

# **ANNUAL REPORT**

**EAST PALO ALTO  
ECONOMIC DEVELOPMENT COUNCIL**

**DECEMBER 1980**

# ANNUAL REPORT

East Palo Alto  
Economic Development Council

December 1980

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This document complies with the Economic Development Administration's requirement for an annual report, supplementing a previously submitted Overall Economic Development Program for East Palo Alto. The report has been organized to meet the planning requirements of the Economic Development Administration. In order for the reader to get as complete picture of East Palo Alto's economic development efforts and its relationship to other programs it is necessary to refer to the completed Overall Economic Development Program.

#### Part I. Organization

This section lists the names and occupations of the EDC Board of Directors and indicated changes in membership. There has been no change in the organizational structure since the Councils' inception.

#### Part II. Report of Past Years' Activities

This section responds directly to the EDA guidelines which require reporting on projects started or completed since the previous annual report. It is a status report on all economic development activities undertaken in East Palo Alto during the previous twelve months as well as for activities initiated or completed.

#### Part III. Changes in the Economy

The most recent census and socioeconomic statistics of the local economy are contained in the Overall Economic Development Program dated June 1979. Reference should be made to that document as no new information is available.

#### Part IV. Development Strategy and Plans for Implementation

The Development Strategy as enunciated previously continues to be one of reducing unemployment through increased job opportunities, and strengthening the tax base by achieving economic growth. During the past year the capacity to respond to specific needs has been improved.

The Overall Economic Development Program Committee in concert with the residents of the community is confident that the intergrated levels of service, planning and program development, technical assistance and project implementation will provide the concerted effort required to improve the Community's economy.

#### I. ORGANIZATION

The East Palo Alto Economic Development Council is a non-profit corporation and local development company founded in the spring of 1978. It is funded by grants from the Economic Development Administration and the County of San Mateo. The Economic Development Council serves as the Overall Economic Development Program Committee for the Community.

SCHEDULE OF EDC COUNCIL MEETINGS

January 16, 1978	January 30, 1979	January 8, 1980
February 15, 1978	February 15, 1979	February 20, 1980
February 21, 1978	March 6, 1979	March 20, 1980
March 15, 1978	March 20, 1979	April 17, 1980
April 13, 1978	April 3, 1979	May 15, 1980
May 15, 1978	May 15, 1979	May 25, 1980
May 25, 1978	June 7, 1979	June 19, 1980
June 15, 1978	June 14, 1979	July 10, 1980
July 13, 1978	July 17, 1979	August 14, 1980
July 21, 1978	August 7, 1979	August 21, 1980
August 31, 1978	August 14, 1979	September 18, 1980
September 25, 1978	August 21, 1979	October 21, 1980
October 15, 1978	September 6, 1979	November 24, 1980
November 3, 1978	September 25, 1979	
	October 16, 1979	
January 16, 1979	November 20, 1979	

II. REPORT OF PAST YEAR'S ACTIVITIES

The Council was charged in its first year with (1) providing ongoing technical assistance to businesses in East Palo Alto to encourage their growth and retention in the Community; (2) developing plans in conjunction with staff of the Municipal Council and San Mateo County for the revitalization of Nairobi Shopping Center; (3) developing plans for and initiating the implementation of a commercial revitalization program; (4) developing plans for an industrial park in East Palo Alto; (5) creating an incentive program to attract labor intensive industrial user who can provide important private sector jobs for community residents and; (6) developing preliminary plans for a Municipal Marina.

During the past year significant progress has been made on many of these planned activities and a framework has been developed which should substantially increase the level of effort and subsequent project completion during the current year.

III. CHANGES IN THE ECONOMY

While some changes in the economy of the East Palo Alto community have occurred they have not been of significant magnitude nor officially documented and thus have no affect on program development or basic economic development strategies.

The Economic Development Council Board of Directors which serves as the OEDP Committee is composed of seven members who reflect a broad cross-section of the East Palo Alto community. The OEDP is the officially designated citizen advisory group for East Palo Alto on all economic development policy matters.

The names, addresses, and area of representation of the OEDP members are listed below.

<u>Name and Address</u>	<u>Affiliation/Area of Interest</u>
Donald R. Smothers, Acting Chairman Nairobi College 2181 Capitol Avenue East Palo Alto, CA 94303	Education
George Tadlock, Secretary Tadlock's Auto Supply 615 Donohoe Street East Palo Alto, CA 94303	Business Community
Dan Bains Bains Moving & Storage 2470 Pulgas Avenue East Palo Alto, CA 94303	Business Community
Mavis Knox 2254 Menalto Avenue East Palo Alto, CA 94303	Education/Community
Eddie Adams West Sounds Inc. 1957 University Avenue East Palo Alto, CA 94303	Business Community
Vacant	
Vacant	

#### IV. DEVELOPMENT STRATEGY AND PLANS FOR IMPLEMENTATION

The communities' economic development strategy containing the following goals was formulated by the OEDP Committee as a basis for program activities over the next five years.

1. Promote the economic well-being of the community by supporting projects and programs which will provide local employment, enhance the existing tax base, and will provide incentives for the injection of private capital for other needed community improvements.
2. Implement programs which will attract industrial growth compatible with the skills and employment needs of the community.
3. Reduce high unemployment which is directly attributable to the lack of substantial employment opportunities for unskilled and semi-skilled workers.
4. Utilize CDBG funds for leveraging other public and private sector funds in implementing economic development projects.
5. Continue efforts to aid in the elimination of blight and deterioration through the implementation of beautification programs.
6. Assist in the provision of technical services in economic development, which may include loan packaging, promotion, management assistance and similar activities.

