

SECTION 7

2006 - 2007

COMMUNITY DEVELOPMENT BLOCK GRANT
APPLICATION FORM

CITY OF DAVIS
2006-2007 COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION

Organization Name: Davis Downtown Business Association

Street Address: 423 F Street, Suite 104, Davis, CA 95616

Mailing Address: P.O. Box 72497, Davis, CA 95617

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Contact: Laura Cole-Rowe Address: See above Phone: See above

(Be sure to list the **best contact** to get information to the organization as quickly as possible.)

Total Proposal Request: \$ 15,880

(Check one) On-going Support New Project

CDBG Eligible Category: Special Economic Development
(See List A)

National Objective Compliance/Low and Mod Benefit: L/M Jobs
(See List B)

City Council Identified Critical Needs: (See List C)

- 1) Neighborhood Revitalization
- 2) _____
- 3) _____

PUBLIC SERVICE

NON-PUBLIC SERVICE

Beneficiary Information:

75 Total number of beneficiaries in program

75 Number of beneficiaries in program to be served with **CDBG** funds

20% Percentage of the **CDBG** beneficiaries with low/moderate income

\$170* Cost (\$) per **CDBG** beneficiary (CDBG Request/CDBG Beneficiaries)

* The total cost per person for the program is \$365

PROJECT NARRATIVE

a. Need

The City of Davis has long championed the small business owner. In an effort to create and keep wealth in the City, rather than to channel it outside of the city, City Councils past and present have encouraged small, locally owned business. Such businesses, however, face increasing pressures and demands to survive in a competitive atmosphere dominated by larger regional, national and international businesses.

Many individuals in Davis are interested in starting their own businesses yet do not know where to begin or how to make the business successful. Rather than allow them to start a business and then fail, at great personal expense, this program provides a solid footing for them in their business endeavors. This translates to jobs created and an overall stronger business community.

The program has, thus far, benefited 340 participants through fourteen nine-week sessions held since 1999.

b. Benefit

The program is an economic development program to improve micro-enterprise in the City of Davis. By providing existing and/or prospective small business owners with the tools they need to succeed in starting and growing their businesses, it is the intent of the program to create jobs in the community through successful business ventures. In some cases, participants in the program even determine that they are not prepared to start a business, thus preventing them from investing further money and time in a project that is not likely to be successful.

Having a thriving small business community translates into several positive aspects for the city and its residents. First and foremost, such a program creates jobs. Second, the businesses provide goods and services for the residents of the community. Finally, positive multiplier effects occur when small businesses thrive – the business owner, the employees, the residents and other customers of the business and the city all benefit from a healthy business environment.

c. Other Resources and Collaboration

Almost one-half of the total funding necessary to run the program is leveraged from the fees that participants pay. This investment is important to promote a sense of ownership by the participants in the course. Low to moderate income residents are able to have their fees waived or reduced, and many have done so during this program.

Each of the three partner organizations (City, Davis Downtown Business Association, Small Business Development Center) provides in-kind support through various activities, including time, materials and outreach efforts. All participants of the course are introduced to representatives from each of the organizations and may contact those representatives with questions/needs at any time.

Currently, there is no other organization providing this type of training in Davis to members of the Davis business community. This program seeks to fill a need in the business community to assist small business owners and help their businesses be successful. It is the intent of the program that the participants then create jobs and wealth in the community.

d. Organizational Capacity

This is a joint effort among the City of Davis (a municipality), the Davis Downtown Business Association (a non-profit association affiliated with the City of Davis), and the Greater Sacramento Small Business Development Center (affiliated with the Los Rios Community College District). Each partner has a strong and solid organizational structure, with resources adequate to administer and oversee the program.

A list of the DDBA Board of Directors has been attached to this application.

SCOPE OF SERVICES

a. Project Description (Activity Summary: Describe the activities of the proposed budget)

This project provides funding for three ten-week sessions of the Entrepreneurial Training Program. The City of Davis, in partnership with the Davis Downtown Business Association, and the Greater Sacramento Area Small Business Development Center, has provided this program since September of 1999. The program has completed fourteen sessions and has served 340 participants.

The program is a comprehensive ten-week course for Davis-based small businesses of five or fewer employees, home-based businesses and Davis residents who are planning to go into business on their own. The nine classes cover a broad area of subjects relative to small business, taught by experts in the field. Classes are designed to help the business owner strengthen their existing business, prepare the home-based business owner to move their business out of the home and help the first-time entrepreneur set up their business successfully. The program includes 27 hours of high intensity training and educational materials.

