

**FY 2015/16 & 2016/17 CDBG PROGRAM
ECONOMIC DEVELOPMENT (ED) CATEGORY**

APPLICANT: Contra Costa Child Care Council

PROJECT NAME/NUMBER: Road to Success
15-01-ED

PROJECT SERVICE AREA: Urban County (with emphasis on North Richmond, San Pablo, Rodeo, Crockett, El Sobrante, Bay Point, Brentwood and Pacheco)

PROJECT OUTCOME: Provide recruitment, training, and ongoing support services to 100 low- and moderate-income persons so they can sustain their licensed family day care business or receive a childcare license to open and operate a new licensed family daycare business (microenterprise).

TOTAL PROJECT COST: \$289,651

AMOUNT REQUESTED: \$70,000

AMOUNT RECOMMENDED:

FY 2015/16:	\$56,000
FY 2016/17:	\$56,000

RECEIVED IN FY 2014/15: \$70,000

CONDITIONS OF APPROVAL: The CDBG contract will be a “pay per accomplishment” contract for FY 2015/16 and FY 2016/17, in which most of the CDBG funds will be contingent with the Contra Costa Child Care Council’s performance in meeting their contractual goal.

PROJECT DESCRIPTION/ANALYSIS: The Contra Costa Child Care Council (Council) has over 30 years of experience developing and improving the quality of family childcare in the County. The Council’s mission is to provide leadership to promote and advance quality care and early education.

The Council will provide technical assistance and training opportunities including basic business skill training in marketing, book-keeping, contracting, and business taxes to clients who are interested in developing micro-enterprises as a Family Day Care Provider. Business-specific training including childcare licensing requirements, working effectively with parents, and childcare curricula is also provided. Post-licensing

technical assistance, a minimum of 12 hours, focuses on the business aspects of operating a family childcare business aimed at sustaining or expanding the micro-enterprise. Assistance will focus on marketing, record keeping, taxes, child development training workshops, and on-site visits. This program has received CDBG funding since FY 1997/98.

Over the many years with CDBG funding, the Council had focused to assist low-income persons obtain a childcare license to open and operate a new child care business within their homes. However, with the economic realities still facing the various communities of the County, the focus of the Council's program will shift more to the need of **sustaining** the existing family childcare businesses that were previously created while continuing efforts to assist in the development of newly licensed family childcare businesses. This approach will help protect the childcare business's investment in their business start-up costs, work with and adjust to fewer resources, and maximize dollars to serve more clients in need of economic development and microenterprise assistance. This shift in focus will have the Council assist 92 existing childcare businesses/microenterprises and create 8 new licensed childcare businesses/microenterprises.

To assist in retaining quality providers, the Council will perform the following:

- Provide ongoing technical assistance and support to licensed former participants
- Conduct four training workshops covering topics such as discipline, complying with ADA, age-appropriate activities and serving children of different ages
- Sponsoring an annual conference incorporating workshops on a wide range of child development topics
- Distribute "tip sheets" on a wide range of health, safety and child development topics

Specific strategies to help maintain sustainable family childcare microenterprises will include: 1) assisting childcare businesses to better market their services (business cards, brochures, flyers, web sites, networking, attending community events); 2) advising and assisting participants to do market research to make good business decisions and implement better business practices like competitive pricing and more flexible hours (expand hours of operation); and, 3) increasing their business practices and childcare services that are culturally sensitive and offer more quality care and early education.

The Council will recruit potential participants in the following ways:

- Distribute posters in targeted neighborhoods, and seek referrals from community groups. Outreach will be done in several languages including Spanish and Farsi
- Distribute recruitment notices to CalWorks participants through the Employment and Human Services Department

- Conduct three Business Start-up workshops each month
- Conduct three “Learning Through Play” workshops each month that provide a basic overview of child growth and development, caring for groups of children and developmentally-appropriate activities for young children
- Perform site visits to potential client’s homes to assess the home’s potential for a family day care business

The program is eligible, feasible, timely, and consistent with Consolidated Plan goals to foster micro-enterprise development. The Council has been successful in reaching quantitative goals to assist clients to open their business as licensed childcare providers and to provide technical assistance to existing licensed providers.

The amount of CDBG funds available for ED activities is lower for FY 2015/16 than the current fiscal year; therefore, all currently funded ED programs are having funding reduced for the next fiscal year.

EVALUATION CRITERIA

1. **CONSOLIDATED PLAN PRIORITY:** Economic Development: Reduce the number of persons below the poverty level, expand economic opportunities for very low- and low-income residents and increase the viability of neighborhood commercial areas [CD-5].
2. **CDBG ELIGIBLE ACTIVITY:** Microenterprise and small business assistance [24 CFR 570.201(o)]
3. **NATIONAL OBJECTIVE:** Benefiting very low- and low-income persons [24 CFR 570.208(a)(2)(iii)]
4. **TARGET POPULATION AND DEMONSTRATED NEED:** The program is intended to provide low- and moderate-income persons with an opportunity to maintain or start a microenterprise as a licensed in-home childcare provider. Participants in the program are provided with classes that introduce them to basic business strategies and skills to establish, maintain, and grow their business.

While the program is available County-wide, the program is targeted to communities that are both economically depressed and/or have the greatest shortage of childcare supply, specifically North Richmond, San Pablo, Rodeo/Crockett, El Cerrito, and El Sobrante in West County; Brentwood and Bay Point in East County, and Pacheco in Central County. The business of family childcare offers a unique opportunity for persons to develop their own small businesses in their own homes. A career in family childcare can allow a person to stay home with their own children and still earn money to support their families. Furthermore, given the dramatic need for

childcare, including affordable childcare, in the County, family childcare is a career which offers stable employment. According to the 2010 Child Care Portfolio, published by the California Child Care Resource and Referral Network, the supply of licensed childcare in Contra Costa County continues to decline by an average of 2%, with the most dramatic decline in availability being for school-age children. The new data also documents that 68% of children ages 0-12 have parents in the labor force, which exceeds the states average of 64%. Contra Costa has also experienced a dramatic and alarming increase (25%) in the number of children ages 0-5 living in poverty. As families struggle to make ends meet, childcare costs continue to consume about 20% (per child) of the wages for a parent earning \$42,000 per year. The average cost of childcare for infants/toddlers (under the age of two) in child care Centers ranges from \$1,200 to \$1,600 per month. Additional data shows that childcare is a great way of providing adequate revenue for childcare business owners. Target communities including North Richmond, San Pablo, and Bay Point, also have high levels of unemployment and underemployment. The project has a secondary benefit in that it increases the availability of childcare for others entering the workforce in the targeted communities, which is often cited as one of the barriers to employment.

