

# 2015 HIGHLIGHTS



EDC-VC's staff: Front row: Alondra Gaytan, Marvin Boateng  
Back row: Ray Bowman, Bruce Stenslie, Kelly Noble

**EDC-VC works to enhance the region's economic vitality and quality of life. Since 1996, the organization has accomplished this through a coordinated service delivery strategy focused on business retention and expansion, business attraction and entrepreneurship.**

**A dedicated board of directors from the private and public sectors ensures EDC-VC's mission and principles are honored through its programs and services.**

## EDC-VC AS A CONVENER

- **Roundtable:** Facilitated the county's only ongoing, monthly meeting of regional economic development leaders from each of the 10 cities, the county and other key representatives. Economic Development Roundtable participants are part of the first line of communication between businesses and local government, where each participant can share information, best practices and their city's challenges and successes.
- **Partnerships:** Continued its partnerships with Ventura County's cities, Workforce Development Board of Ventura County, Small Business Administration, SCORE, California Manufacturing Technology Consulting, Women's Economic Ventures and several others to provide services to the region's businesses.
- **California Stewardship Network:** Continued to participate in the California Stewardship Network, a group of 12 organizations committed to tackling the state's most pressing economic, environmental and community challenges. With its mission to find new and creative solutions to California's nagging statewide challenges, the network is advocating for a streamlining of the state's administrative processes for distributing cap-and-trade funding and improving opportunities for local communities to access resources for reducing greenhouse gases as mandated by AB 32.
- **Ventura County Film Commission:** Strengthened its partnerships with regional and statewide film industry organizations, such as the California Film Commission and Film Liaisons in California Statewide (the regional film liaison association), to enhance Ventura County's opportunities for greater economic investment and return related to the film industry.
- **Broadband Initiative:** Helped advance and expand access to fast broadband to the Central Coast through the tri-county broadband initiative, Broadband Consortium Pacific Coast, and continued to serve as the fiscal agent for strategic and financial oversight. The project is a collaboration between San Luis Obispo, Santa Barbara and Ventura counties and is comprised of business and government stakeholders.



Jason Gray

## A RISING ENTREPRENEUR

Having worked seven years in the Ventura location of Valentino's Take-n-Bake Pizza, Jason Gray followed his entrepreneurial spirit and opened a new location in Camarillo. He partnered with Ventura store owners Tori and Tom Dann to make it happen.

Confident the take-and-bake concept hadn't yet hit its stride, Gray wanted to take on full ownership of the Camarillo restaurant sooner rather than later and put his business talent to the test.

His business wasn't quite ready for a bank loan, so EDC-VC was able to provide the \$37,000 loan he needed to become the sole owner of Valentino's.

As part of the process, Gray received support from the city of Camarillo and help from the SBDC to be more efficient in managing his business. This ensured the business was performing at optimal levels, leaving him more time to focus on marketing and advertising.

"The SBDC showed me a lot of tricks and time-saving methods with QuickBooks. They also helped me clean up my accounts and implement more efficient reporting to get the information needed to analyze how my business is doing," said Gray.

Thanks to EDC-VC's help, Gray has increased sales by nearly 15% in less than a year and increased profits nearly 30%. He gave his existing staff more hours and hired three additional employees.

"Since working with the EDC-VC, I am now confidently positioned to grow my business to the next level. I took a risk and it was the best thing I ever did," said Gray.

# PROGRAM DELIVERY

## BUSINESS TECHNICAL ASSISTANCE

Through its network of approximately 30 expert advisors, EDC-VC provides business advising and training services to business owners across diverse industry sectors. Organized under the banner of the Small Business Development Center, and funded by the U.S. Small Business Administration, Governor's Office of Business and Economic Development and Workforce Development Board of Ventura County, the services are dedicated to business sustainability and growth.

