

San Bernardino Valley Enterprise Zone

DESCRIPTION OF MAJOR SERVICES

On August 22, 2006 (Item No. 50), the Board of Supervisors approved a Memorandum of Understanding with the City of Colton, City of San Bernardino, and the Inland Valley Development Agency (IVDA) to fund, manage and describe the jurisdictional responsibilities of the San Bernardino Valley Enterprise Zone (SBVEZ). The SBVEZ is a state designated geographical area that offers local businesses state tax incentives in order to stimulate economic growth in the economically distressed areas of the City of Colton, City of San Bernardino, and the county. The SBVEZ facilitates economic growth through assistance to local businesses, jurisdictional leadership, public/private collaborations, attraction of new investment, the retention/expansion of existing businesses, and the employment of the most difficult-to-hire workers into private sector jobs.

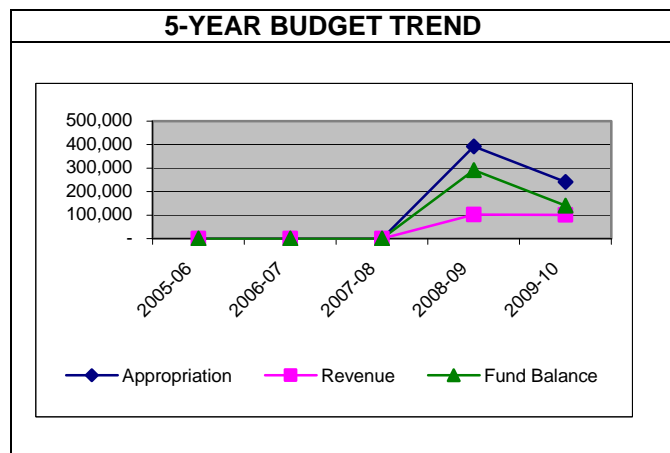
Major services offered to SBVEZ businesses include the following:

- Educational workshops for businesses to understand how they can take advantage of state tax credits.
- Employment and training assistance for zone businesses.
- Assistance in accessing and procuring state contracts.
- Process employment vouchers to allow businesses that hire qualified individuals to receive state's hiring tax credits.
- Site selection assistance for new and expanding businesses.
- Permitting assistance for new and expanding businesses.

The services are offered through the Department of Economic Development and in collaboration with the cities of Colton and San Bernardino and IVDA.

There is no staffing associated with this budget unit.

BUDGET HISTORY



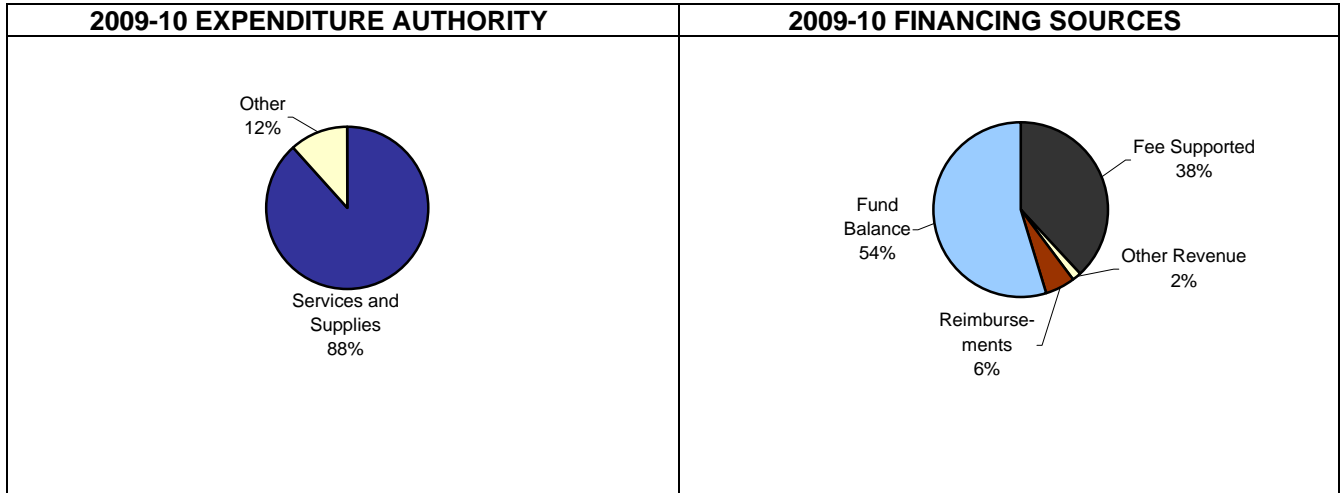
PERFORMANCE HISTORY

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Estimate
Appropriation	-	-	35,230	392,911	151,521
Departmental Revenue	-	-	326,250	101,891	359
Fund Balance				291,020	

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, estimated appropriation in this budget unit is typically less than budget. The amount not expended is carried over to the subsequent year's budget.

Departmental revenue and reimbursements for 2008-09 are less than modified budget as a result of the decision made by the participants to utilize the fund balance to cover the participant payments in 2008-09.

ANALYSIS OF PROPOSED BUDGET



GROUP: Economic Development Agency
 DEPARTMENT: Economic Development
 FUND: San Bernardino Valley Enterprise Zone

BUDGET UNIT: SYZ EDF
 FUNCTION: Public Assistance
 ACTIVITY: Other Assistance

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Estimate	2008-09 Final Budget	2009-10 Proposed Budget	Change From 2008-09 Final Budget
Appropriation							
Services and Supplies	-	-	42,716	121,521	373,911	222,358	(151,553)
Travel	-	-	-	-	-	3,000	3,000
Transfers	-	-	29,602	30,000	30,000	30,000	-
Total Exp Authority	-	-	72,318	151,521	403,911	255,358	(148,553)
Reimbursements	-	-	(37,088)	-	(11,000)	(14,360)	(3,360)
Total Appropriation	-	-	35,230	151,521	392,911	240,998	(151,913)
Departmental Revenue							
Use Of Money and Prop	-	-	7,470	4,712	2,554	4,000	1,446
Current Services	-	-	317,810	-	99,337	97,140	(2,197)
Other Revenue	-	-	970	(4,353)	-	-	-
Total Revenue	-	-	326,250	359	101,891	101,140	(751)
Fund Balance					291,020	139,858	(151,162)

Services and supplies of \$222,358 represent costs for marketing, professional services, professional memberships, trade show attendance, advertising, auditing, County Counsel services, and mapping. The decrease of \$151,553 in services and supplies is due to the reduction in fund balance.

Travel of \$3,000 represent costs for the California Enterprise Zone Association (CAEZ) conference registrations and all associated costs.

Transfers of \$30,000 represent the cost for the SBVEZ Manager incurred by the Department of Economic Development.

Each partner in the SBVEZ has been authorized by its legislative body to contribute funds to cover the administrative costs of the Enterprise Zone. Partner amounts are based on a fair share percentage of area within the SBVEZ that is covered by that jurisdiction. The county's portion of administrative costs for the 2009-10 budget is \$14,360 and shown as a reimbursement.

Departmental revenue of \$101,140 represents interest earned and amounts to be received from the City of Colton, the City of San Bernardino, and IVDA to cover administrative costs.