#### Industrial Development

The greatest opportunity for the creation of jobs in East Palo Alto is to expedite the development of industrially zoned land, specifically the 111 acre Ravenswood Industrial Park. The development of this park for labor intensive industry would provide employment opportunities for residents of East Palo Alto and strengthen the community's tax base.

The existing industrial park area currently contains substantial amounts of unused and underutilized parcels of land. Many existing users are auto wreckers operating without a permit. Access into the park is limited at present and this has hampered development.

The basic strategies for development of the industrial park include:

1. Developing an incentive program utilizing a combination of loan guarantees, low-interest loans, and assistance in carrying out site improvements to attract labor intensive users to the community.
2. Acquiring key industrial sites for sale to labor intensive users.

Labor intensive users will be selected on the following basis:

- a. Number of jobs created per acre.
- b. Willingness of user to hire local people.

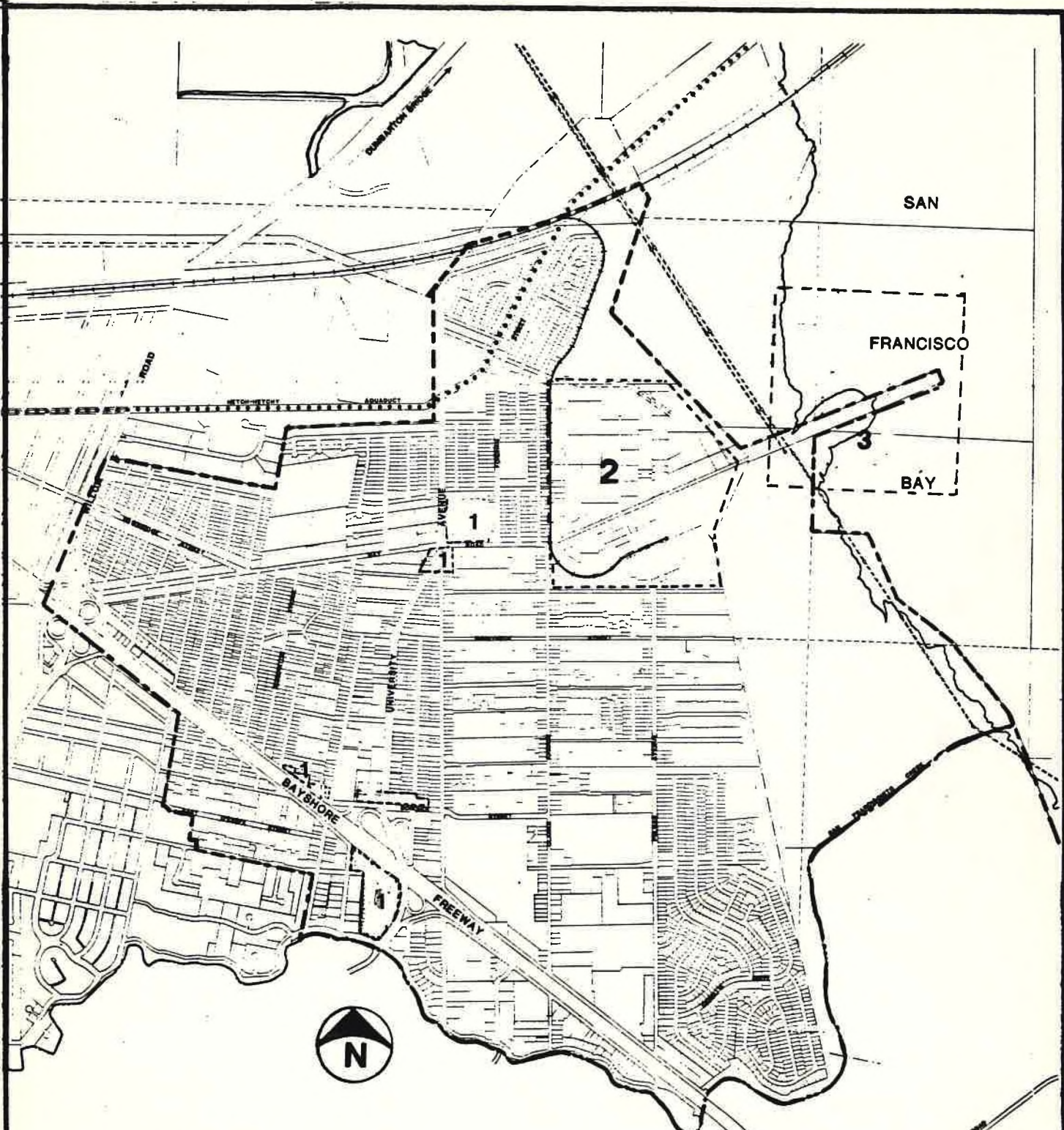
- c. The facility to be created represents a significant investment in size and capital outlay.
3. Provide access to other financial assistance, technical assistance, and space for new start-ups and entrepreneurs.
4. Coordinate industrial park development with housing development and other public improvement programs.