- In 2015, SBDC continued to positively impact the regional economy by creating and retaining 489 jobs in Ventura and Santa Barbara counties through its one-on-one business advising.
- The SBDC continued to be the network leader in outcomes within the Los Angeles Regional Network of Small Business Development Centers, comprised of eight SBDC Centers.
- In 2015, the SBDC added Curtis Crispin and Alondra Gaytan to its team as program specialists to support SBDC clients and the growing number of programs and services. Crispin oversees coordination of the international program for the Los Angeles region and Gaytan coordinates the program's needs in Ventura and Santa Barbara counties.
- The SBDC continued to exceed its contractual outcome goals, further establishing itself as a statewide leader in economic impact. While Ventura and Santa Barbara counties represent 3.4% of the state's population, EDC-VC's SBDC is responsible for 8% of the SBDC productivity statewide.
- SBDC launched the free Virtual International Business Advisor ([VirtualInternationalAdvisor.com](http://VirtualInternationalAdvisor.com)) to help small- to medium-size businesses grow their international skills and access opportunities abroad. The platform is in partnership with the New Zealand-based company Qimono and clients at any of the eight SBDCs in the greater Los Angeles region can access the cloud-based program.

2015 Snapshot			
Key Indicators	2015 Goal	2015 Actual	Percent of Goal
Jobs Created/Jobs Retained	470	489	+104%
New Business Starts	40	52	+130%
Capital Infusion/Accessed	\$20,000,000	\$35,367,500	+177%
Increase in Sales	\$16,000,000	\$26,710,312	+167%

The figures above include the combined activities as funded by the U.S. Small Business Administration, Governor's Office of Business and Economic Development and Workforce Development Board of Ventura County.

## LOAN PROGRAMS

- In 2015, EDC-VC rebranded the Revolving Loan Fund as the Business Development Loan Fund to more accurately reflect the purpose of the fund and to support our efforts in reaching a broader audience of potential loan clients.
- Since 1997, EDC-VC has loaned approximately \$16 million and has a current open portfolio of approximately \$6 million.
- In 2015, the EDC-VC loan program experienced its third consecutive year of loan growth, growing 43% year-over-year, while still maintaining an industry-leading low loan-loss rate.
- Starting in early 2014, EDC-VC received \$1.8 million in investment from Rabobank NA, City National Bank and California United Bank. By the end of 2015, EDC-VC loaned and pledged all the capital invested by our bank partners. This helps fulfill a loan program objective of securing additional capital to support the growth of small- and medium-size businesses in Ventura County.
- Through a collaboration between the SBDC and the loan program, borrowers benefit from extensive post-loan technical support and ongoing financial analysis, contributing both to risk management and business sustainability and growth. This program model that integrates technical assistance with lending positions us well for securing additional partnerships and capital support of our region's small businesses.

## 2015 EDC-VC Loan Program Highlights

Fund Source/Title	Total \$ Currently Available to Loan	Total Loaned over Life of Fund	Jobs Created
Business Development Loan Fund	\$369,000	\$9,156,648	651
Private Sector	\$0*	\$2,090,000	52
City of Ventura Business Assistance Program	\$752,838	\$3,541,065	233
First 5 Ventura County	\$693,632	\$691,368	34
<b>TOTALS</b>	<b>\$1,815,470</b>	<b>\$15,479,081</b>	<b>970</b>

For more information, contact Marvin Boateng, EDC-VC loan officer, at 805-409-9158 or marvin.boateng@edc-vc.com, or visit edc-vc.com.

