



 ECONOMIC DEVELOPMENT
& FINANCING CORPORATION

City of Fort Bragg

Annual City Council Update

 Economic
Development &
Financing
Corporation



Mission Connecting money and ideas with entrepreneurs and creating sustainable prosperity in Mendocino, Lake & Sonoma Counties

Vision We envision a vibrant local economy providing abundant opportunity and rewarding quality of life to the communities we serve and future generations.

EDFC's Foundations

- EDFC was started in 1994 as vehicle for economic development and funding across multiple jurisdictions throughout Mendocino County and the incorporated cities.
- Provide economic development coordination and support for:
 - County of Mendocino
 - City of Fort Bragg
 - City of Point Arena
 - City of Ukiah
 - City of Willits
- Provide alternative financing opportunities for entrepreneurs and small businesses in Mendocino and Lake Counties
- EDFC is an incorporated non-profit organization.



EDFC Leadership

New Management Structure

BOARD: 15 Members including:

- ❖ County Supervisors:
Maureen Mulheren, Ted Williams
- ❖ Council Members:
Madge Strong (Willits)
Tess Albin-Smith (Fort Bragg)
- ❖ City Staff: Shannon Riley, Deputy
City Manager Ukiah
- ❖ Business Owners
Finance Professionals
Pomo Tribe
Mendocino College
North Coast Opportunities





EDFC Results & Highlights FY 20/21

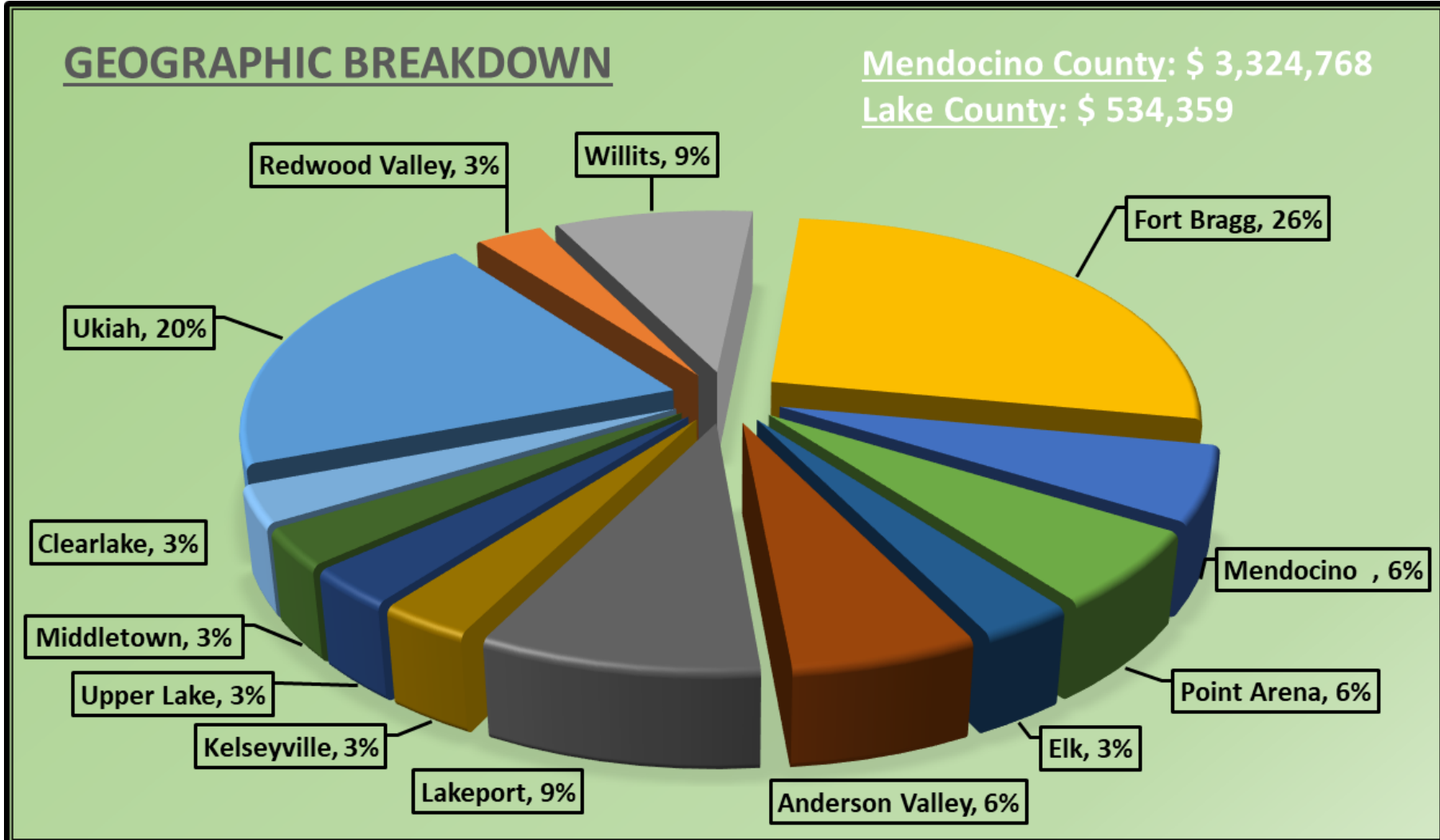
- Closed Loans: **\$1,212,636**
- Approved not disbursed: **\$130,483**
- Total Lending FY 20/21: **\$1,343,119 (+16% vs. Previous FY)**
- Total Inquiries: **52**
- Applications: **22**
- Approved Loans: **13**
- Jobs Retained: **20.5 FTE**
- Jobs Created: **32 FTE**