#### Commercial Development

A healthy well planned and aesthetically attractive retail business center in East Palo Alto would capture a large part of the local consumer dollars currently being spent in neighboring communities. The revitalization of existing commercial areas is a key factor in capturing some of the estimated dollar leakage outside of the community.

Commercial revitalization strategies include:

1. Assessing market and business needs of East Palo Alto residents and business community.
2. Continuing efforts to aid in the elimination of blight and deterioration through the implementation of beautification and clean-up programs.
3. Assistance in stabilizing and promoting existing businesses to the extent that they become self-sustaining and competitive.
4. Encouraging and assisting in the provision of technical assistance in economic development, which may include loan packaging, promotions, management assistance and similar activities.
5. Utilizing CDBG funds for leveraging other public and private sector funds in implementing commercial revitalization projects.



**LEGEND**

- 2 Ravenswood Industrial Park
- 3 Cooley Landing
- 1 Neighborhood Commercial Areas

**OVERALL ECONOMIC DEVELOPMENT PROGRAM**  
 east palo alto, california



**completed activities**

## COMPLETED ACTIVITIES

FISCAL 1980

### A. Industrial Site Development

In March, 1980, the EDC completed a loan package for a Small Business Administration Loan and assisted in obtaining funding approval and an SBA loan guarantee.

The small business that these funds were used to assist is a successful expanding paper recycling business formerly located in a city north of East Palo Alto. Loan proceeds have been used to purchase a small parcel of land in the community and construct a new facility to house a paper baler. Expansion to this location has allowed the company to reduce operating costs and double its tonnage by recycling new commodities currently being disposed of as waste.

Community benefits from this project include the creation of 22 permanent new jobs, an increase of \$5,000 in annual property taxes and approximately \$10,000 in annual sales tax revenue.

Economic Development Administration Technical Assistance funds in the amount of \$16,250 (administration costs) were utilized to leverage \$435,000 in other private and public funding.

The Economic Development Council is actively involved in negotiations with additional industrial users interested in acquiring and developing parcels within the industrial park. It is estimated that activities completed during the 1981 fiscal year will result in the completion of improvements valued at \$1,800,000, generation of \$18,000 in property tax revenue and the creation of more than 90 permanent jobs.

In order to insure that positive industrial development takes place, community control of the industrial land is essential. The purchase of key industrial parcels by the community will provide an opportunity to control land use and encourage labor intensive development.

## B. Industrial Site Acquisition

During the past twelve months the Economic Development Council developed an industrial site acquisition program which will allow the EDC to purchase underutilized industrial sites (primarily junkyards) for resell to labor intensive users. Proceeds from the sale on individual sites will be used to purchase additional sites. The total allocation of funds for this project is \$500,000.

### 1. Program Description

Land banking, the acquisition and holding in reserve of land for future public or private use, has been effectively adopted in a handful of cities to meet local economic development needs and goals. In those communities, land banking has been used as an industrial development tool to provide an inventory of improved industrial sites for retaining and/or attracting firms.

Land banks have often been created in response to problems of scarce industrial space. In older communities, particularly those with little undeveloped land remaining and with no annexation powers, land banks have been set up to acquire, assemble and recycle land for industrial use.

Cities with sufficient land available for development, in contrast, have established land banks to preserve choice sites for future industrial use. Sites that are under immediate development pressure or pressure from competing uses are usually given priority.

A large number of localities do purchase, develop and market industrial parks in which land remains unused over a period of time. Although such projects may be considered land banks, they deal with the issue of industrial land supply on a one-time basis only. Once the industrial park has been filled, the city must start again from scratch.

Unlike an industrial park, the holdings in these land banks may be located throughout the city. This report will focus on how such revolving land banks can be used to achieve economic development goals.

### 2. Benefits

Revolving land banks offer several potential economic development benefits both to the community and to firms interested in expanding or relocation in the city. Land banks enable a city to maintain a supply of industrial and commercial sites that can be offered to firms. Additionally, they allow the community to assemble and develop contiguous parcels large enough for modern industrial plant needs. They also provide a means for continuous acquisition and development of new industrial acreage.

Community ownership of the land bank inventory permits greater control over planning and land use than does zoning and subdivision regulation. Land

sales can be made to reflect the city's economic development interests rather than those of the private industrial real estate developer. By reducing the time involved in acquisition, public ownership can also facilitate quicker municipal reaction to a prospective company. The availability of fully improved and properly zoned sites further reduces delay and costs to a company seeking to move, thereby increasing the competitiveness of land bank sites.

By regulating land prices in the land bank, the city also has some control over the type and direction of development. Offering low prices can serve not only as an incentive in attracting industry but also as a means of discouraging real estate speculation. Furthermore, the sale of land bank sites in a particular area can generate additional private investment in adjacent industrial sites.

Finally, buying sites well in advance of actual need can lead to some economies of scale in the purchase and cost of developing them. If land values rise, the community can recapture the increase for public purposes.

### C. Other Activities

Additional work to be supported by the project grant must be completed before improvements can be made and park development can proceed in an orderly manner.

A site specific plan must be developed which provides more detailed technical data and more specific analysis of land marketability. Such a plan would include the following elements:

1. Site and Structural Conditions Evaluation evaluating the market size, specific site characteristics, including access, size and shape, cost of land, site preparation, utilities, drainage and additional infrastructure:
2. Zoning and land use control considerations with an identification of zoning and land use control requirements and permit approved process for specific businesses at specific sites.
3. Estimates of capital costs of development including start-up costs, estimated annual gross revenue, spin-off sales tax revenue and annual expense related to operation costs.