\* Pending recapitalization

## ORGANIZATIONAL CAPACITY DURING 2015, EDC-VC:

- Launched the new website [VenturaCountyFilm.com](http://VenturaCountyFilm.com), which features state-of-the-art search and location listing functions, providing increased communication and connection between the industry and local community. Local film work continued to play an increasingly important role in Ventura County's economy: For the year ending July 2015, the film industry brought in an estimated \$35 million, furthering underscoring the region's potential for economic development. For the same period, 825 projects were filmed (all jurisdictions) with 1,809 film days countywide.
- Continued to strengthen its corps of business advisors by diversifying the talent, maintaining dedicated capacity to ongoing professional consultant development and helping to assure quality outcomes for the approximately 500 firms served during 2015. The SBDC strengthened its capacity to assist businesses by adding advisors who are industry-specific experts, including Keith Phillips, international trade; and Santa Barbara-based advisor Eric Zackrison, entrepreneurship and workforce management.
- Broadened its board of directors' membership by naming Henry Dubroff to its board. Dubroff is the chairman and editor of the *Pacific Coast Business Times*, the weekly business journal for Santa Barbara, Ventura and San Luis Obispo counties.
- Completed the "Food Processing in Ventura County" feasibility study in partnership with Applied Development Economics and The Hatamiya Group. The study carries forward the work of the 2014 Comprehensive Economic Development Strategy (CEDS), which focused on the county's ongoing economic development activities and strategies to maximize the county's economic assets. CEDS and the food processing study were supported by funding from the Morgan Family Foundation.

Here's what we learned:

- Food processing in Ventura County is two-thirds lower in employment concentration than the California average, despite our extraordinary value and diversity of crops grown.
- That gap in food processing concentration reveals potential weaknesses in our Farm sector relative to optimizing and diversifying revenue streams and accessing new markets.
- Farmland produces an average crop value of \$19,330 per acre, while food processing generates \$835,000 in value added per acre.
- Food processing pays better wages than agricultural production, \$44,294 per year compared to \$30,206 annually for farming, on average.
- Food processing is currently estimated to support about 1,480 jobs. Our analysis evaluates a range of expansion from 2,680 to 5,450 new jobs, providing a context for the relatively small scale of development that would be needed to dramatically increase the economic value of agriculture in the county.
- The ability of farmers to capture the added economic benefit from value added food processing is critical to their long-term economic sustainability.
- To secure this benefit, we recommend that Ventura County adopt a more extensive list of allowable operations, that is, allowing cooking processes, farm education and research, and ancillary office space, and set a maximum based on percent of total facility space. Relevant SOAR vote requirements for land use changes would remain in effect.

# BLOWING THE ROOF OFF GROWTH



Jonathan Davis

As a third-generation roofing and construction contractor who spent years working his way up from laborer to vice president at his uncle's company, Jonathan Davis decided to open his own firm in 2008. J. Davis Construction Management specializes in federal government contracts for roofing, interior renovations and concrete, electrical and painting projects throughout California, Nevada and Arizona.

After years of subcontracting work out, Davis wanted to expand his Ventura company's capacity so they could execute projects—start-to-finish—with company employees. With the support of the city of Ventura and a referral from Montecito Bank and Trust, he connected with EDC-VC.

Through the Small Business Administration's 8(a) program for small, disadvantaged companies, and the SBA's E200 program (emerging leaders executive-level training initiative), Davis developed a five-year growth plan. Needing capital to execute the plan, he worked with EDC-VC's loan officer, Marvin Boateng, to secure \$150,000 in credit lines. Davis worked with SBDC advisor Gonzalo Fernandez to implement the plan.

With the funding, Davis hired additional employees, tripling his workforce to 19. The larger workforce of in-house tradesmen enabled the company to complete more projects without using subcontractors. Davis also promoted a staff member to a management position, freeing himself to pursue more job leads and business development opportunities. Beyond the boost in productivity, the company is seeing the benefits of improved cash flow.

"The capital has really helped us thrive. We're now able to pay for materials on time, and that earns us discounts from the manufacturers," said Davis. "We're seeing about an 11–13% increase in profitability."

## MISSION:

To maintain a healthy Ventura County economy through collaboration, education and training as a means to create and sustain quality jobs and improve wealth, thus enhancing the standard of living and quality of life throughout Ventura County.

## PRINCIPLES:

**Sustainability:** Our investments and services promote long-term community benefit and quality of life, balancing economic growth, social equity and environmental health.

**Innovation:** We drive our investments for economic prosperity, productivity and regional competitiveness by the deliberate pursuit of innovation.

**Visionary Leadership:** We draw on our organization's members and partners to direct a leadership agenda promoting economic sustainability.



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