

Community Development Services  
3895 Main Street  
Kelseyville CA 95451  
707-279-1540

Date: June 19, 2018

To: Steve Dunncliff, Deputy CEO, County Executive Office  
Adrienne Thompson, Administrative Services Manager, Planning & Building Services

From: Jeff Lucas, Community Development Services

Re: Funding Applications to the Economic Development Administration Under Disaster Supplemental Notice of Funding Opportunity

## **BACKGROUND**

On April 10, 2018, the US Economic Development Administration (EDA) released a Notice of Funding Opportunity (NOFA) for assistance to communities impacted by the natural disasters 2017. The EDA provides funding for economic development activities including business loan funds, economic development strategies, and infrastructure projects which are needed to create jobs in a community. The EDA is providing additional funds, but only for projects and activities that meet the requirements of the EDA mission. This mission is to provide funding for infrastructure projects that enable businesses to create jobs, provide funding for economic development and resiliency strategies, provide funding for assistance to businesses, and provide funding for business loan programs to create private sector jobs. The Disaster Recovery Investment Priorities of the U.S. Department of Commerce, Economic Development Administration, are:

- Recovery & Resilience: Projects that assist with economic resilience (including business continuity and preparedness) and long-term recovery from natural disasters and economic shocks to ensure U.S. communities are globally competitive.
- Critical Infrastructure: Projects that establish the fundamental building blocks of a prosperous and innovative-centric economy and a secure platform for American business, including physical (e.g., broadband, energy, roads, water, sewer) and other economic infrastructure.
- Workforce Development & Manufacturing: Projects that support the planning and implementation of infrastructure for skills-training centers and related facilities that address the hiring needs of the business community -- particularly in the manufacturing sector -- with a specific emphasis on the expansion of apprenticeships and work-and-learn training models. Also includes projects that encourage job creation and business expansion in manufacturing, including infrastructure-related efforts that focus on advanced manufacturing of innovative, high-value products and enhancing manufacturing supply chains.
- Exports & FDI: Primarily infrastructure projects that enhance community assets (e.g., ports facilities) to support growth in U.S. exports and increased foreign direct investment-and ultimately the return of jobs to the United States.

In response to this notice of funding opportunity and based on discussions with the EDA Field Representative who has encouraged the County to apply for these funds, the County held a noticed

public meeting on May 3, 2018 at the Mendocino County Department of Planning and Building Services to discuss the availability of EDA funds, and the priorities of this funding source. Based on input from that meeting and work done previously in the private and non-profit sectors, in cooperation with the County, we have prepared two funding applications which meet the priorities of the Economic Development Administration program for consideration by the Board for submittal to the EDA.

#### **COUNTY FUNDING APPLICATION #1:**

Funding for infrastructure, road, and utilities project to serve an area of North Ukiah that is already planned and zoned for industrial development, including manufacturing businesses, for the final design and construction of approximately 6,050 linear feet of new roadway with required utilities connecting Ford Road (at the south end) toward North State Street (in the middle), and Orr Springs Road (on the north). The purpose of the road is to provide the necessary infrastructure for light manufacturing jobs to be created by new and expanding businesses that have committed to locating at the site provided the road is built. This road project meets the recovery and resilience, infrastructure improvements, and job creation and manufacturing priority criteria of the EDA. The application is in the amount of \$9,095,746, with \$2,273,937 being provided by the private sector. The project total is \$11,369,683.

It is planned that the economic impact of this project will be the generation of forty new jobs in light manufacturing, twenty new positions in timber products recycling and distribution, sixteen new jobs in wine production and twenty-four jobs in wine cultivation. The total positive economic impact will be the creation of 100 new jobs.

#### **COUNTY FUNDING APPLICATION #2:**

Funding for a two-year period to fund a County Economic Recovery Coordinator position and economic recovery services to be provided by the WEST Company and the Mendocino County Economic Development Finance Corporation. The EDA grant request total is \$397,180 and the local county match is \$104,000. The total two-year project funding is \$501,180. The purpose of the project is to organize, coordinate, and implement immediate, intermediate, and long term economic recovery and resiliency activities, to create an Economic Recovery and Resiliency Strategy, and to provide direct broadband-based services to businesses.

It is planned that the positive economic impacts of this application will be improvements in access to broadband services, the creation of a meaningful recovery and resiliency plan, the provision of technical assistance to ninety small businesses and the creation of up to thirty jobs.

#### **REQUEST**

We are requesting the Board approve the applications for the EDA funding. The activities described within the applications meet the EDA economic development program priorities. These funds cannot be used for infrastructure repair or other projects which do not meet the priorities of the EDA.

It should also be noted that funds will be available for future economic development projects from the EDA source should the County choose to apply for projects or activities that meet the EDA mission and priorities as described above in the future.