



**MINUTES**  
**EDC-VC BOARD OF DIRECTORS MEETING**  
**April 19, 2018**

- Location:** 4001 Mission Oaks Boulevard, Camarillo 93012
- Attendance:**
- Al Adam – City of Thousand Oaks
  - Will Berg – City of Port Hueneme
  - Gary Cushing – Chambers of Commerce Alliance
  - Kristin Decas – Port of Hueneme/Oxnard Harbor District
  - Amy Fonzo – California Resources Corporation
  - Brian Gabler – City of Simi Valley
  - Greg Glover, City National Bank
  - Kelly Long– County of Ventura
  - Nancy Mayerson – Mayerson Marketing & Public Relations
  - Jan McDonald – City of Camarillo
  - Roseann Mikos – City of Moorpark
  - Susan Mulligan – Calleguas Municipal Water District (liaison)
  - John Procter – City of Santa Paula
  - Carmen Ramirez – City of Oxnard
  - Jim Scanlon – Arthur J. Gallagher and Co.
  - Laurel Shockley – Southern California Edison
  - Sandy Smith – VCEDA
  - Sim Tang-Paradis – City National Bank
  - Ysabel Trinidad – California State University Channel Islands
  - Alexandria Wright – Ventura County Community College District
- Absent:**
- Haider Alawami – City of Thousand Oaks, Liaison, ED Managers Roundtable
  - Gerhard Apfelthaler – California Lutheran University
  - Dee Dee Cavanaugh – City of Simi Valley
  - Victor Dollar – VCLA (liaison)
  - Nan Drake – E.J. Harrison Industries
  - Henry Dubroff – Pacific Coast Business Times
  - Cheryl Heitmann, Chair – City of Ventura
  - Harold Edwards – Limoneira Company
  - Ron Galaviz – Lead Builders, Inc.
  - Chris Meissner, Vice Chair – Meissner Filtration Products
  - Alex Schneider – The Trade Desk
  - Cari Shore – Rabobank
  - Tony Skinner – IBEW Local #952
  - Trace Stevenson – AeroVironment, Inc.
  - William Weirick – City of Ojai
  - Peter Zierhut – Haas Automation
  - John Zaragoza – County of Ventura
- Legal Counsel:** Nancy Kierstyn Schreiner, Law Offices of Nancy Kierstyn Schreiner
- Staff:**
- Ray Bowman, EDC SBDC Director
  - Shalene Hayman, Controller

Kelly Noble, Office Manager  
Bruce Stenslie, President/CEO

**Guests:**

Kristie Akl, Kidstream  
David Baker, Kidstream  
Meryl Chase, Kidstream  
Alma Ferrell, ABC Childcare

**Presentation**

**Investing in Early Child Education as an Economic Development Strategy & Priority: ABC Kids Care and KidSTREAM Children's Museum**

Stenslie stated that Since 2009, EDC-VC has managed a loan program in partnership with First 5 Ventura County, dedicated to expanding the region's capacity for early child education.

Our motivations for engaging in the world of child care and early child education are several:

1. Local analyses have identified a large gap between the capacity of the formal child care industry and community need and demand. There are only some 33,000 licensed child care slots, with capacity sufficient to serve only some 36% of all children between birth and age 13 with all parents in the labor force.
2. Limited finance capacity and economic challenges within the industry—particularly limited access to capital—are among the greatest barriers to the development of facilities and to closing the gap between capacity and need
3. The child care industry is itself an economic driver in the economy as it enables parents to work and earn or upgrade their skills. If parents don't have coverage for their children, we lose out on the human capital contributions of these parents.
4. High quality child care and early child education help prepare our youth for entering the formal education system and for developing the skills essential for succeeding in school and work throughout their lives. *The skills of our future workforce are foundational to our long-term economic competitiveness.*
5. Numerous studies, nationally and internationally, demonstrate that investments in early child education pay the highest return on investment among all of the various strategies for preparing responsible, economically productive adults.

Our discussion today includes three parts:

- an overview of the economic benefits by investing in early child education;
- a sharing of information by ABC Kids, one of the borrowers of our loan fund, now launching her 2<sup>nd</sup> preschool;
- a discussion with the founders of KidSTREAM Children's Museum, a local non-profit on the path for opening a new museum and education center for children in Camarillo.

Stenslie introduced Alma Ferrell from ABC Kids

Stenslie introduced Kristie Akl, Meryl Chase and David Baker from KidSTREAM Children's Museum.