Concurrent with the completion of the site specific plan, the Council will implement its industrial site acquisition program. In conjunction with these activities the Council will continue providing access to other forms of financial assistance for businesses seeking to locate in the industrial park.

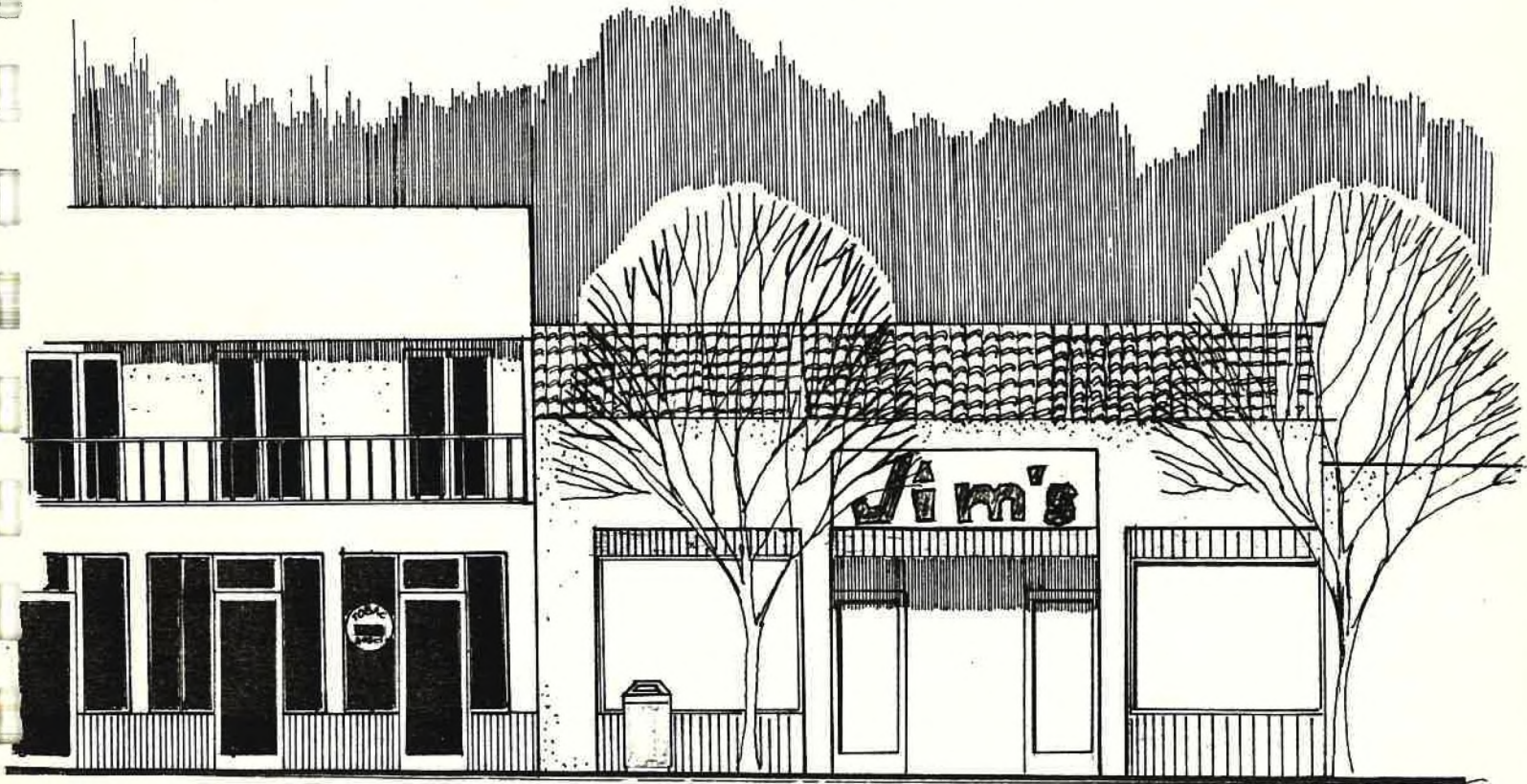
## COMMERCIAL DEVELOPMENT

### D. Commercial Street Beautification

The Council has completed the first phase of a Commercial Street Beautification Program. The implementation of this project has resulted in the planting of trees, installation of litter receptacles and benches in various commercial areas. These improvements have been complimented by increased merchant activity in carrying out general physical improvements such as building renovation and increased awareness of the need to maintain public areas adjacent to their businesses.

This project included the planting of 50 evergreen street trees in areas without landscaping improvements, the installation of 35 litter receptacles and 4 benches in neighborhood commercial areas.

The final phase of this activity will include additional street improvements in commercial areas with completion scheduled for March, 1981.



#### E. Commercial Building Renovation Loan Program

Council staff has developed a preliminary proposal for a low-interest loan program for merchants interested in carrying out exterior and interior building improvements consistent with approved architectural design standards which will compliment street beautification improvements and housing rehabilitation programs currently underway.