Low Portfolio Default Rate

1.5%



EDFC Loans Funds Circulating \$ 3,859,127





EDFC Economic Impacts Study

- Commissioned by the County of Mendocino in 2020 to estimate EDFC's economic impacts from its lending.
 - ROI for County Investments via business revenues, jobs and tax revenues.
 - Robert Eyler, Sonoma State University
 - Chair of the Economics Department (2004-2011)
 - Director of the Executive MBA program (2009-2013)
 - Dean of the School of Extended and International Education (2016)
 - Ph.D. from UC Davis
- Results at a Glance:
 - “EDFC has all the pieces in place to continue following best practices.”
 - “EDFC is well-capitalized, as its net asset ratio has increased since 2018. A growing net asset ratio is typically a key indicator of organizational strength in lending, similar to a new worth ratio in banking.”
 - **“When EDFC lends money in Mendocino County, it has larger economic impacts than those in the borrowing business.”**

Economic Impacts Data

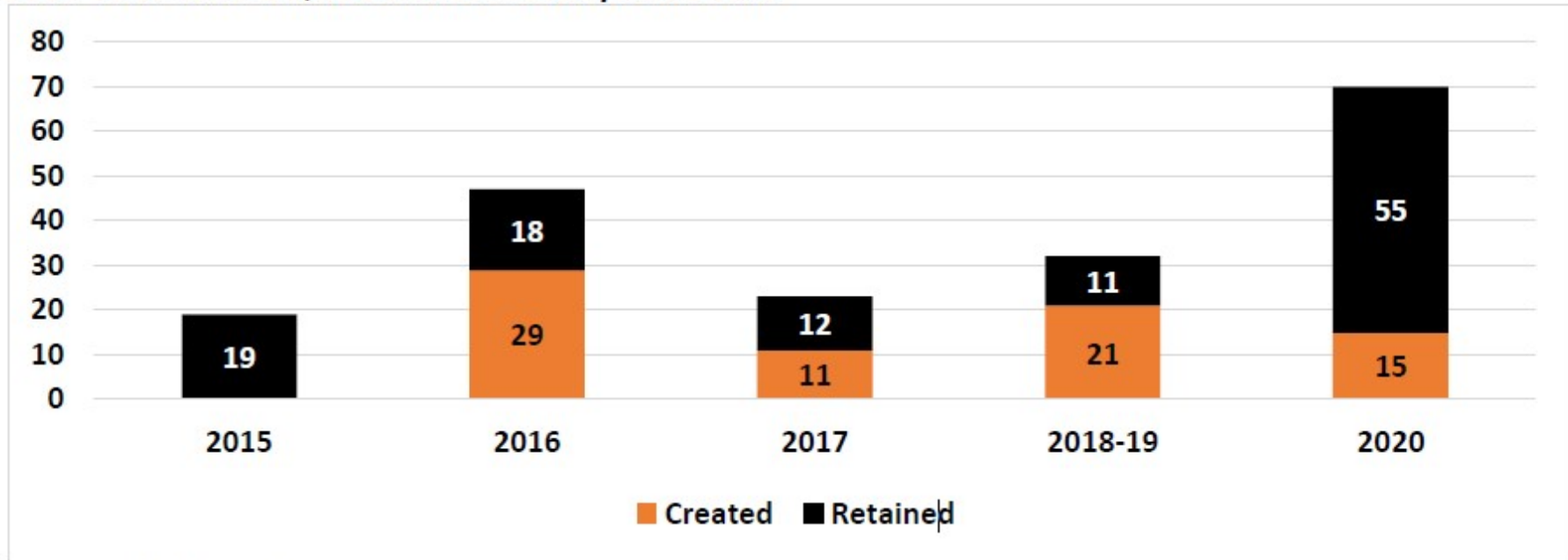
Summary of Estimated Economic Impacts, Including State and Local Tax Revenues Generated

Fiscal-Year End	Initial Lending	Indirect	Induced	Total	Lending Multiplier	Jobs Created	Jobs Retained
2015	\$393,000	\$99,300	\$123,500	\$615,900	1.57		19
2016	\$749,100	\$214,200	\$123,900	\$1,087,200	1.45	29	18
2017	\$168,700	\$69,700	\$77,500	\$315,900	1.87	11	12
2018 and 2019	\$515,400	\$88,200	\$109,100	\$712,700	1.38	21	11
2020	\$660,800	\$250,700	\$225,800	\$1,137,300	1.72	15	55