5. FINANCIAL ANALYSIS:

		# Clients Served	\$ Per Client Served
CDBG Funds Recommended	\$56,000	100	\$560
Total Program Amount	\$289,651	216	\$1,341
CDBG % of Total Budget	19%		
Required Match – 50%	\$28,000		
Amount Secured	\$144,651		
Leverage*	\$4.79		
*Does not include other CDBG funds from other jurisdictions.			

The CDBG funds will be used to pay for staff costs, including taxes/benefits. In addition to CDBG funds from other jurisdictions, the remainder of the program budget is primarily funded by the State Department of Education.

6. EXPERIENCE AND CAPACITY: The Council has been providing assistance to childcare providers and parents since 1976 and first received CDBG funds in FY 1996/97 to deliver services to assist childcare providers to maintain their license. Since FY 1997/98 the Council has received CDBG funding to implement the “Road to Success” program and has been successful in meeting and exceeding goals. The Council has also submitted required reports in a timely manner. The Council’s

Resource and Referral Counselors have several years of professional experience in the field of family day care and are well qualified to administer and carry out the program.

7. **PROJECT READINESS AND TIMELINESS:** This is an ongoing program that is fully staffed.
8. **PAST PERFORMANCE:** The Council has demonstrated the ability to complete and exceed programmatic objectives in past program years. As of the 2nd quarter for the current fiscal year, the program has assisted 78 Urban County residents open and/or maintain a family daycare business or maintain their current business. For the most recent completed fiscal year (2013/2014), the Council fell short of their goal of assisting 40 new childcare providers, but still provided 151 businesses assistance, beating their overall assistance goal of 100.

As with all programs that are recommended CDBG funds under the Economic Development category, CDBG staff is recommending a “pay per accomplishment” contract with the Council for FY 2015/16 and FY 2016/17, in which most of the CDBG funds will be contingent on the Council’s performance in meeting their contractual goal.

9. **ENVIRONMENTAL/HISTORIC PRESERVATION/RELOCATION/PREVAILING WAGE ISSUES:** None.

**FY 2015/16 & 2016/17 CDBG PROGRAM
ECONOMIC DEVELOPMENT (ED) CATEGORY**

APPLICANT: Open Opportunities, Inc.

PROJECT NAME/NUMBER: Future Build Pre-Apprenticeship Training Program
15-02-ED

PROJECT SERVICE AREA: East County

PROJECT OUTCOME: To provide training in the solar, energy, and construction trades to 8 low-income persons that leads to economic self-sufficiency through careers in the construction/labor fields.

TOTAL PROJECT COST: \$349,596

AMOUNT REQUESTED: \$9,640

AMOUNT RECOMMENDED

FY 2015/16:	\$9,636
FY 2016/17:	\$9,636

RECEIVED IN FY 2014/15: N/A

CONDITIONS OF APPROVAL: The CDBG contract will be a “pay per accomplishment” contract for FY 2015/16 and FY 2016/17, in which most of the CDBG funds will be contingent on Open Opportunity’s performance on meeting their contractual goal.

PROJECT DESCRIPTION/ANALYSIS: Open Opportunities Inc.’s Future Build Program, started in 2010, is a pre-apprenticeship training program for low-income unemployed or underemployed individuals motivated to increase their self-sufficiency, income, and employment options. Classroom instruction and hands-on training is provided over 16 weeks to two cohorts of around 20 trainees each spring and summer. The program maintains a hands-on training facility in Pittsburg and classroom instruction is provided at the Adult Education Center in Pittsburg. The program is focused on training in the solar, energy, and construction trades with 100 percent of program graduates being qualified for apprenticeships in County unions. In addition to the classroom instruction and hands-on training, trainees complete community service construction projects in public parks and facilities of East County.

Future Build’s curriculum is based on two U.S. Department of Labor-recognized pre-apprenticeship instruction methods: the Home Builders Institute’s “Pre-Apprenticeship Certificate Training” (PACT) and the Building Trades Council’s “Multi Craft Core Curriculum” (MC3). PACT combines work-based learning with vocational and academic instruction. PACT utilizes a construction project to teach jobsite experience, where trainees can apply concepts introduced in the classroom. A Skill Achievement Record is used to track and document student progress through the PACT curriculum. According

to Future Build, PACT and MC3 provide trainees with a self-gratifying, hands-on method that increases their likelihood of completing the program, gain the skills needed to enter the workforce, and maintain a career in construction.

Future Build maintains relationships with local unions that provide additional apprentice-level training to program graduates. In addition, the program monitors graduates for a minimum of 120 days after course completion in order to assess their progress in obtaining and retaining employment in the construction fields or further training. Future Build staff can provide case management on an as-needed basis to guide their graduates into stable employment or further specialist training. Additionally, the program provides a local access point for developers and construction companies looking to fill entry-level positions, including contractors looking to hire locally for government contract work.

Open Opportunities proposes to train and place 4 Urban County trainees per cohort per year into the construction/solar/energy trades for a total of 8 Urban County participants per year.

There is a strong need for training and placement services in East County. The program is eligible, feasible, timely, and consistent with the Consolidated Plan goals to provide job training and economic opportunities to lower-income persons.

EVALUATION CRITERIA

1. **CONSOLIDATED PLAN PRIORITY:** Economic Development: Reduce the number of persons below the poverty level, expand economic opportunities for very low- and low-income residents and increase the viability of neighborhood commercial areas [CD-5].
2. **CDBG ELIGIBLE ACTIVITY:** Job training and placement assistance provided by a Community-Based Development Organization (CBDO) [24 CFR 570.204(a)(2)].
3. **NATIONAL OBJECTIVE:** Benefiting very low- and low-income persons [24 CFR 570.208(a)(2)(i)(B)].
4. **TARGET POPULATION AND DEMONSTRATED NEED:** The target population being served by the Future Build program is low-income unemployed, underemployed or displaced workers at least 18 years old from East Contra Costa County.

