



BOARD OF SUPERVISORS AGENDA ITEM SUMMARY

Requested Board Meeting Date: October 1, 2013

ITEM SUMMARY, JUSTIFICATION &/or SPECIAL CONSIDERATIONS:

The Pima County Small Business Commission is seeking approval and authorization from the Pima County Board of Supervisors to assist with the creation of the Pima Prosperity Fund Corporation to facilitate the provision of private funds to loan to small businesses in Pima County in order to create and retain private jobs and increase the County's property tax base in accordance with the County's Economic Development Plan.

CONTRACT NUMBER (If applicable):

STAFF RECOMMENDATION(S):

Staff recommends approval of the Resolution.

CORPORATE HEADQUARTERS: _____

CLERK OF BOARD USE ONLY: BOS MTG. _____

ITEM NO. _____

PIMA COUNTY COST: \$0.00 __ and/or REVENUE TO PIMA COUNTY: \$ 0.00

FUNDING SOURCE(S): NA

(i.e. General Fund, State Grant Fund, Federal Fund, Stadium D. Fund, etc.)

Advertised Public Hearing:

	XX	YES		NO
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Board of Supervisors District:

1		2		3		4		5		All	XX
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IMPACT:

IF APPROVED:

The Pima County Small Business Commission will proceed to assist with the creation of the Pima Prosperity Fund Corporation.

IF DENIED:

The Pima County Small Business Commission will NOT be able to assist with the creation of the Pima Prosperity Fund Corporation.

DEPARTMENT NAME: Economic Development & Tourism

CONTACT PERSON: Tom Moulton TELEPHONE NO.: 724-7355

RESOLUTION NO. 2013 - _____

RESOLUTION OF THE PIMA COUNTY BOARD OF SUPERVISORS APPROVING AND AUTHORIZING THE PIMA COUNTY SMALL BUSINESS COMMISSION TO ASSIST WITH THE CREATION OF THE PIMA PROSPERITY FUND CORPORATION TO FACILITATE THE PROVISION OF PRIVATE FUNDS TO LOAN TO SMALL BUSINESSES IN PIMA COUNTY IN ORDER TO CREATE AND RETAIN PRIVATE JOBS AND INCREASE COUNTY'S PROPERTY TAX BASE IN ACCORDANCE WITH PIMA COUNTY'S ECONOMIC DEVELOPMENT PLAN.

Whereas, the Pima County Board of Supervisors created the Pima County Small Business Commission (Commission) by Resolution 2003-52 on March 18, 2003 as amended by Resolution 2009-260 on October 13, 2009; and

Whereas, the Commission is responsible for facilitating communication between Pima County and small business, evaluating County policies and regulations for their impact on small business, and helping to maintain a healthy environment in which small businesses and their employees can prosper; and

Whereas, national and state economic development organizations regularly report that small business is responsible for the creation of between 70% and 80% of all new jobs created each year in the United States and in Arizona; and

Whereas, the Commission has identified the most vexing problems small businesses face in Pima County as access to capital, and the need for both capital improvement funds and short-term operating funds, such as lines of credit; and

Whereas, while the Great Recession has ended, the recovery is painfully slow, and in some sectors of the economy, even faltering; and

Whereas, the Commission has explored the possibility of creating a mechanism for a revolving loan fund to be operated as a public-private partnership by investigating similar partnerships in other states, with particular interest in loan criteria and the due diligence process; and

Whereas, the Commission met with four nonprofit agencies in Pima County that are involved in assisting small business to insure that the Commission's revolving loan fund to be named the Pima Prosperity Fund (PPF) did not duplicate their efforts, and these four agencies encouraged the Commission to move forward; and

Whereas, the Commission is prepared to facilitate the creation of the PPF by seeking funds from local private financial institutions to finance the initial loan pool and to ask five representatives of the local financial community with lending experience, to form a nonprofit corporation, Pima Prosperity Fund Corporation (PPFC), to carry out the PPF mission and to serve as the PPF Loan Board, with the Chairman of the Commission serving as an ex-officio member of the PPFC; and

Whereas, the PPFC will work with the Business Development Finance Corporation which has agreed to handle the initial contact and screening of loan applicants, loan processing and administration; and

Whereas, the Microbusiness Advancement Center has agreed to assist loan applicants in the preparation of loan applications; and

Whereas, this structure will allow the Commission to achieve its goals of creating a private funding source to assist small business in retaining and creating jobs and additional tax base in Pima County while ensuring that Pima County has no control, responsibility or obligation regarding recipients of PPF loans, and that Pima County has no liability should a loan default.

Now, therefore be it resolved by the Board of Supervisors of Pima County that the Pima County Small Business Commission is authorized and directed to assist with the creation of the private, nonprofit Pima Prosperity Fund Corporation and the private Pima Prosperity Fund, subject to the requirements of this Resolution, for the purpose of aiding the small businesses of Pima County and creating and retaining jobs and additional tax base in accordance with Pima County's Economic Development Plan.

Passed and Adopted on October ____, 2013

Pima County, a body politic and corporate
of the State of Arizona:

Chairman, Board of Supervisors

Approved as to Form:



Deputy County Attorney

Attest:

Clerk, Board of Supervisors