

For Immediate Release

Contact: Lisa Winkle

VEDC

(818) 907-9977

lwinkle@vedc.org

**Mayor Villaraigosa to Announce Small Business Loan Program Administered by VEDC
*Valley Economic Development Center to receive \$15 million to be used for small business loans***

Van Nuys, CA - On Monday, September 28 2009, at 10am, Mayor Antonio Villaraigosa will announce a \$15 million loan to Valley Economic Development Center (VEDC) for the establishment of the Los Angeles Citywide Small Business Loan Program. The Mayor will make the announcement at Powerline Control Systems, Inc., 19201 Parthenia St., #J, Northridge, CA 91324.

The Los Angeles Citywide Small Business Loan Program will focus on providing capital to existing businesses to help offset the current economic downturn. Loan amounts will range from \$50,000 to \$400,000, with a projected average amount of \$250,000. Qualifying businesses can use loan proceeds for refinancing debt; purchasing inventory, equipment, or commercial real estate property; working capital; or tenant improvements. The Los Angeles Community Development Department (LACDD) is using Section 108 funds from the U.S. Department of Housing and Urban Development (HUD) to create the \$15 million loan pool.

Powerline Control Systems, the host of Monday's event is a manufacturer of commercial and residential lighting controls based in Northridge, California. PCS is receiving the first Los Angeles Citywide Small Business Loan which it will use for working capital to produce and market its new patented GreenWorx energy efficient commercial lighting control system.

"We are grateful to Mayor Villaraigosa, LACDD, VEDC and everyone responsible for the Small Business Loan Program," said Marshall Lester, CEO of Powerline Control Systems. "We will be turning our loan into more business for us, more business for our customers and vendors, and more jobs in Los Angeles. By increasing the efficiency of electricity used for commercial and industrial lighting GreenWorx will save millions of kilowatt-hours in the LADWP area by the end of 2010."

VEDC was selected to administer this program due to its experience in assisting small businesses; the organization currently oversees the San Fernando Valley Entrepreneur/Micro-Enterprise Program and the Historic Downtown Retail Project. In identifying eligible loan recipients and administering funds, VEDC will work with LACDD's Los Angeles Business Assistance Program (LABAP), whose five agencies provide technical assistance to micro and small business owners to improve operations and profitability.

"As a Councilman and former business man, I am proud to have brought forth the motion to have VEDC administer this program," said Councilman Greig Smith, who represents the area in

which Powerline Control Systems is located. “Having worked directly with Mr. Lester and PCS to assist in their company’s expansion, I understand the benefit this loan program will have throughout the City with the proven track record of VEDC setting the course.”

###

VEDC is Los Angeles’ largest nonprofit business development corporation, working for over 30 years to create and sustain jobs and businesses through high-quality economic development services. To learn more, visit www.vedc.org.