October 28, 2020

To President Sonya Christian
Bakersfield College
1801 Panorama Drive
Bakersfield, CA 93305

Mid-State Development Corporation (MSDC) is in the business of helping small businesses grow and thrive. We specialize in providing SBA504 financing to small businesses in Kern County and throughout California. The SBA 504 Loan Program is an economic development program offering a financing package that stimulates private sector investment in long-term fixed assets to increase productivity, create new jobs, and increase the local tax base. The stimulus is provided by making long-term, low down payment, reasonably priced fixed-rate financing to healthy and expanding businesses which have the highest probability of successfully creating new jobs and competing in the world marketplace.

MSDC focuses on the following areas, all of which contribute to a more robust economy, with emphasis on small businesses:

- Create an environment for small businesses to grow or to be created. When an entrepreneur-friendly business climate exists, more people aspire to explore business ownership, which creates jobs in our community.

- Help those small businesses thrive and grow, eventually creating even more jobs.

- Provide assistance to clients that expand beyond the region.

- Encourage more diversity among small business ownership by helping more minorities and women pursue business ownership.

While MSDC’s funding flows from the Small Business Association (funds are realized for the organization through loans made to customers), some actions taken by the State of California have a significant impact on MSDC, our clients, and Kern County’s overall business climate.
California is often considered to be unfriendly to businesses. Certain job-killer legislation has had significant and negative impact on Kern County industries. If there were one course of action in Sacramento that could have a positive impact on MSDC and our clients, it would be for local industries to be offered relief in the way of regulations or taxes. This would help Kern County retain businesses, while making the area more attractive to desirable new business growth.

The regulatory pressure local businesses experience is forcing some to leave Kern County (and the state). While sometimes the impact seems to be primarily on large businesses (e.g. the petroleum industry), the domino effect leads to lost jobs in smaller service-oriented businesses that support bigger businesses. It would be helpful if Sacramento would work more closely with communities like Kern County to develop workable plans for moving forward and transitioning our industries and workforce. We cannot shift from $80,000/year jobs to $25,000/year jobs and expect our economy to continue to thrive. We need Sacramento to help us pivot.

If you need any additional information or support don’t hesitate to contact me.

Sincerely

Keith Brice
President
Mid State Development Corporation