According to Future Build, poverty rates are above 10 percent in Antioch, Concord, and Pittsburg. Further, this past year 26% of Future Build's trainees were ex-offenders, demonstrating the need for workforce development programs that bring people out of poverty and the cycles of crime that can accompany poverty. Future Build works with people that want, "to be re-engaged in the community, including their families, educational institutions and employment." Most of Future Build's trainees are young men of color but the program encourages female applicants and any unemployed person seeking to re-enter the workforce.

According to Open Opportunities, over 76 percent of their graduates enter employment, at an average wage of \$15.68 per hour. 55 percent of Future Build's graduates are employed in the construction trades and 90 percent of Future Build's trainees graduate with a PACT issued by the nationally-recognized Home Builder's Institute.

According to a report issued by the Workforce Development Board and East Bay Economic Development Alliance, "Construction is highly concentrated in the East Bay and is likely to grow rapidly as the economy rebounds." As an example, Future Build cites the State's Employment Development Department finding that Contra Costa's demand for pipe layers is going to grow by 40% in the coming years. Additionally, the planned expansion of BART further into East County will require a considerable amount of apprentices, half of whom will need to be East County residents. Further, the Metropolitan Transportation Commission has called for increased hiring of workers that are historically underrepresented in the building trades. The Contra Costa Building and Trades Council also reported that many unions were having trouble finding people for their apprenticeships. The Future Build program is designed to train and place graduates directly into jobs/apprenticeships, satisfying a need for workforce reintegration for the trainees and the employment needs of construction companies and unions.

In addition to the above, Future Build works with Contra Costa County public and private agencies that receive AB109 funding to provide rehabilitation services to offenders who are newly released from correctional facilities. AB109 seeks alternative options and services within communities that could stabilize these offenders as they will be closer to home, family and can possibly keep working as they go through community corrections programs. Future Build provides this opportunity through job training, soft skills development and job placement. They have a 90 percent success rate in placing AB109 clients who graduate Future Build in jobs that pay prevailing wages, within the union trades and the solar and construction industry.

5. FINANCIAL ANALYSIS:

		# Clients Served	\$ Per Client Served
CDBG Funds Recommended	\$9,636	8	\$1,205
Total Program Amount	\$349,596	44	\$7,945
CDBG % of Total Budget	3%		
Required Match – 10%	\$964		
Amount Secured	\$285,895		
Leverage*	\$36.26		
*Does not include CDBG funds from other jurisdictions			

The proposed operating budget anticipates grants from a number of foundations and corporations and \$200,000 from the Workforce Development Board. Open Opportunities is also applying for CDBG funding from Antioch, Concord, and Pittsburg. The County's CDBG funds would primarily be used for laborers certificate training instruction. The amount of CDBG funds available for ED activities is lower for FY 2015/16 than the current fiscal year; therefore the CDBG program cannot support new programs at the full level of their request without negatively impacting the funding levels of other ED programs.

6. **EXPERIENCE AND CAPACITY:** Open Opportunities' Future Build Program was started in 2010 in partnership with the Pittsburg Power Company (PPC), Contra Costa Workforce Development Board, Pittsburg Adult Education Center, Contra Costa Building and Construction Trades Council, Morris Carey of "On the House", and Northern California Laborers Training. Program staff have been with the project since its inception and are committed to the program's mission and goals. The program administrator has decades of experience in youth programs, community-building, and counseling.
7. **PROJECT READINESS AND TIMELINESS:** This is an ongoing program that is fully staffed.
8. **PAST PERFORMANCE:** This is the first time Open Opportunities Inc. has applied for CDBG funding. However, the Future Build Program is fully operational and has a track record of training at least 8 Urban County residents each year. Last year, 38 trainees graduated from the program, including 9 Urban County residents. As with all programs that are recommended CDBG funds under the "Economic Development" category, CDBG staff is recommending a "pay per accomplishment" contract with Open Opportunities for FY 2015/16 and FY 2016/17, in which most of the CDBG funds will be contingent on Open Opportunity's performance in meeting their contractual goal.
9. **ENVIRONMENTAL/HISTORIC PRESERVATION/RELOCATION/PREVAILING WAGE ISSUES:** None.

**FY 2015/16 & 2016/17 CDBG PROGRAM
ECONOMIC DEVELOPMENT (ED) CATEGORY**

APPLICANT: Opportunity Junction

PROJECT NAME/NUMBER: Job Training and Placement Program
15-03-ED

PROJECT SERVICE AREA: Primarily East County

PROJECT OUTCOME: To provide training and job placement assistance to 10 low-income persons that leads to economic self-sufficiency through careers in the field of information technology.

TOTAL PROJECT COST: \$853,855

AMOUNT REQUESTED: \$100,000

AMOUNT RECOMMENDED:

FY 2015/16:	\$85,000
FY 2016/17:	\$85,000

RECEIVED IN FY 2014/15: \$100,000

CONDITIONS OF APPROVAL: The CDBG contract will be a “pay per accomplishment” contract for FY 2015/16 and FY 2016/17, in which most of the CDBG funds will be contingent on Opportunity Junction’s performance for meeting their contractual goal.

PROJECT DESCRIPTION/ANALYSIS: Opportunity Junction’s job training and placement program will expand economic opportunities for 10 low-income persons through training and career development in the field of information technology. Opportunity Junction proposes to provide a 12-week program that has two components – Life Skills and Hard Skills. Life Skills training addresses values, attitudes and change, family management, communication, diversity and customer service, stress management, and conflict resolution. Hard Skills training includes keyboarding, word processing, spreadsheet applications, database design and management, business writing and math, desktop publishing, and internet design.

After training is complete, participants receive up to four months of paid on-site training on the Opportunity Junction work floor to gain real world job experience. Once participants are ready to leave the work floor, they are provided with job placement assistance. In order to ensure that students acquire on-the-job experience, Opportunity Junction has established partnership agreements with some local agencies and companies to create employment opportunities for students. Participants are also provided case management and retention services to assist them in maintaining

employment. Follow-up services include mentoring, assistance with transitional issues, and an alumni club. Participants are tracked and supported for up to 18 months.

