

CITY OF LONG BEACH

DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT
333 WEST OCEAN BOULEVARD • LONG BEACH, CA 90802 • (562) 570-6099 • Fax (562) 570-6380

June 23, 2015

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute any and all documents necessary for an agreement with the Long Beach Community College District to provide economic development counseling and educational services through its Small Business Development Center for an annual amount not to exceed \$115,000 for an initial term from July 1, 2015 through June 30, 2016, with two one-year extensions at the option of the City Manager and subject to the continued availability of funds. (District 1)

DISCUSSION

On June 12, 2012, the City Council authorized the execution of an agreement with the Long Beach Community College District, familiarly known as Long Beach City College (LBCC), to provide business counseling services through its regional Small Business Development Center (SBDC) for the period from July 1, 2012 through June 30, 2013, with two one-year extensions. The SBDC program is an eligible Community Development Block Grant (CDBG) activity and CDBG funding in the amount of \$115,000 was utilized to support the SBDC. The SBDC program is the most extensive economic development project of the Small Business Administration (SBA). SBDC Business Advisors offer a wealth of real-world business experience, provide one-on-one counseling and conduct training sessions, workshops and seminars. In addition, as a result of this fund provision, the SBDC will focus services on small businesses, concentrating on low- and moderate-income areas. Pursuant to the agreement, SBDC has provided the following services:

- Business advice and assistance
- Workshops
- Business matchmaking and procurement events
- Access to capital programs
- Business networking and peer mentoring programs
- Marketing, outreach and business engagement
- Young Entrepreneurs Project

SBDC is required to submit invoices for reimbursement of expenses according to a schedule determined by the City, a performance report of its activities including jobs created, and an annual financial report with the City, showing in detail all expenditures

made by the SBDC for the programs and services identified in the agreement for the previous twelve-month period.

As the current agreement is set to expire on June 30, 2015, a new agreement is proposed to allow the SBDC to maintain the current services provided. The term of the new agreement will be for one year, commencing July 1, 2015, and ending June 30, 2016. CDBG funds are available based on the Fiscal Year 2015 Action Plan and shall not exceed the sum of \$115,000 per year. The total cost of this program is estimated at \$250,000 per year, the difference of which is funded directly by the SBDC. At the option of the City Manager and SBDC, the new agreement may be extended on the same terms and conditions for two consecutive periods of one year each, upon satisfactory performance and continued availability of funds.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on May 28, 2015 and by Budget Management Officer Victoria Bell on June 4, 2015.

TIMING CONSIDERATIONS

City Council action on this matter is requested on June 23, 2015, to ensure timely implementation of the agreement.

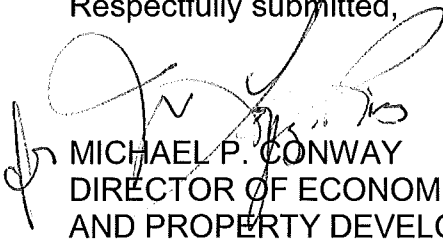
FISCAL IMPACT

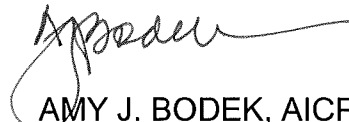
Sufficient funds are currently budgeted in the Community Development Grants Funds (SR 150) in the Department of Development Services (DV). This action is expected to create a minimum of 135 full time local jobs, as required by CDBG regulations.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,


MICHAEL P. CONWAY
DIRECTOR OF ECONOMIC
AND PROPERTY DEVELOPMENT


AMY J. BODEK, AICP
DIRECTOR OF DEVELOPMENT
SERVICES

MPC:mft
Attachment

APPROVED:


PATRICK H. WEST
CITY MANAGER

ATTACHMENT

309 Pine Avenue

