



Memo

To: Commissioners, First 5 Ventura County
From: Petra Puls, Director of Program and Evaluation
Date: May 26, 2016
Re: Recommendation to continue contract with Economic Development Collaborative - Ventura County to manage and implement the Community Investment Loan Fund

Background

The goal of the Community Investment Loan Fund is to increase the number of licensed quality child care and preschool spaces for Ventura County’s children by providing low-cost financing for facilities development. Following a bid process in July 2009, the Commission selected the Economic Development Collaborative of Ventura County (EDC-VC) as the implementation partner for the Community Investment Loan Fund (CILF). The Commission also approved loan terms and guidelines, which include short-term planning and construction loans, and longer-term amortizing loans.

The administrative costs associated with managing and implementing the Community Investment Loan Fund for FY 2016-17 are projected to be \$28,570 with anticipated interest earnings for the CILF projected to offset these administrative costs. The EDC-VC scope of work includes marketing, outreach, development of relevant materials, loan consultations for potential borrowers, processing of loan applications and management of loan repayments. EDC-VC is also responsible for developing and maintaining a Loan Board that would approve loans, loan modifications, waivers and/or foreclosure actions. The Loan Board does not have authority to write-off loans; loan write-off actions require Commission approval.

The Commission previously approved an allocation of \$1,300,000 in loan funds for the CILF. The following loans have been issued to date:

Loan Recipient	Loan Amount	NEW 0-5 Spaces	Subset, Infant Toddler Spaces
ABC Kids Care - Fillmore	\$205,000	120	30
Princeton Avenue - Moorpark	\$89,368	15	15
ABC Kids - Santa Paula	\$312,500	85	40
TOTAL F5VC Loans*	\$606,868	220	85

* EDC-VC leveraged an additional \$243,132 in other public funding

Staff is anticipating that additional loans will be approved in FY 2016-17. Funds are released to EDC-VC upon approval of loans. If any new loans are issued prior to June 30, 2016, the total amount available for loans for FY 2016-17 would be reduced accordingly.

Recommendation

The recommended action would continue to contract with the Economic Development Collaborative - Ventura County (EDC-VC) to administer and implement the Community Investment Loan Fund for FY 2016-17, not to exceed \$28,570. The contract would provide funds for EDC-VC to issue up to \$750,000 in loans to eligible Community Investment Loan Fund applicants under the previously approved loan guidelines.