There is a strong need for training and placement services in East County. The program is eligible, feasible, timely, and consistent with the Consolidated Plan goals to provide job training and economic opportunities to lower-income persons.

The amount of CDBG funds available for ED activities is lower for FY 2015/16 than the current fiscal year; therefore, all currently funded ED programs are having funding reduced for the next fiscal year.

EVALUATION CRITERIA

1. **CONSOLIDATED PLAN PRIORITY:** Economic Development: Reduce the number of persons below the poverty level, expand economic opportunities for very low- and low-income residents and increase the viability of neighborhood commercial areas [CD-5].
2. **CDBG ELIGIBLE ACTIVITY:** Job training and placement assistance provided by a Community-Based Development Organization (CBDO) [24 CFR 570.204(a)(2)].
3. **NATIONAL OBJECTIVE:** Benefiting very low- and low-income persons [24 CFR 570.208(a)(2)(i)(B)].
4. **TARGET POPULATION AND DEMONSTRATED NEED:** The program will expand economic opportunities for 10 low-income persons through job training and career development in the field of information technology. Persons with barriers to employment are underemployed or are Welfare to Work clients that have limited opportunities to secure jobs that pay a livable wage or allow for career development and advancement. The target population is unemployed or underemployed Urban County residents in East Contra Costa County. Approximately 21% of families in the cities of Brentwood and Oakley are not economically self-sufficient. According to the State's Economic Development Labor Market Information (EDD LMI), 21.5% of Bay Point residents are unemployed, along with 17.5% of Pittsburg residents and 12.4% of Antioch residents. Furthermore, the EDD LMI estimates that from 2008-2018, there will be more than 25,000 East Bay job openings in administrative occupations that pay a living wage and yet do not require a 4-year college education.

Opportunity Junction has established relationships with Pittsburg Adult Education Center and the County Employment and Human Services Department, as well as community based organizations to reach the target population. In order to attract participants, Opportunity Junction staff will hold information workshops about the program at the Opportunity Junction office and at One Stop offices. Additional outreach will be done at the CalWORKS offices in Antioch and through information flyers that are sent to various non-profits and governmental referring partners. The potential for jobs in this area supports the relevance of the training and the opportunities to secure employment.

5. FINANCIAL ANALYSIS:

		# Clients Served	\$ Per Client Served
CDBG Funds Recommended	\$85,000	10	\$8,500
Total Program Amount	\$853,855	40	\$21,346
CDBG % of Total Budget	10%		
Required Match – 50%	\$42,500		
Amount Secured	\$144,917		
Leverage*	\$9.04		
*Does not include CDBG funds from other jurisdictions			

The proposed operating budget anticipates grants from a number of foundations and corporations. Opportunity Junction is also applying for CDBG funding from Antioch, Concord, and Pittsburg. The County’s CDBG funds would primarily be used for rent.

6. **EXPERIENCE AND CAPACITY:** Opportunity Junction was established in 1999 (as Opportunities for Technology Information Careers) by a consortium of private businesses, local government agencies, and community-based organizations and has placed many Urban County participants into permanent employment paying an average of \$27,000 annually plus benefits. Program staff has been with the organization for many years and have exhibited exemplary performance in operating this program for many years.
7. **PROJECT READINESS AND TIMELINESS:** This is an ongoing program that is fully staffed.
8. **PAST PERFORMANCE:** Opportunity Junction has demonstrated the ability to complete and exceed programmatic objectives within the program year. For FY 2013/14 the program placed 16 Urban County residents in jobs, exceeding their contractual goal. To date, Opportunity Junction has trained and placed seven low-income Urban County residents in jobs. As with all programs that are recommended CDBG funds under the Economic Development category, CDBG staff is recommending a “pay per accomplishment” contract with Opportunity Junction for FY 2015/16 and FY 2016/17, in which most of the CDBG funds will be contingent on Opportunity Junction’s performance for meeting their contractual goal. Opportunity Junction has been timely in submitting all necessary quarterly reports.
9. **ENVIRONMENTAL/HISTORIC PRESERVATION/RELOCATION/PREVAILING WAGE ISSUES:** None.

**FY 2015/16 & 2016/17 CDBG PROGRAM
ECONOMIC DEVELOPMENT (ED) CATEGORY**

APPLICANT: San Pablo Economic Development Corporation

PROJECT NAME/NUMBER: SMaRT: Social Media Resource Training for Small Business
15-04-ED

PROJECT SERVICE AREA: West County (with emphasis in North Richmond, San Pablo, Rodeo and Crockett)

PROJECT OUTCOME: To provide technical assistance and support to 24 existing low-income businesses in social media marketing.

TOTAL PROJECT COST: \$73,385

AMOUNT REQUESTED: \$40,000

AMOUNT RECOMMENDED:

FY 2015/16:	\$0
FY 2016/17:	\$0

RECEIVED IN FY 2014/15: N/A

CONDITIONS OF APPROVAL: N/A

PROJECT DESCRIPTION/ANALYSIS: The San Pablo Economic Development Corporation's (SPEDC) Social Media Resource Training for Small Business (SMART) program is a 'micro-enterprise, technical assistance' program designed to educate qualified low-income small businesses in social media marketing. The SPEDC will use SMART to 'train small businesses to appropriately assess their resources, needs and feasible projects, while also supplying them with a workforce client capable of completing the project for them.'

SPEDC believes SMART will provide the knowledge for small businesses to survive in increasingly competitive markets, using tools that allow them to better market themselves with the limited resources they have. SMART provides a benefit for two distinct populations. It provides businesses needing marketing assistance as case studies for the SPEDC's workforce development training program, which supplies participants who are learning skills in information technology. For the purposes of CDBG funding, SPEDC is applying for funds for the training of small businesses, not the workforce clients.

SPEDC is proposing to partner with Lao Family Community Development to provide case management for the small businesses that would like on-the-job training in social media marketing after they have completed the initial training.

The amount of CDBG funds available for ED programs is lower for FY 2015/16 than the current fiscal year; therefore, the CDBG Program cannot support funding new program at this time without negatively impacting the funding levels of other ED programs.

