all financial information related to the Economic Development Administration Revolving Loan Fund; and,

WHEREAS, Fresno Community Development Financial Institution must formally accept the City of Hollister and San Benito County grant from EDA to continue the use of the RLF capital associated with the grant in the San Benito County area; and,

WHEREAS, Fresno Community Development Financial Institution must update its EDA Revolving Loan Fund Plan to comply with EDA regulations and to incorporate the City of Hollister and San Benito County RLF grant assets into its existing RLF capital base.

NOW THEREFORE BE IT RESOLVED by the San Benito County Board of Supervisors that:

1. San Benito County/City of Hollister shall transfer the sum of \$686,878 in the Economic Development Administration Revolving Loan Fund to the Fresno Community Development Financial Institution.
2. San Benito County/City of Hollister shall deliver all funds and all financial information related to the Economic Development Administration Revolving Loan Fund.
3. As of December 31, 2014, the Fresno Community Development Financial Institution will gain full custody of the City of Hollister and San Benito County Economic Development Revolving Loan fund from City of Hollister and San Benito County, and use it to issue loans with San Benito County.

4. As of December 31, 2014, the Fresno Community Development Financial Institution will have sole responsibility for the City of Hollister and San Benito County Economic Development Revolving Loan Fund, and all requirements therefore associated with it.
5. The County Administrative Officer shall be authorized to take all actions necessary to effectuate the transfer of funds prior to December 31, 2014, and the County Administrative Officer is further authorized to execute an agreement with Fresno Community Development Financial Institution to memorialize the agreement between the parties regarding the transfer of funds.

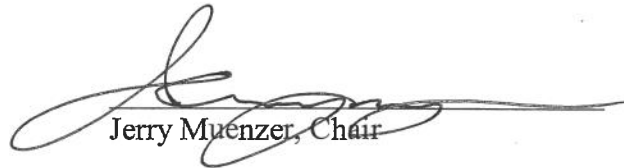
PASSED AND ADOPTED at a regular meeting of the San Benito County Board of Supervisors, on the 16th day of December, 2014 by the following vote:

AYES: **Muenzer, De La Cruz, Rivas, Botelho, Barrios**

NOES: **NONE**

ABSENT: **NONE**

ABSTAIN: **NONE**



Jerry Muenzer, Chair

ATTEST:

By: Janet Schrage, Deputy Clerk
Denise R. Thome, County Clerk

APPROVED AS TO FORM:

Barbara Thompson
Barbara J. Thompson, Assistant County Counsel