**Call to Order:** Vice Chair Carmen Ramirez called the meeting to order at 5:38 p.m., achieving a quorum during the informational presentation on early child education. The agenda item continued with discussion.

**Amendment to the Agenda:** None

**Public Comment:** None

**Minutes:** Vice Chair Carmen Ramirez asked if there were any comments on the March 15, 2018 minutes. With none, Ramirez requested a motion to approve the minutes from the March 15, 2018 meeting. Will Berg abstained from this motion. Nancy Mayerson and Jim Scanlon were not in attendance for this motion. Kelly Long moved to approve and file the minutes from the March 15, 2018 meeting. Sandy Smith seconded the motion. All remaining Board members listed in attendance in favor, motion carried.

**Financial Report:** **March 2018 Financials**  
Shalene Hayman reviewed the financials from March 2018. Hayman informed the board that she distributed a new financial layout listing secured monies in our accounts and noted that the financials will be distributed this way from this point forward.

Ramirez asked if there were any questions. With none, Ramirez requested a motion to approve and file the March 2018 Financials. Nancy Mayerson and Jim Scanlon were not in attendance for this motion. Kristen Decas motioned to approve and file the March 2018 Financials. Kelly Long seconded the motion. All remaining board members listed in attendance in favor, motion carried.

**Administration** **Consideration of the 2017 Business Plan Executive Summary and Supplement. Recommendation to Approve.**  
Stenslie stated that in late 2008 and early 2009 our Executive Committee and full Board spent considerable time in reviewing and updating our Business Plan. For final action, we concentrated on developing an up-to-date Executive Summary and Supplement on Priorities in Regional Economic Competitiveness, rather than on a long and detailed plan.

In each year since, we have updated the Plan's "Objectives and Work Plan" to remain current with program and service activities and priorities.

Stenslie noted for the Board that the Business Plan Executive Summary is used primarily for internal purposes, to document our annual work plan priorities. The Business Plan is useful for grant applications and for sharing with other stakeholders our operational priorities. The Supplement, by contrast, is used more as an external document, to highlight larger regional economic priorities.

Both of these documents are supplemented by numerous professionally developed outreach materials, program service overviews and success stories. These collateral materials are mostly targeted to clients that may benefit from our services and to partner organizations that serve as referral resources. All of these materials may be mixed and matched, customized to purpose and to the particular stakeholder or client target.

There are two recommended changes, one to the Executive Summary, another to the Supplement:

- Executive Summary, Section C, Program Delivery, *item* §5: In 2017 we introduced the issue of working on improving business to career education resources. The only change in this section is to change from “introducing” a new item to “continuing” the effort.
- Supplement, 2<sup>nd</sup> column, added a new bullet: “Advocate for increased investment in high-quality early child education as a strategy to drive our highest returns in educational achievement, health, and economic productivity.”

This latter item isn’t really new—we’ve long featured it in other materials, maintained a dedicated loan program—though it hasn’t until now been specifically called out in this document. This may become a higher priority over the next couple of years, so staff is recommending we include it in this document.

Stenslie also noted for the Board that while neither part of our Business Plan nor part of our general marketing materials, we also maintain two other useful background documents. These tend to be more useful as supporting information for key stakeholders or potential grantors.

Kristin Decas asked why the Port of Hueneme is not on the Public Sector list. Bruce explained a quirk in our bylaws, noting that our bylaws specifically define the public membership as representatives of the ten cities and county board of supervisors. The bylaws allow for up to four public agencies to be included as part of the “private sector” membership, in representation of key drivers of the Ventura County economy.

Ramirez asked for a motion that the Board of Directors approve the updated 2018 Business Plan Executive Summary and Supplement. Nancy Mayerson and Jim Scanlon were not in attendance for this motion. Al Adam motioned to approve the updated 2018 Business Plan Executive Summary and Supplement. John Proctor seconded the motion. All remaining board members listed in attendance in favor, motion carried.

### **Small Business Development Center, 1<sup>st</sup> Quarter Report**

Stenslie stated that today’s report addresses outcomes for January through March of 2018, or for three months, 25% of the program year.

The program is funded by the US Small Business Administration (SBA), through an annual national appropriation over the last several years at approximately \$115 million. With the new budget agreement, the funding level is up to approximately \$130 million. Our SBA-contributed funding, now estimated at \$470,000, is secured through a contract with Long Beach City College, which serves as the “lead center” for Los Angeles, Ventura and Santa Barbara counties.