EVALUATION CRITERIA:

1. **CONSOLIDATED PLAN PRIORITY:** Economic Development: Reduce the number of persons below the poverty level, expand economic opportunities for very low- and low-income residents and increase the viability of neighborhood commercial areas [CD-5].
2. **CDBG ELIGIBLE ACTIVITY:** Micro-enterprise and small business assistance [24 CFR 570.201(o)].
3. **NATIONAL OBJECTIVE:** Benefiting very low- and low-income persons/micro-enterprise activity [24 CFR 570.208(a)(2)(iii)].
4. **TARGET POPULATION AND DEMONSTRATED NEED:** SMART will target small businesses with extremely low-, very low-, low- or moderate-income owners. They will also focus on targeting businesses (with two or more employees) that currently do not have the resources to strategically or operationally address their marketing needs. SMART will focus their outreach primarily in West County, but intends to have at least 10 percent of program participants come from Central and East County. In total, SMART proposes to serve 24 Urban County clients.

In West County, it is estimated that one out of five people lack a high school degree. More alarming is that the unemployment rate in some West County neighborhoods is at or above 20 percent. SMART will work to facilitate new economic opportunities for low-income persons through successful small business/microenterprise training in social media marketing.

The need for small business/microenterprise assistance has been well documented. Studies have shown that a large percentage of small businesses and microenterprises fail within the first five years of start-up due to a lack of supportive services. Recent research identified over 3,000 micro-enterprises in West County. These businesses play a significant role in the economy and create a significant number of jobs. Business development is a critical ingredient in attaining financial security and small business creation is a mechanism for economic mobility, particularly for minorities, immigrants, and the economically disadvantaged.

5. FINANCIAL ANALYSIS:

		# Clients Served	\$ Per Client Served
CDBG Funds Recommended	\$0	24	\$N/A
Total Program Amount	\$73,385	48	\$1,528.85
CDBG % of Total Budget	0%		
Required Match – 50%	\$N/A		
Amount Secured	\$33,385		
Leverage*	\$N/A		
*Does not include other CDBG funds from other jurisdictions.			

The SMART Program is currently not in operation and is seeking CDBG funds to start the program. SPEDC has requested \$40,000 in CDBG funds, which is over 54% of the program’s total budget. The amount of CDBG funds available for ED activities is lower for FY2015/16 than the current fiscal year; therefore the CDBG program cannot support funding brand new programs at this time without negatively impacting the funding levels of other ED programs even more than they are currently being impacted.

6. **EXPERIENCE AND CAPACITY:** The SPEDC has been in operation for five years. The current Executive Director has managed the SPEDC over the past five years and has significant experience in public sector administration. The SPEDC has qualified staff and uses specialized consultants to assist in delivering services. However, this would be the first year the SMART program would be in operation.
7. **PROJECT READINESS AND TIMELINESS:** This is a proposed project by the SPEDC and is currently in the programmatic planning phase.
8. **PAST PERFORMANCE:** The SMART Program is currently not in operation. This is the first year the SPEDC has applied for CDBG funds.
9. **ENVIRONMENTAL/HISTORICAL PERSERVATION/RELOCATION/PREVAILING WAGE ISSUES:** None

**FY 2015/16 & 2016/17 CDBG PROGRAM
ECONOMIC DEVELOPMENT (ED) CATEGORY**

APPLICANT: The Stride Center

PROJECT NAME/NUMBER: Technical Job Training and Job Placement
15-05-ED

PROJECT SERVICE AREA: West County

PROJECT OUTCOME: To provide job training and placement assistance to 10 low-income persons that leads to economic self-sufficiency through careers in the field of information technology.

TOTAL PROJECT COST: \$180,000

AMOUNT REQUESTED: \$50,000

AMOUNT RECOMMENDED:

FY 2015/16:	\$40,000
FY 2016/17:	\$40,000

RECEIVED IN FY 2014/15: \$45,000

CONDITIONS OF APPROVAL: Stride Center's CDBG contract will be a "pay per accomplishment" contract, in which most of the CDBG funds will be contingent with Stride Center's performance for meeting its contractual goal.

PROJECT DESCRIPTION/ANALYSIS: Stride Center's program will expand economic opportunities for 10 low-income persons through training and career development in the field of information technology. Stride Center proposes to provide technical job training, professional and career development skills, and one-on-one job placement assistance through a four component program: 1) education and credential; 2) equipment; 3) experience; and 4) placement assistance.

Through the education and credential component students go through three to six month training sessions that meet three to five days a week to acquire high-quality technical skills, industry-recognized certifications, and professional, life and career development skills. Students who do not have computer equipment or cannot afford computer equipment can acquire (at no cost) the computer equipment needed for specific training to be carried outside of Stride Center's classrooms. Students are trained to refurbish computers that they will eventually use for their training. This ensures that no participant is denied access to technology because of lack of equipment or training. The experience component is aimed at creating opportunities for work experience through two social venture programs for students to engage in paid and

unpaid internship programs or for graduates to be hired as part-time or full-time staff. Once students complete the necessary program components they move to the final placement assistance component. One-on-one job placement assistance is provided to students to help them find employment that matches their skills.

In order to ensure that students acquire on-the-job experience, Stride Center has established partnership agreements with some local agencies and companies to create internship opportunities for students. In addition to the internship agreements, Stride Center has various hiring partners, such as CBX Technologies, Opportunities Exchange West, and Sybase, to ensure and secure technical jobs for their graduates. Furthermore, Stride Center has two social ventures of their own, Relia Tech and ReUse Tech, that provide technical jobs and internship opportunities for their students and graduates.

There is a strong need for training and placement services in West County. The program is eligible, feasible, timely, and consistent with the Consolidated Plan goals to provide job training and economic opportunities to lower income persons.

The amount of CDBG funds available for ED activities is lower for FY 2015/16 than the current fiscal year; therefore, all currently funded ED programs are having funding reduced for the next fiscal year.