The program requests that participants pay a fee to attend the course. That fee for the 2006-2007 year will equal \$195 per person. The remainder of the program is subsidized by the CDBG funds. Low- and moderate- income persons may have all or part of their fee waived. The total cost per person to run the program is approximately \$365.

The program, while not a “traditional” CDBG program to benefit low- and moderate- income residents directly, does impact the community as a whole in a positive manner. As a method to encourage micro-enterprise, the program enhances the overall business community, providing jobs and goods and services for residents of the community.

b. Target Group

Because this program is an economic development program to encourage micro-enterprise, its target group includes anyone who lives in or plans to open a small business in the City of Davis. Businesses should have fewer than five employees. Program administrators encourage low- to moderate- income residents to participate and will waive fees for those persons. Residents or business owners who want to expand their small business may also participate in the course.

c. Outreach

The program has in the past had effective outreach and advertising through a variety of means. We will continue to update, print and disseminate brochures explaining the course to all holders of a City of Davis business license. In addition, the course is advertised in The Davis Enterprise and the program administrators work with The Enterprise to have them write an article about the course prior to the close of registration. In addition, brochures are available at the City of Davis Finance Office and the Economic Development Coordinator, and the Davis Downtown Business Association. Program administrators encourage customers to consider the course.

Since the inception of the course, we have determined a need to provide more targeted outreach to attract persons with significant challenges who might benefit from the course. Such challenges may be physical or fiscal. During the eighteen months for which the three sessions of the course would run, we will again be seeking additional ways to market to these populations. For the last three courses, we have had an increase in students who have met low-income requirements and have waived more fees than in previous years. We have included information about fee waivers for low-income individuals in our marketing materials.

It appears that the outreach efforts are successful. The program often has greater interest than it does capacity.

PERFORMANCE SCHEDULE

Work Plan (Identify activities and completion dates)

<u>List Activity</u>	<u>Completion Date</u>
• Evaluation of past courses	Ongoing
• Prepare for Fall 2006 class (Line up instructors, prepare outreach materials, etc.)	July/August 2006
• Hold Fall 2006 class	Sept – Nov 2006
• Follow up from Winter 2005 class	August 2006
• Prepare for Winter 2007 class (Line up instructors, prepare outreach materials, etc.)	Nov/Dec 2006
• Hold Winter 2007 class	Jan – Mar 2007
• Follow up from Fall 2005	January 2007
• Prepare for Fall 2007 class	July/Aug 2007
• Hold Fall 2007 class (Line up instructors, prepare outreach materials, etc.)	Sept – Nov 2007

PERFORMANCE MEASUREMENTS

ACTIVITY (What the program does to fulfill its mission)	INDICATOR (The direct products of program activities) Service #s	OUTCOME (Benefits that result from the program)
Number of low income/ disabled persons who take the class	Individuals who complete course (end of class data)	Those individuals have the ability to engage in entrepreneurial activities if they choose to
New businesses that are planned to open within 12 months from completion of classes	End of class survey	Job or job(s) created/maintained
Number of jobs created	Follow up survey	Wages provided for each job
Number of businesses retained after 12 months	Active business licenses/ follow up survey	Jobs created and maintained

**CITY OF DAVIS
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

*BUDGET SUMMARY FOR PROPOSED PROJECT**

Budget Category	Proposed Project “CDBG Portion”	Other Sources (Program Income)	Total
Consultant/Contract Services (Instructor Fees and Evaluation of program)	\$4,525	\$3,275	\$7,800
Administration of Program by DDBA	\$2,610	\$1,890	\$4,500
TOTAL PERSONNEL BUDGET	\$7,135	\$5,165	\$12,300
D. Office Rent (Classroom space)	\$2,175	\$1,575	\$3,750
E. Books	\$3,050	\$2,200	\$5,250
F. Advertising/Outreach	\$ 950	\$700	\$1,650
G. Postage	\$1700	\$1,225	\$2,925
H. Printing/Duplication/Office Supplies	\$870	\$630	\$1,500
K. Other (Specify)			
TOTAL NON-PERSONNEL BUDGET	\$8,745	\$6,330	\$15,075
TOTAL PROJECT BUDGET	\$15,880 (58%)	\$11,495 (42%)	\$27,375 (100%)

*** Please revise this form and annotate budget items as needed**

NEW REQUIREMENTS: All applicants are requested to submit a copy of their organization’s Operating Budget.