Our core program service area is all of Ventura and Santa Barbara Counties. Of the total of \$470,000, \$370,000 is targeted to these two counties, with the balance supporting our role as the regional lead (including Los Angeles County) for international business consulting.

The SBA funding for our two county area comes to us with a 100% match requirement, not less than half in cash, the rest in-kind. The cash portion comes from the cities and County of Ventura (approximately \$88,000), and for Santa Barbara County from Santa Barbara City College and Scheinfeld Center for Entrepreneurship and Innovation (a total estimated \$45,000). We also receive an estimated \$85,000 from the Governor’s Office of Business and Economic Development, targeted to facilitating business access to capital. This fund may also be used as a match to the SBA contribution.

Our SBA funding to serve as the lead in international business consulting for the entire LA region does not require a cash match.

The baseline SBDC program is focused on delivering specific economic outcomes (summarized below, concentrated on new capital infusion, new jobs created) with small business clients, generally defined as any firm with fewer than 500 employees. Most clients we serve employ fewer than 30 workers, though there is wide distribution by size.

The primary service activity is direct, professional client advising and technical assistance, organized around scopes of work focused on assisting businesses achieve positive economic outcomes. To deliver that service we maintain some 30 consultants on contract, available to business at no cost.

Per SBA regulations, there are three contractual performance goals: long-term client engagement (a process, not outcome measure, meaning five hours or more of technical assistance), capital infusion and business start-ups. Our outcome targets are prescribed by our SBDC lead center in Long Beach.

In 2017, we exceeded our outcome measures for new business starts and capital infusion. We were just under our goal for the number of long-term clients.

The outcome data displayed below is *preliminary* for the period January through March 2018, with the “outcome target” number representing the full year goal. The prescribed goals for Long-Term Clients and Business Start-ups are unchanged from 2017. The goal for Capital Infusion has been increased by \$10 million.

<b><u>Performance Goals</u></b>	<b><u>Outcome Target</u></b>	<b><u>Outcomes thru March</u></b>
<b>Long Term Clients</b> (5+ hours)	316	50
<b>Capital Infusion</b>	\$35,000,000	\$25,663,600
<b>Business Start-ups</b>	60	13

All outcomes are documented by signed agreement from the businesses served.

Through this three month period we are already 73% of the way to reaching the annual capital infusion goal. We are just three points short of our benchmark goal for the quarter in business starts. For long-term clients we’re only at 16% (versus first quarter goal of 25%), though we are at about where we’d expect to be this early in the year. We anticipate exceeding all the measures by year end.

Stenslie updated the Board informing that the Thomas Fire has impacted our program in several ways. For one, we have added a lot of clients for whom we have only a few hours and little prospect for significant outcomes. These are small service firms for whom our goals are mostly to help them stabilize and survive, not often for growth or expansion. For another, we’ve had to dedicate significant resources to recovery work, impacting our capacity to target resources on existing clients and others for whom growth is a priority. We don’t anticipate any long-term impacts to our outcomes, though the short-term interruption is substantial.

### **President’s Report**

Stenslie mentioned that he, Vanessa Bechtel, VCCF, Alexandria Wright, VCCCD, participated in a two day workshop at Stanford’s Graduate School of Education, March 29-30, organized to improve collaboration between civic groups and community college leadership.

Stenslie informed the Board that on May 23<sup>rd</sup>, in partnership and support with the Port of Hueneme, the MAST event joined with the World Trade event will be held.

**Committee/Liaison  
Reports:**

**VCEDA**

Sandy Smith stated that VCEDA is doing well, with nothing new to report today.

**Economic Developers Roundtable**

No new report.

**Ventura County Lodging Association**

No new report.

**Calleguas Municipal Water District**

Susan Mulligan distributed updates on the current situation with water storage and supply and discussed the recent approval by Metropolitan Water of the two-tunnel California water fix.

**New or Unfinished  
Business:**

None

**Board Member  
Comments:**

Carmen Ramirez mentioned that the City of Oxnard is recruiting for a new City Manager. Roseann Mikos stated that the City of Moorpark hired a new City Manager 6 weeks ago. Troy Brown has been reaching out to local citizens and community groups and is making an effective transition for the city.

**Adjournment:**

Meeting adjourned at 5:31 p.m. to May 17, 2018, 4:00 PM, Conference Room 4001 Mission Oaks Boulevard, Camarillo 93012.