EVALUATION CRITERIA

1. **CONSOLIDATED PLAN PRIORITY:** Economic Development: Reduce the number of persons below the poverty level, expand economic opportunities for very low- and low-income residents and increase the viability of neighborhood commercial areas [CD-5].
2. **CDBG ELIGIBLE ACTIVITY:** Special Economic Activities: Job training and placement assistance [24 CFR 570.203(C)].
3. **NATIONAL OBJECTIVE:** Benefiting very low- and low-income persons [24 CFR 570.208(a)(2)(i)(B)].
4. **TARGET POPULATION AND DEMONSTRATED NEED:** As proposed, the program will expand economic opportunities for 10 low income persons through job training and career development in the field of information technology. Stride Center is located in West Contra Cost County, where it is estimated that one out of five people lacks a high school degree and unemployment has reached nearly 20 percent. Persons who have barriers to employment typically are underemployed and have limited opportunities to secure jobs that pay a livable wage or allow for career development and advancement. According to the Department of Labor Statistics, computer support specialist jobs are expected to grow faster than average through the year 2014 and these jobs are projected to stay as a fast-growing industry in the economy. Median earnings for this particular field are currently over \$40,000.

The target population is unemployed or underemployed Urban County residents in West Contra Costa County. In order to attract participants, Stride Center will advertise in local newspapers and newsletters, deliver course enrollment materials to Career Centers in the East Bay, and will provide presentations, information, and outreach to local non-profits and local high schools. Currently, over 60 percent of all jobs now require solid, fundamental computer and/or technology skills and yet professional computer training courses can cost between \$2,500 and \$10,000 and these courses do not provide the support services and job placement assistance that is critical for underserved individuals who are transitioning into the workplace.

5. FINANCIAL ANALYSIS:

		# Clients Served	\$ Per Client Served
CDBG Funds Recommended	\$40,000	10	\$4,000
Total Program Amount	\$180,000	10	\$18,000
CDBG % of Total Budget	22%		
Required Match – 50%	\$20,000		
Amount Secured	\$41,720		
Leverage*	\$3.5		
*Does not include other CDBG funds from other jurisdictions.			

The proposed operating budget anticipates grants from a number of foundations and corporations. The County’s CDBG funds will partially pay for the program’s staff costs.

At this time, Stride Center has secured \$41,720 for the upcoming program year. During the last seven years, Stride Center has raised over \$300,000 from various corporations and foundations and fully expects to be successful in securing the funds needed to operate the program for the upcoming year.

- 6. **EXPERIENCE AND CAPACITY:** Stride Center has been operating their technical training and job placement program for the last 11 years. It has established various internship agreements and hiring partners with various local agencies and companies in the information technology industry. Stride Center has its own social venture programs, Relia Tech and ReUse Tech, which have offered jobs and/or job experience opportunities to students and graduates of their program.
- 7. **PROJECT READINESS AND TIMELINESS:** This is an ongoing program that is fully staffed.
- 8. **PAST PERFORMANCE:** During FY 2013/14 Stride Center trained and placed 10 Urban County residents in information technology jobs, meeting their contractual

obligation. As of the 2nd quarter of the current fiscal year, Stride Center has placed 4 Urban County residents in jobs, 40 percent of their goal for the year. Stride Center expects to meet or exceed its goal given the number of clients currently in their training pipeline.

As with all ED projects, staff is recommending a “pay per accomplishment” contract with Stride Center for FY 2015/16 and FY 2016/17, in which most of the CDBG funds will be contingent with Stride Center’s performance for meeting its contractual goal.

9. **ENVIRONMENTAL/HISTORIC PRESERVATION/RELOCATION/PREVAILING WAGE ISSUES:** None.

**FY 2015/16 & 2016/17 CDBG PROGRAM
ECONOMIC DEVELOPMENT (ED) CATEGORY**

APPLICANT: West Contra Costa County Business Development Center

PROJECT NAME/NUMBER: Strengthening Neighborhood Economies
15-06-ED

PROJECT SERVICE AREA: West County (with emphasis in North Richmond, San Pablo, Rodeo and Crockett)

PROJECT OUTCOME: To provide technical assistance and support to 60 existing businesses or persons wishing to open a business as a way to create/retain jobs.

TOTAL PROJECT COST: \$254,000

AMOUNT REQUESTED: \$96,500

AMOUNT RECOMMENDED:

FY 2015/16:	\$65,000
FY 2016/17:	\$65,000

RECEIVED IN FY 2014/15: \$90,000

CONDITIONS OF APPROVAL: The BDC's CDBG contract will be a "pay per accomplishment" contract, in which most of the CDBG funds will be contingent with the BDC's performance for meeting their contractual goal. Of the \$65,000 recommended, \$15,000 is exclusively for the marketing of loan programs that may be available to clients.

PROJECT DESCRIPTION/ANALYSIS: The West Contra Costa Business Development Center (BDC) is a nonprofit corporation with a proven track record of successfully fostering entrepreneurship, particularly within communities striving for economic revitalization. The BDC's goal is to help businesses grow, create job opportunities, and generate a renewed sense of economic activity in the communities of West Contra County. The BDC, through its "Strengthening Neighborhood Economies" project, proposes to provide comprehensive business assistance to 60 existing and prospective small businesses/micro-enterprises located in West County with emphasis in the North Richmond, San Pablo, Rodeo and Crockett communities. BDC's Strengthening Neighborhood Economies project strives to create vibrant commercial corridors in the targeted neighborhoods that maximize the community's distinctive assets and draws in nearby residents. Specific objectives of the project include:

- Community Commitment and Participation – engage residents, merchants, community leaders and other stakeholders in the commercial neighborhood revitalization process.
- Strengthen Existing Businesses – develop relationships and deliver business assistance services to help merchants achieve key targets, including increased sales and profitability, expanded customer base and product offering, and/or improved storefronts.
- Business Recruitment – work with various stakeholders to expand a neighborhood’s business mix, filling vacant storefronts, and creating new job and business opportunities for area residents.
- Create a new destination – define the neighborhood’s distinctive appeal and, develop and implement a promotional campaign aimed at drawing customers to the area. Promotional strategies could include regular sales events and larger special events that draw potential customers from a wider area.