Component activities proposed under this project activity include:

- a. Implementation of a commercial building rehabilitation and facade improvement program. Renovation will place particular emphasis on exterior painting, color coordination, doors, sidewalks, signs and awnings. The Economic Development Council in conjunction with a private lending institution will make low interest loans available for improvements. The program shall operate to facilitate the renovation and/or alteration of storefronts and interiors within East Palo Alto's commercial districts, in accordance with Architectural Guide Standards. Low interest loans to help finance the cost of renovation will be made to small business owners and property owners.

The financial operation policies of the program are as follows:

- a. The program shall operate as a part of the East Palo Alto Economic Development Council.
- b. The economic and financial feasibility of each loan application shall be evaluated and financial risks shall be minimized consistent with the program objectives stated herein; but the potential for loss is acknowledged.
- c. Programs funds shall be leveraged to the extent practical by using the funds in combination with conventional loans, rather than by making direct loans.
- d. All proceeds from principal and interest payments on loans or interest payments on program funds deposited shall be considered program income and shall replenish the program, until the program is deemed to be completed.
- e. In order that more properties may benefit from the program, loan terms shall be no longer than is necessary so as not to work financial hardship on borrowers consistent with the program objectives.
- f. The terms of a program loan guarantee may be tailored to the individual requirement of the property or borrower; however, persons and properties of like circumstances shall be treated in a like manner.

### 1. Eligible Structure

Any structure located within East Palo Alto's commercially zoned areas. Residential building or residential portions of commercial buildings are eligible only as they relate to the commercial interior or facade improvements financed with funds from the program.

### 2. Eligible Activities

- a. Work which is necessary to achieve storefront compliance with the East Palo Alto Architectural Guide Standards. This includes, but is not limited to, new signs, painting, windows, door-ways, detailing, graphics, awnings, and changes in exterior elevations.
- b. Additional work to the extent necessary to make the building conform to minimum Housing Code Standards.
- c. Appraisals, condition reports, credit evaluations, contractor estimates, architectural or design fees, legal fees, loan fees or other similar costs. Prerequisite to a loan or the commencement of eligible activities.

### 3. Project Management

The administrative and management responsibilities of the Economic Development Council shall include, but not be limited to the following:

- a. Operate the program in a proper manner as determined by HUD, consistent local policies so as to obtain the objective of the program.
- b. Make available to the commercial property owners, tenants, and the public, information concerning the program.
- c. Perform preliminary screening and make feasibility determinations regarding loan requests.
- d. Make final decision on loan approval or disapproval.
- e. Maintain continuous liaison with lender on case processing.
- f. Assist applicant in obtaining professional services and reliable contractors.
- g. Serve on architectural review committee to assure that plans and specifications meet approved standards.
- h. Maintain adequate case files and records of all activities in good and understandable condition for as long as program funds are committed in loans or loan guarantees, and cooperate with the

Department of Housing and Urban Development in any monitoring or evaluation.

- i. Maintain liaison with other local authorities, i.e., planning department and staff involved in this program.





## F. Small Business Management and Technical Assistance

Management and Technical Assistance has been provided to twelve (12) existing businesses interested in acquiring funds for working capital or site acquisition and thirty (30) proposed new businesses seeking venture capital.

Management assistance has been provided through the following:

- a. Consultation in marketing, merchandising, advertising and product promotion
- b. Consultation on Management Principles
- c. Established a Business Information Center
- d. Overall review of business operations
- e. Made appropriate referrals for professional services such as bookkeeping
- f. Made available to clients the opportunity to participate in "Building Your Own Business" training course through Control Data Learning Centers. This training is financed by the Small Business Administration.
- g. Coordination of business plans
- h. Provide counseling in other areas where needed

Technical assistance has been provided through the following:

- a. Providing design services to commercial building owners interested in rehabilitating their properties
- b. Loan Packaging
- c. Training in constructing a business plan and budget preparation
- d. Complete financial analysis
- e. Assist with fiscal management of client's firm
- f. Identification of financing sources
- g. Act as liaison between community and lenders/government agencies
- h. Preparation of projected monthly profit and loss statements, cash flow projections, and pro-forma balance sheets

BUSINESS LOAN FUND

Loan Packaging Assistance has been provided to eleven small business over the past twelve months. Fifty percent of these businesses will be expanding current operations into East Palo Alto. Others are start-up where existing businesses will either be acquired or current owners will purchase machinery and equipment for operations expansion.

When these projects are fully funded it is estimated that 170 new jobs will be created, and improvements valued at approximately \$5,470,000 be completed. Based upon current assessment techniques an estimated \$70,000 in property tax revenue will be generated.

EPA ECONOMIC DEVELOPMENT COUNCIL  
 BUSINESS LOAN FUND PROGRAM  
 POTENTIAL FISCAL BENEFITS FROM PARTICIPATION IN SBA 502 PROGRAM

YEAR	COUNTY COMMITMENT OF CDBG FUNDS (First 3 years only and loan repayment)	CAPITAL IMPROVEMENT LOANS TO SMALL BUSINESS	ADDED CAPITAL IMPROVEMENTS (Cumulative)	ANNUAL RETURN			ANNUAL RATE OF RETURN ON EDC INVESTMENT
				Property Tax @ 1%	Loan Repay- ment 20 yrs @ 10%	Total Annual Return	
1	\$150,000 a	\$2,025,000	\$2,025,000	\$20,250	\$17,370	\$37,620	25%
2	67,370 b	909,495	2,934,495	29,344	25,172	54,516	
3	75,172 c	1,014,822	3,949,317	39,493	33,877	73,370	
		Total Return Over 3 Years	<u>\$8,908,812</u>	<u>\$89,087</u>	<u>\$76,419</u>	<u>\$165,506</u>	

