

TO: Executive Committee

DATE: 4/5/10

FROM: WIB Staff

For Discussion

For Action

For Information

SUBJECT: Commerce, Aviation and Economic Development (CAED) Business Assistance

PROPOSED MOTION(S): Approve the Department of Workforce Investment to fund Commerce, Aviation, and Economic Development to provide business assistance services in the vicinities of Merced, Los Banos, Atwater, Delhi, and Planada/Le Grand for an 18 month period for an amount not to exceed \$46,890.

DISCUSSION: CAED's business assistance services are funded through business license fees and County general fund dollars. As the economy has weakened, businesses have declined, causing revenue from business licenses to drop approximately 10% over last year; business license revenue is projected to decline further for Fiscal Year 2010/2011. At a time when existing and potential new businesses need these services, there are fewer funds to cover the cost of providing them. To retain continuity of business assistance services, and broaden outreach efforts, the Department of Commerce, Aviation and Economic Development is requesting additional funding through the Department of Workforce Investment. As economic conditions improve, it is expected for business license revenues to increase and cover the cost of business assistance services.

Participants choosing self-employment can receive the following services:

- **Business and marketing plan development;**
- **Funding for business start-up or specialized training (not WIA funded);**
- **Loan application assistance;**
- **Business taxes; and**
- **Individual Counseling.**

In addition there is classroom instruction offered in 3 separate classes for 8 weeks of training, 3 hours per week with an average of 15 attendees per class for a total of 45 students.

ATTACHMENT(S): Proposal available at meeting