



Agenda Date: 9/27/2005
Agenda Placement: 6K

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Britt Ferguson for Nancy Watt - County Executive Officer
Community Partnership Program
REPORT BY: Howard Siegel, Community Partnership Manager, 253-4621
SUBJECT: Approval of Agreement with Napa Valley Economic Development Corporation

RECOMMENDATION

County Executive Officer requests approval of and authorization for the Chair to sign an agreement with the Napa Valley Economic Development Corporation (NVEDC) for a maximum of \$35,000 for the term July 1, 2005 through June 30, 2006 for the provision of services related to economic and community development.

EXECUTIVE SUMMARY

The Napa Valley Economic Development Corporation (NVEDC) is a private, non-profit organization that provides services to both public and private sector clients in Napa County. Since 1990, the County has contracted with NVEDC to provide various services related to economic development, including business attraction, retention and assistance.

This contractual arrangement has taken various forms, with the proposed action being to create a new agreement to replace one that has been amended multiple times, along with a revised scope of services. These services would include developing an inventory of owners and tenants of industrial properties in the South County, providing other economic data that would be useful to the County, development of a coordinated effort with workforce development entities, acting as liaison to the business community on behalf of the County, and providing financial assistance to small businesses.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	County Contributions
Is it Mandatory or Discretionary?	Discretionary

Discretionary Justification:	It provides critical services that the County itself is not in a position to provide at very low cost, by leveraging the County's contribution of \$35,000 to help NVEDC generate several times that in contributions from the private sector.
Is the general fund affected?	Yes
Future fiscal impact:	None. These contracts are annual in nature, subject to reapproval of funding every fiscal year.
Consequences if not approved:	Critical information that the County needs to make land use and other strategic decisions would not be available, except at greater cost. At this particular time, given the County's current involvement in updating its General Plan - including the addition of a new Economic Development Element - the partnership with this type of organization is even more necessary.
Additional Information:	None

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

In 1989, the County was awarded a \$300,000 Economic Development grant from the State Department of Housing and Community Development (HCD), under its Community Development Block Grant (CDBG) Program. These funds were originally used to provide seed money for a local start-up metal fabrication company known as XKT Engineering. Once the loan was repaid the funds were authorized (by the Grant Agreement) to be used to capitalize a revolving loan fund (RLF) for local small businesses.

In 1990, the County decided to contract with the Napa City/County Development Corporation, a local non-profit organization, in order to administer that grant - and the ensuing RLF - as well as to provide other economic development services. For ten years, this was accomplished through two separate County agreements, one related to the RLF and the second to the other services. During that time, the organization changed its name to the current NVEDC.

In July 2001, these two agreements were consolidated into one Agreement (No. 4198), which has been amended annually since then. However, due to some organizational changes and a mutual desire for a change to the scope of services, this contract was allowed to terminate on June 30th of this year. For the same reasons as well as several changes to the County's standard professional services agreement, we are proposing to enter into a new agreement with NVEDC for these services.

The revised scope of services reflects both the addition of some new services - such as integration with workforce development agencies, for example - as well as better defined outcomes as a result of those services.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Howard Siegel