- a - Initial \$150,000 CDBG commitment
- b - 2nd year commitment of \$50,000 + loan payment reinvested
- c - 3rd year commitment of \$50,000 + loan payment reinvested

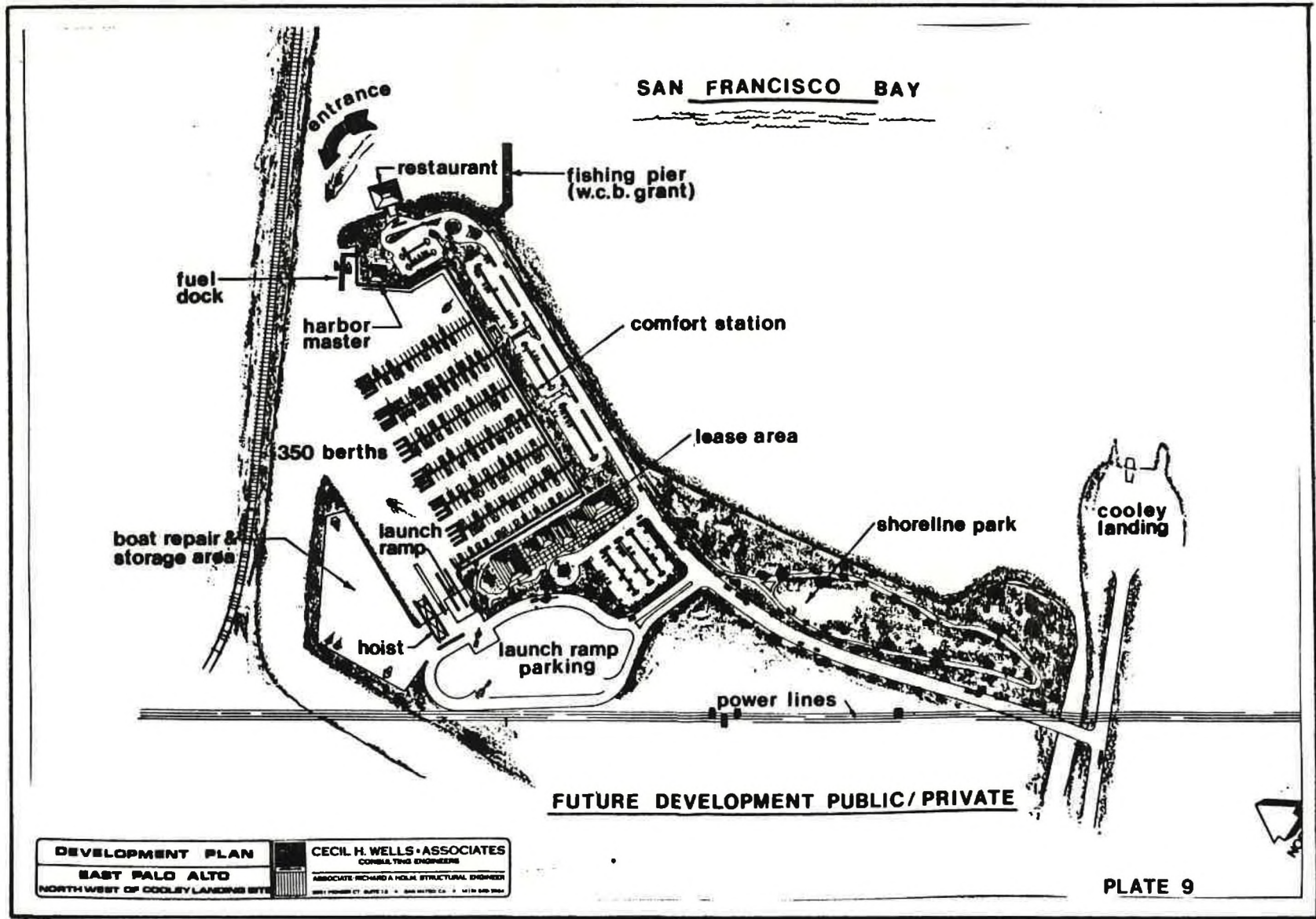
## G. Marina Development

Received funding approval for a \$20,000 Marina Feasibility Study for Cooley Landing in East Palo Alto. The EDC has selected the joint venture consulting team of Jordan/Avent & Associates and Genge Consultants to complete the study.

Jordan/Avent & Associates is one of the leading Black owned engineering, planning and architectural firms in the United States. Genge Consultants is a nationally known engineering, surveying and planning firm. Both firms specialize in marina development and have worked together for the past 3 years on the planning and design of the Richmond Marina. Genge Consultants has performed the planning and design of over 20 marinas and Jordan/Avent has planned and designed over 15 marinas and coastal facilities.

