



**Memo**

**To:** Commissioners, First 5 Ventura County  
**From:** Petra Puls, Acting Executive Director  
**Date:** May 18, 2017  
**Re:** Recommendation to continue contract with Economic Development Collaborative - Ventura County to manage and implement the Community Investment Loan Fund

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**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 costs associated with managing and implementing the Community Investment Loan Fund for FY 2017-18 are projected to be a maximum of \$30,000 and anticipated interest earnings for the CILF would offset these implementation 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, 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:

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

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

Two additional loans totaling \$590,000 are in the process of being finalized prior to June 30, 2017. With the balance of the original allocation for loan funds and repayments that have been made to date, \$250,000 is currently available for new loans.

**Recommendation**

The recommended action is to continue to contract with the Economic Development Collaborative - Ventura County (EDC-VC) to administer and implement the Community Investment Loan Fund for FY 2017-18, not to exceed \$30,000. The contract would also provide funds for EDC-VC to issue up to \$250,000 in loans to eligible Community Investment Loan Fund applicants under the previously approved loan guidelines.