In FY 2012/13, the BDC implemented a new component to their program, the Contra Costa Capital Access Network (Contra Costa CAN), which connects business owners of microenterprises/businesses to capital via a low-interest business loan program. The actual lenders of these loans are other private organizations that provide capital in the form of low-interest loans to small businesses and microenterprises in the Bay Area. The BDC provides the necessary marketing and outreach of the loan program on a County-wide basis to improve awareness of the various loan programs available to small businesses and microenterprises within Contra Costa County. In order to increase awareness on a County-wide basis, the BDC has a memorandum of understanding with the County’s Small Business Development Center (SBDC) to fully reach central and east County businesses/microenterprises. Marketing and outreach strategies include but are not limited to: direct mailers to various business entities and economic development agencies within the County, outreach to the various Chambers of Commerce in the County, and outreach to the various banks and traditional lending institutions within the County to develop a referral system. In FY 2013/14, 11 businesses received loans totaling \$365,000. For the current year, six businesses have received loans totaling \$66,000, and there are two addition clients in process of obtaining a loan.

The overall program is eligible, feasible, and timely. The BDC has received CDBG funds for many years. Of the \$65,000 recommended by staff, \$15,000 is to be exclusively for the marketing and outreach of Contra Costa CAN.

The amount of CDBG funds available for ED activities is lower for FY 2015/16 than the current fiscal year; therefore, all currently funded ED programs are having funding reduced for the next fiscal year.

EVALUATION CRITERIA:

1. **CONSOLIDATED PLAN PRIORITY:** Economic Development: Reduce the number of persons below the poverty level, expand economic opportunities for very low-and low-income residents and increase the viability of neighborhood commercial areas [CD-5].
2. **CDBG ELIGIBLE ACTIVITY:** Micro-enterprise and small business assistance [24 CFR 570.201(o)]
3. **NATIONAL OBJECTIVE:** Benefiting very low- and low-income persons/micro-enterprise activity [24 CFR 570.208(a)(2)(iii)]
4. **TARGET POPULATION AND DEMONSTRATED NEED:** The program will help expand economic opportunities for 60 low-income persons who have started or are planning to start a business located in West County. In West County, it is estimated that one out of five people lack a high school degree. More alarming is that the unemployment rate in some West County neighborhoods is at or above 20 percent. The BDC will work to facilitate new economic opportunities for low-income persons through successful small business/microenterprise development and operation.

The need for small business/microenterprise assistance has been well documented. Studies have shown that a large percentage of small businesses and microenterprises fail within the first five years of start-up due to a lack of supportive services. Recent research identified over 3,000 micro-enterprises in West County. These businesses play a significant role in the economy and create a significant number of jobs. Business development is a critical ingredient in attaining financial security and small business creation is a mechanism for economic mobility, particularly for minorities, immigrants, and the economically disadvantaged.

The project, except for the loan program component, will primarily target existing businesses and persons wanting to open a business in West County with particular emphasis on North Richmond, San Pablo, Rodeo, Pinole, Hercules, and Crockett. The BDC will reach merchants, potential new merchants, residents, and community leaders through disseminating materials in the community (libraries, community organizations, schools, and business associations); sending out mailers to target neighborhoods, press releases to local media, including West County Times, Contra Costa Marketplace, Chamber of Commerce newsletters, and Spanish Language media. The loan program component will be provided on a County-wide basis.

5. FINANCIAL ANALYSIS:

		# Clients Served	\$ Per Client Served
CDBG Funds Recommended	\$65,000	60	\$1,083
Total Program Amount	\$254,000	150	\$1,693
CDBG % of Total Budget	25%		
Required Match – 50%	\$32,500		
Amount Secured	\$0		
Leverage*	\$3.23		
*Does not include other CDBG funds from other jurisdictions.			

The County’s CDBG funds will be used for staff costs (including benefits), consultants, and rent. They currently are working to secure other funding commitments for FY 2015/16. The BDC has, in the past, been very successful in securing the funds needed to operate the program and they typically do not request funding from their corporate and foundation sponsors until the end of May or early June. Staff expects the BDC to raise the necessary funds for the program.

6. **EXPERIENCE AND CAPACITY:** The BDC has been in operation since 1995. The current Executive Director has managed the BDC for over ten years and has significant experience working with small businesses as well as a background in non-profit administration. The BDC has qualified staff and uses specialized consultants to assist in delivering services.
7. **PROJECT READINESS AND TIMELINESS:** The BDC has been funded with CDBG funds for over ten years and has the experience and required staff to operate this program.
8. **PAST PERFORMANCE:** In FY 2013/14 the BDC provided technical assistance and support to 60 existing business or persons wishing to open a business, meeting their contractual goal. As of the 2nd quarter of the current fiscal year, the BDC is slightly behind pace to meet their contractual goal. However, the BDC fully expects to meet their goal given the number of businesses in the pipeline who are receiving assistance.

Staff’s recommendation is for \$65,000; however, \$15,000 is exclusively for the loan program marketing component. The remaining \$50,000 is for the services that are primarily to provide technical assistance services to existing West County microenterprises or prospective microenterprises, which is a reduction of \$25,000 from the funded amount of this current fiscal year. The amount of CDBG funds available for economic development activities is less this fiscal year compared to last

fiscal year. Therefore, economic development activities are receiving reduced amounts of funding compared to previous years. CDBG staff is recommending a “pay per accomplishment” contract with the BDC for FY 2015/16 and FY 2016/17, in which most of the CDBG funds will be contingent with the BDC’s performance for meeting their contractual goal. The BDC has been timely in submitting quarterly reports and quarterly demands/invoices.

9. ENVIRONMENTAL/HISTORICAL PERSERVATION/RELOCATION/PREVAILING WAGE ISSUES: None

**FY 2015/16 & 2016/17 CDBG PROGRAM
ECONOMIC DEVELOPMENT (ED) CATEGORY**

APPLICANT: Workforce Development Board

PROJECT NAME/NUMBER: Small Business Development Center
15-07-ED

PROJECT SERVICE AREA: Urban County

PROJECT OUTCOME: Group training and individualized advising to 50 new or existing businesses run by low- to moderate-income clients.