The specific objectives of this feasibility study will be:

- a. To determine the economic feasibility of a marina at Cooley Landing in the unincorporated community of East Palo Alto, through a detailed cost/revenue analysis and to recommend the most feasible method of proceeding with a marina development in terms of public or private financing or a combination thereof.
- b. To determine the technical feasibility of a marina at Cooley Landing through a complete study of water currents in the area and a mathematical analysis of probable sedimentation rates within the harbor basin, and identify other physical impediments to the construction of a marina.
- c. Review current marina projects proposed in Palo Alto, Redwood City, Richmond and Berkeley, to evaluate comparable marina plans and provide County of San Mateo with basis for review and consideration.
- d. Prepare a time schedule of key activities necessary for the overall development plan, including but not limited to; 1) land acquisition schedule; 2) construction time frame; and 3) management plan for implementation.
- e. To develop a conceptual architectural plan for a marina at Cooley Landing, incorporating economic and technical conclusions developed in the above mentioned studies.





L ANDREW JEANPIERRE  
CERTIFIED PUBLIC ACCOUNTANT

681 MARKET STREET  
SUITE 301  
SAN FRANCISCO CALIFORNIA 94105  
(415) 957 1324

July 28, 1980

Chairman, Board of Directors  
East Palo Alto Economic  
Development Council, Inc.  
1944 University Avenue  
East Palo Alto, California 94303

Dear Sir:

I have examined the Balance Sheet and Statement of Revenue and Expenses of East Palo Alto Economic Development Council, Inc., for the period December 1, 1978 to March 31, 1980. In connection therewith I also made a study of compliance matters as described in the "Department of Commerce Accounting System Survey and Audit Guide for Economic Development Districts". Our examination was made in accordance with generally accepted auditing standards and the forenamed audit guide, and accordingly, included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

My study of compliance, which related to the requirements cited above, disclosed no conditions which I consider to be matters of non-compliance.

  
L. Andrew Jeanpierre, CPA

LAJ/na

L. ANDREW JEANPIERRE  
CERTIFIED PUBLIC ACCOUNTANT

681 MARKET STREET  
SUITE 301  
SAN FRANCISCO CALIFORNIA 94105  
(415) 957 1324

July 28, 1980

Chairman, Board of Directors  
East Palo Alto Economic  
Development Council, Inc.  
1944 University Avenue  
East Palo Alto, Ca. 94303

Dear Sir:

I have examined the Balance Sheet and Statement of Revenue and Expenses of East Palo Alto Economic Development Council, Inc. for the period December 1, 1978 to March 31, 1980. In connection therewith we also made a study of the efficiency and economy of operations as described in the "Department of Commerce Accounting System Survey and Audit Guide for Economic Development Districts." My examination was made in accordance with generally accepted auditing standards and the forenamed audit guide, and accordingly, included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

My study of the efficiency and economy of operations which related to the requirements cited above, disclosed no conditions which I consider to be matters for corrective actions.

  
L. Andrew Jeanpierre, CPA

JAJ/na

EAST PALO ALTO ECONOMIC DEVELOPMENT COUNCIL, INC.

GRANT DATA

MARCH 31, 1980

A. Grant Data:

EDA Grant #07-05-1800 for the 303 program which is Technical Assistance for Economic Development. The Grant period commenced December 1, 1978.	\$ 75,000
San Mateo County office of Housing and Community Development matched funds for above EDA Grant, through HUD-Community Development Block Grants.	\$ 25,000
San Mateo County office of Housing and Community Development Street Beautification Program and Clean-up Programs June 1, 1979 to September 30, 1979.	\$ 15,297
As a subgrantee to San Mateo County Employment and training for Department of Labor for CETA II-B Youth Service Program for period October 1, 1979 to September 30, 1980.	\$ 280,662
Hewlett-Packard Foundation for Summer Swim Program.	\$ 1,400
San Mateo County-Small Business Administration Loan Fund for Revolving Loan Fund.	\$ 16,057

B. Personnel Contacted

During the course of our engagement the audit report contents were discussed with Donald Kirkpatrick former Executive Director of East Palo Alto Economic Development Council, Inc., Mr. William H. Ward, Executive Director, and Sandra Sandoval Accountant/Bookkeeper. The auditors were L. Andrew Jeanpierre and Michael Guerrero.



EAST PALO ALTO ECONOMIC DEVELOPMENT COUNCIL, INC.

BALANCE SHEET

AS OF MARCH 31, 1980

ASSETS

Cash		\$12,793
Note Receivable (Note 2)		32,115
Fixed Assets-Grant Funds		<u>4,879</u>
Total Assets		<u>\$49,787</u>

LIABILITIES AND FUND BALANCE

Accounts Payable-Trade		\$ 1,580
Notes Payable (Note 3)		16,057
Fund Balances		
Local & Federal Funds Unexpended	\$27,032	
Non-Federal Funds Unexpended	<u>239</u>	27,271
Fixed Assets-Grant Funds		<u>4,879</u>
Total Liabilities and Fund Balances		<u>\$49,787</u>

The Accompanying Notes are An Integral Part  
Of The Financial Statement

Exhibit A

EAST PALO ALTO ECONOMIC DEVELOPMENT COUNCIL, INC.

