

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

463



FROM: Community Action Partnership of Riverside County

SUBMITTAL DATE:
October 6, 2010

SUBJECT: Sole Source Agreement #CAP-10-035 with Community Investment Corporation

RECOMMENDED MOTION: That the Board of Supervisors ratify and

1. Authorize the Chairman of the Board to sign the attached Sole Source Agreement #CAP-10-135 between Community Action Partnership of Riverside County (CAP Riverside) and Community Investment Corporation (CIC) to provide training, technical assistance, and coaching to small businesses and to administer the Low-Income Loan Program, not to exceed \$175,000 per year;
2. Direct the Auditor-Controller to adjust appropriations as identified in the attached Schedule A.
3. Authorize the Purchasing Agent to sign ministerial amendments and exercise the option to renew annually up to two (2) additional one-year periods for a total of three years; and
4. Authorize the Executive Director of CAP Riverside to administer the agreement.

FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, AUDITOR-CONTROLLER
BY: Samuel Wong 10/7/10
SAMUEL WONG

Lois J. Carson
Lois J. Carson, CCAP, Executive Director

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 175,000	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 0	For Fiscal Year:	10/11

SOURCE OF FUNDS: 100% Federal

Positions To Be Deleted Per A-30 ☐

Requires 4/5 Vote ☒

C.E.O. RECOMMENDATION:

APPROVE

BY: Debra Cournoyer
Debra Cournoyer

County Executive Office Signature

Policy ☒ Policy ☒

Dep't Recomm.: ☐ Consent
Per Exec: ☐ Consent
ATTACHMENTS FILED WITH
THE CLERK OF THE BOARD

Prev. Agn. Ref.: 11/6/01 (3.36)

District: All

Agenda Number:

3.8

FROM: CAP Riverside

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BACKGROUND:

CAP Riverside promotes and supports programs designed to address the need for access to financial services, education and development credit in disadvantaged communities. CAP Riverside has developed two (2) program approaches to address these needs: 1) Small Business Development and 2) Loans to Working Poor Individuals and Families.

As the only CDFI in Riverside County, CIC is able to leverage their capital and credit to assist business development by providing training, technical assistance and coaching, to purchase housing (first time homebuyers), create and retain jobs, and to meet credit needs not addressed by traditional financial institutions. CIC is also experienced in providing loans to working poor individuals to facilitate economic self-sufficiency, including screening and processing of applications, providing financial education, counseling and collections.

FINANCIAL IMPACT: No County General Funds will be required. \$155,000 was previously budgeted through the normal budget process. \$20,000 was Federal funds received in previous years and closed out to our fund balance in prior years.

LJC:MYJ:KA;jb

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SCHEDULE A
Community Action Partnership of Riverside County
Budget Adjustment
Fiscal Year 2010/2011

INCREASE IN APPROPRIATIONS:

CAARC-21050-5200300000-536240	Other Contract Agencies	\$20,000
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EXPECTED OFFSET

CAARC-21050-5200300000-325100	Unreserved Fund Balance	\$20,000
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DATE: September 8, 2010

TO: Board of Supervisors

VIA: Purchasing Agent

FROM: Lois J. Carson, CCAP
Executive Director

DEPARTMENT: Community Action Partnership of Riverside County

SUBJECT: Request for Sole Source Procurement

Supply/Service requested:

Training, technical assistance and coaching to develop small businesses and administration of Low-Income Loan Program.

Supplier being requested:

Community Investment Corporation (CIC)

Alternative suppliers that can or might be able to provide supply/service:

None known

Extent of market search conducted:

CIC is a private not-for-profit community development financial intermediary created to address the need for access to financial services and development credit in disadvantaged communities. ***CIC is the only Community Development Financial Institute (CDFI) in Riverside County and the Inland Empire providing these services.*** Currently, CIC provides training, technical assistance and coaching to develop small businesses under CAP Riverside's Community Services Block Grant – American Recovery and Reinvestment Act of 2009 under a sole source contract.

CAP Riverside had contacted several financial institutions and trade associations to assess their feasibility for administering micro enterprise loans and individual loans. Findings revealed that standard loan institutions could not meet CAP Riverside's client base using their current lending guidelines and were not interested in servicing these types of loans. In 2004, an extensive RFP was conducted to identify potential organizations / businesses to administer CAP Riverside's Low-Income Loan Program. CIC was the only responding organization to the RFP.

With the current economic downfall, the need for these types of services is even greater. CIC is experienced in providing small business development and administering loans to individuals/families including screening and processing of applications, providing financial education, and collections.

Unique features of the supply/service being requested from this supplier, which no alternative supplier can provide:

CAP Riverside promotes and supports programs designed to address the need for access to financial services, education and development credit in disadvantaged communities. CAP Riverside has developed two (2) program approaches to address these needs: 1) Small Business Development, and 2) Loans to Working Poor Individuals/families. As the only CDFI in Riverside County, CIC is able to leverage their capital and credit to assist business development and to purchase housing (first time home

buyers), create and retain jobs, and to meet credit needs not addressed by traditional financial institutions. CIC is also experienced in providing loans to working poor individuals including screening and processing of applications, providing financial education, counseling and collections.

Reasons why my department requires these unique features and what benefit will accrue to the county:

CIC, the only CDFI in Riverside County and the Inland Empire, was created to address the need for access to financial services and development in disadvantaged communities. CIC utilizes its capital and credit to assist business development and to purchase housing (first time home buyers), create and retain jobs, and to meet credit needs not addressed by traditional financial institutions in Riverside County. CAP Riverside desires to fund CIC to provide training, technical assistance and coaching to continue developing small businesses in Riverside County and to administer a loan program to enable working poor families to borrow unsecured funds to address personal needs that will facilitate economic self-sufficiency. Benefits include addressing the short-term and long-term economic and employment needs of individuals, families, and communities in Riverside County with special attention to creating and sustaining economic growth and employment opportunities.

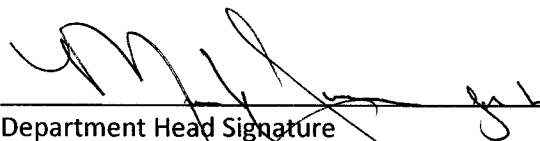
Price Reasonableness:

Total Budget - \$175,000

- \$135,000 to support, maintain, and expand the existing program and include the administering the Low-Income Loan Program. Funding includes one (1) Manager position and one (1) Support Staff position to provide training, technical assistance, and coaching to small businesses.
- \$40,000 in Loan Capital for the Low-Income Loan Program

Does moving forward on this product or service further obligate the county to similar contractual arrangements?

No


 _____ Date 9-8-10
Department Head Signature

Purchasing Department comments:

Approve

Approve with Condition/s

Disapprove

 _____ Date 9-15-10
Purchasing Agent Signature