TOTAL PROJECT COST: \$400,000

AMOUNT REQUESTED: \$80,000

AMOUNT RECOMMENDED:

FY 2015/16:	\$50,000
FY 2016/17:	\$50,000

RECEIVED IN FY 2014/15: \$61,571

CONDITIONS OF APPROVAL: The CDBG contract will be a “pay per accomplishment” contract for FY 2015/16 and FY 2016/17, in which most of the CDBG funds will be contingent with the SBDC’s performance in meeting their contractual goal.

PROJECT DESCRIPTION/ANALYSIS: The Workforce Development Board (WDB) of Contra Costa County is a 41-member business-led public body responsible for coordinating workforce development policy in the County. The WDB’s mission is to promote a workforce development system responding to the needs of the business community, job seekers, workers, and youth. The Small Business Development Center (SBDC) facilitates economic development by assisting business owners to start and expand businesses, create and retain jobs, increase sales and make other economic impacts. The SBDC will provide in-depth technical assistance to 50 Urban County new or existing microenterprises by providing assistance through business management training and consulting. The SBDC is part of a national network of organizations dedicated to help people start a business and assist existing businesses.

According to SBDC, many persons wanting to start a business lack basic business knowledge and business skills that can make the difference between success and failure. SBDC’s training covers topics including executive skill enhancement (goal setting and time management), strategic planning (including business concept development or refinement, planning for financing), market research (industry, target market, trade area, and competition) mission statement development, sales forecast, marketing plan and strategies, general management, pricing, and financial

management. This training will result in the development of a sound business plan, which is the finished product expected from participants. One-on-one consulting is also a key service provided to participants. To help participants not feel isolated from the rest of the business community, SBDC provides the structure for networking, support and on-going contact with other small business owners. As a business develops and grows, SBDC provides additional types of information and assistance including providing access to a team of consultants who provide assistance on a variety of business topics.

The program is provided at no or low cost to the participant. Ongoing networking and support is also available during business startup and long-term business operations.

The program is eligible, feasible and timely and consistent with Consolidated Plan goals to foster micro-enterprise development and small business development. The WDB provides a valuable service to small businesses in the Urban County. The program has been successful in reaching quantitative goals for assisting microenterprises and small businesses.

The amount of CDBG funds available for ED activities is lower for FY 2015/16 than the current fiscal year; therefore, all currently funded ED programs are having funding reduced for the next fiscal year.

EVALUATION CRITERIA

1. **CONSOLIDATED PLAN PRIORITY:** Economic Development: Reduce the number of persons below the poverty level, expand economic opportunities for very low- and low-income residents and increase the viability of neighborhood commercial areas [CD-5].
2. **CDBG ELIGIBLE ACTIVITY:** Micro-enterprise and small business assistance [24 CFR 570.201(o)].
3. **NATIONAL OBJECTIVE:** Benefiting very low- and low-income persons/micro-enterprise assistance [24 CFR 570.208(a)(2)(iii)] and job creation [24 CFR 570.208(a)(4)(i)].
4. **TARGET POPULATION AND DEMONSTRATED NEED:** It is the intent of the SBDC program to expand economic opportunities for low-income persons by providing training and technical assistance to persons actively working toward starting a microenterprise or expanding an existing business. The need for small business/microenterprise assistance has been well documented as studies show that a large percentage of small businesses fail within the first 3-5 years of startup due to a lack of supportive services. Recent data from the U.S. Small Business Administration reports that small businesses have created 60 to 80 percent of the new jobs annually over the last decade. The Kauffman Foundation's analysis of this data indicates that companies less than five years old created nearly two-thirds of net new jobs and new and young businesses drive economic growth and job

creation. According to the a report prepared by the Contra Costa Council and Contra Costa Economic Partnership, Contra Costa County's economy is dominated by small businesses and microenterprises. Smaller firms account for 98.2% of all businesses and 57.5% of the total jobs. Additionally, the report indicates that self-employment is the fastest growing segment of the County's economy. Self-employment grew at an average rate of 3.2% over the past nine years and makes up about 15% of the county's workforce. The target population will be reached by advertising, cable TV announcements and flyers to Chambers of Commerce, One Stop Centers, libraries, schools, and City/County offices. Providing an opportunity to low-income persons to receive assistance in the development of a small business as a way to employment is a viable option to attaining economic self-sufficiency.

5. FINANCIAL ANALYSIS:

		# Clients Served	\$ Per Client Served
CDBG Funds Recommended	\$50,000	50	\$1,000
Total Program Amount	\$400,000	135	\$2,962
CDBG % of Total Budget	12.5%		
Required Match – 50%	\$25,000		
Amount Secured	\$120,000		
Leverage*	\$5.66		
*Does not include other CDBG funds from other jurisdictions.			

The cities of Antioch, Concord, and Walnut Creek have provided CDBG funds to this project previously as well. The County's CDBG funds will be used primarily for staff costs. Besides other jurisdictions' CDBG funds, the rest of the program budget will be funded by other federal funds (non-CDBG) and Workforce Development Board funds. At this time, WDB has secured approximately \$120,000 in program funds for the upcoming year. Based on this program's past performance to secure funding, staff fully expects the program to raise the necessary funding for the upcoming year.

- 6. **EXPERIENCE AND CAPACITY:** This is a continuing program. This program has received CDBG funding since FY 1992/93. The project manager has extensive experience in programs assisting small businesses. The SBDC has qualified staff and uses specialized consultants to assist in the delivery of services. The SBDC is part of a network of organizations dedicated to assist people in starting a business and assist existing businesses.
- 7. **PROJECT READINESS AND TIMELINESS:** This is an ongoing program that is fully staffed.
- 8. **PAST PERFORMANCE:** SBDC has demonstrated the ability to complete programmatic objectives and meet their contractual goal within the program year. As of the 2nd quarter of the current fiscal year the SBDC has assisted 26 new or

existing businesses, which is above pace to meet their contractual goal of 38. The SBDC has been timely in submitting quarterly reports.

CDBG staff is recommending a “pay per accomplishment” contract with the SBDC for FY 2015/16 and FY 2016/17, in which most of the CDBG funds will be contingent with the SBDC’s performance in meeting their contractual goal.

9. **ENVIRONMENTAL/HISTORIC PRESERVATION/RELOCATION/PREVAILING WAGE ISSUES:** None.