STATEMENT OF REVENUE AND EXPENSES

AND CHANGES IN FUND BALANCE

FOR THE SIXTEEN MONTH PERIOD

DECEMBER 1, 1978 ENDING MARCH 31, 1980

REVENUE

Federal Cash Received		\$175,025
Federal Cash (unexpended)		(27,032)
State & Local Contributions		22,194
Non Federal Cash Received		2,052
Non Federal Cash (unexpended)		(239)
Total Applied		<u>172,000</u>
Unapplied		<u>27,271</u>
Total Revenue		<u>\$199,271</u>

Expenses

Personnel Compensation		100,595
Fringe Benefits		
Payroll Taxes	\$9,358	
Medical Insurance	<u>1,941</u>	11,299
Consultant Fees		1,800
Travel Expenses		3,385
Offices Supplies		2,763
Printing and Reproduction		1,853
Publications		799
Postage		699
Space Rental		3,750
Furniture Expense		1,216
Equipment Expense		4,932
Telephone		3,294
Taxes Except Payroll		5
Insurance		658
Repairs and Maintenance		799
Youth Service Program-Training & Referrals		12,800
Accounting Services		2,800
Street Beautification Program		15,297
Summer Swim Project		1,400
Auditing Services		1,580
Miscellaneous		276
Total Expenses		<u>172,000</u>
Cash Received Over Cash Expenses		<u>27,271</u>
Fund Balance, As of December 1, 1978		-0-
Fund Balance, As of March 31, 1980		<u>\$ 27,271</u>

The Accompanying Notes Are An Integral Part  
Of the Financial Statement.

EAST PALO ALTO ECONOMIC DEVELOPMENT COUNCIL, INC.

BALANCE SHEET

AS OF NOVEMBER 30, 1980

ASSETS

Cash	\$ 9,953.03
Note Receivable	31,181.53
Fixed Assets-Grant Funds	<u>4,154.98</u>
Total Assets	<u>\$45,289.54</u>

LIABILITIES AND FUND BALANCE

Payroll Taxes and Insurance Payable	\$ 372.94
Notes Payable	15,590.76
Loan Fund-HCD	16,057.50
Fund Balances	
Local & Federal Funds Unexpended	\$ 7,625.32
Non-Federal Funds Unexpended	189.07
Fiber Cycle Loan Funds	<u>1,298.97</u> 9,113.36
Fixed Assets-Grant Funds	<u>4,154.98</u>
Total Liabilities and Fund Balances	<u>\$45,289.54</u>

EAST PALO ALTO ECONOMIC DEVELOPMENT COUNCIL, INC.

STATEMENT OF REVENUE AND EXPENSES

AND CHANGES IN FUND BALANCE

FOR THE EIGHT (8) MONTH PERIOD

APRIL 1, 1980 ENDING NOVEMBER 30, 1980

REVENUE

Federal Cash Received - EDA	\$ 46,070.00	
Local Cash Received - HCD	10,518.03	
Youth Service Program	111,389.98	
Donations	10.00	
Interest Income - Fiber Cycle Loan	1,664.47	
Miscellaneous - insurance refund	959.00	
		<u>\$170,611.48</u>

EXPENSES

Personnel Compensation		
(8,727.72) (28,339.71) + 240.00	\$ 37,307.43	
Benefits (950.65) (2,679.77)	3,630.42	
Consultants Services	100.00	
Travel	1,142.00	
Office Supplies	1,139.41	
Printing	676.07	
Publications	204.98	
Postage	98.64	
Office Rental	2,000.00	
Equipment Rental	1,245.97	
Telephone	1,489.02	
Janitorial	340.00	
Insurance	633.87	
Advertising (37.16) (362.76)	399.92	
Training (50.00) (305.00)	355.00	
Accounting Services	2,625.00	
Street Beautification Phase I	640.45	
Youth Service Program	108,466.51	
Interest Expense	832.23	
		<u>163,326.92</u>
Fund Balance, As of November 30, 1980		<u>\$ 72,845.56</u>

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**staff**

EAST PALO ALTO  
ECONOMIC DEVELOPMENT COUNCIL  
STAFF

Bill Ward	Executive Director, Economic Development Council Former Program Manager, Mayor's Office, San Francisco. Over 13 years in the fields of planning, architecture and development. MCP, B-Architecture
Norma Nelson	Assistant Director, Economic Development Council Former Business Development Specialist and Associate Financial Analyst with Pacific Economic Resources League. Over 6 years of experience in the fields of business development and financial analysis. MBA, BA
Betty Rogan	Secretary-Receptionist, Economic Development Council Over 5 years of experience as a administrative assistant and receptionist in the private sector.
Sandra Sandoval	Accountant (Fee Basis)

**appendix**

# exhibit a



U.S. DEPARTMENT OF COMMERCE  
Economic Development Administration  
77 Jack London Square, Suite K  
Oakland, California 94607  
(415) 273-7081

November 20, 1980

Mr. Bill Ward  
Executive Director  
East Palo Alto Economic Development Council  
1944 University Avenue, Suite #1  
East Palo Alto, California 94303

Dear Bill:

The Project Review Committee (PRC) of the Economic Development Administration (EDA) has agreed to refund the East Palo Alto Economic Development Administration Program. The EDA funds will be \$75,000 with \$25,000 to be provided as Local Match giving you a total budget of \$100,000.

I am personally pleased that EDA's association with East Palo Alto will continue and I look forward to even more service to the people of your area.

Please submit the new application within three weeks, if thats possible, and please feel free to ask for any assistance that you feel you may need.

Sincerely,

A handwritten signature in black ink, appearing to read "Hugh Taylor", written over a horizontal line.

Hugh Taylor  
Economic Development Representative

Enclosures