Multiplier: For every dollar lent, the multiplier is total spending created in Mendocino County

Economic Impacts Data Cont'd

Jobs Created or Retained by EDFC Loan, Number of Full-Time Equivalent (FTE) Workers, Fiscal Years 2014-15 to 2019-20, Mendocino County Borrowers



Sources: EDFC and EFA

Note: Loans made to Lake County retained 15 jobs and created 8 jobs from 2015 to 2020 Year to Date



Loan Client Highlights



Drop In Donut



MC OARS Inc.



Thompson's Porta Septic



Sugar Coated Catering



Orso Palazzo LLC

Challenging Times Create Opportunity

• Pandemic Response:

- “Mask up Mendocino” collaboration with Greater Ukiah Chamber & Tourism to source and distribute **1600** gallons of sanitizer and **200,000** masks to the business community so they could continue to operate safely
- Business Resiliency Grants
- Provide local and state-wide technical assistance for 4 Rounds of CA relief grant applicants
- Implementation of \$1.2 million in Lake County CARES Grants to small business

• Loan Funds:

- CDFI Rapid Response Program: \$ 1.3 Million Grant for loan funds
- EDA Grant: CARES Funding \$500,000
- CDFI FA Grant: up to \$700,000 in loan funds*

Future EDFC Activity

EDFC \$1.3M

Small Business Covid Relief



Covid relief funds awarded to EDFC by the U.S. Department of the Treasury Community Development Financing Institutions Rapid Response Program



**ROUND 9
California Small Business
Relief Grant Program**



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Thank You