



**MINUTES**  
**EDC-VC BOARD OF DIRECTORS ANNUAL MEETING**  
**January 18, 2018**

- Location:** Spanish Hills Country Club, 999 Crestview Avenue, Camarillo.
- Attendance:** Haider Alawami – City of Thousand Oaks, Liaison, ED Managers Roundtable  
Gerhard Apfelthaler – California Lutheran University  
Will Berg – City of Port Hueneme  
Gary Cushing – Chambers of Commerce Alliance  
Kristin Decas – Port of Hueneme/Oxnard Harbor District  
Dee Dee Cavanaugh – City of Simi Valley  
Nan Drake – E.J. Harrison Industries  
Amy Fonzo – California Resources Corporation  
Greg Gillespie – Ventura County Community College District  
Cheryl Heitmann, Chair – City of Ventura  
Linda le Brock – Pacific Coast Business Times  
Kelly Long – County of Ventura  
Nancy Mayerson – Mayerson Marketing & Public Relations  
Chris Meissner, Vice Chair – Meissner Filtration Products  
Roseann Mikos – City of Moorpark  
John Procter – City of Santa Paula  
Carmen Ramirez – City of Oxnard  
Jim Scanlon – Arthur J. Gallagher Co.  
Laurel Shockley – Southern California Edison  
Tony Skinner – IBEW Local #952  
Sandy Smith – VCEDA  
Sim Tang-Paradis – City National Bank  
Tony Trembley – City of Camarillo  
Ysabel Trinidad – California State University Channel Islands  
William Weirick – City of Ojai  
John Zaragoza – County of Ventura  
Peter Zierhut – Haas Automation
- Absent:** Al Adam – City of Thousand Oaks  
Victor Dollar – VCLA (liaison)  
Harold Edwards – Limoneira Company  
Ron Galaviz– Lead Builders, Inc  
Susan Mulligan – Calleguas Municipal Water District (liaison)  
Cari Shore – Rabobank  
Trace Stevenson – AeroVironment, Inc.
- Legal Counsel:** Nancy Kierstyn Schreiner, Law Offices of Nancy Kierstyn Schreiner
- Staff:** Marvin Boateng, Loan Officer  
Ray Bowman, SBDC Director  
Clare Briglio, Special Services Coordinator  
Alondra Gaytan, Program Manager

Shalene Hayman, Controller  
Kelly Noble, Office Manager  
Bruce Stenslie, President/CEO

**Call to Order:** Chair Cheryl Heitmann called the meeting to order at 1:30 p.m. Heitmann thanked everyone for attending this study session.

**Public Comment** None

**Study Session on Entrepreneurship Ecosystem Analysis** Chair Heitmann and Bruce Stenslie introduced Phil Auerswald, Xopolis, Urban Analytics, who led a discussion on the region's current assets and opportunities in entrepreneurship driven economic development.

The discussion continued with Board Members and partners through 2:45.

**Business Meeting** Chair Heitmann called the business meeting to order at 2:55.

**Roll Call:** Bruce Stenslie

**Public Comment:** None

**Amendment to the Agenda:** None

**Minutes:** Chair Heitmann asked if there were any comments on the November 16, 2017 minutes. With none, Heitmann requested a motion to approve the minutes from the meeting of November 16, 2017. Tony Trembley moved to approve and file the minutes from November 16, 2017. Nancy Mayerson seconded the motion. Member Nan Drake entered after this item. All remaining board members listed in attendance in favor, motion carried.

**Recommendation to Ratify a Program Related Income Agreement and Note with the Gene Haas Foundation, for \$200,000 in Loan Capital for Lending to Businesses Impacted by the Thomas Fire.** Peter Zierhut, Haas Automation, recused himself from the meeting.

Stenslie noted that EDC-VC has operated business loan programs continuously and successfully since 1997, maintaining capacity through a full-time Loan Officer on staff and working in collaboration with banking and finance professionals serving as our Loan Board.

Our sources of capital have long included the U.S. Department of Commerce, matching funds from the cities and county, and federal Community Development Block Grant funds. Currently, these funds are for the most part available for lending countywide, with the primary objective being job creation.

EDC-VC also manages a loan program capitalized through California Proposition 10 Tobacco Tax funds, through First 5 Ventura County, for lending to support the expansion of early child education capacity.

The total amount of loans made from all funds is more than \$17 million, with a current open portfolio of approximately \$6 million. Our loan loss ratio is under 7%, which is extremely competitive in our field considering our niche is lending to firms denied access to commercial credit.

A more thorough estimate of the fire's impact to business will be difficult and will take some time to generate. For a quick and informal estimate, however, citing data primarily

for just Ventura County, consider the following:

- We experienced an unprecedented holiday season business interruption, especially in Retail & Other Services but also extending to supply chain disruption across all sectors and potentially extreme impact to the Agricultural sector.
- Data from the National Retail Federation indicates that fire zone and adjacent retailers may lose 20% of their annual revenue in 2017, with continuing impacts into 2018.
- Retail & Other Services sectors alone represent some 14% of the fire zone jobs, with more than 10,000 workers potentially impacted in west Ventura County alone.
- The more recent debris flows in Montecito have completely shut down that region's business community, with closures extending from Montecito to Carpinteria, and no certain dates for re-opening for many of them.
- Extrapolating from regional economic data for Ventura County, the loss in Retail and Other Services sales in the fire impacted areas could be as much as \$175 million.
- For the Ojai Valley specifically, the Accommodation and Food Services sector represents 31% of all jobs, with Private Education accounting for more than 16% of local jobs. Both sectors have been severely impacted, resulting in retail sales and commerce across all sectors in the Valley at a near complete standstill, with the city's lost tax revenue impacting the community in 2018 and beyond.
- An informal calculation of Ojai Valley *lost hotel room rental income* may be more than \$3.5 million, with the Ojai Valley in closed for over a month (re-opened on January 11) and the Oaks at Ojai still closed.
- The loss to the Farm sector is also significant, but we defer to the Agriculture Commissioner's office for a more informed assessment and calculation. That noted, even a 5% impact to the sector's \$3.54 billion footprint—inclusive of production, processing and distribution—would result in a loss of \$177 million to the local economy.
- Owing to the nature of the disruption, the employment impact is nearly impossible to measure. For example, Retailers generally don't lay off workers, rather they assign reduced days & hours, so lost incomes are not widely reflected in unemployment insurance claims data. Similarly for Agriculture, workers kept out of the fields for several days owing to unsafe air quality likely did not produce significant claims for unemployment insurance.
- Ventura County is not well positioned to absorb the impact, with 0% GDP growth over the last four years and a minus 2.7% in 2016. Looking at GDP alone, Ventura County's economic performance is in the bottom 10% nationally of all the nation's Metropolitan Statistical Areas.

While as noted, we don't know the full impacts of the fire, we are seeing interest and demand for access to capital as a form of recovery assistance.

The recommended action immediately establishes our access to new funds dedicated to assisting businesses impacted by the fire.

Moving forward, we will continue to be vigilant on the following:

- seeking additional funds from local banks and other potential contributors, helping to assure we have adequate capital to support demand,

- seeking contributions to a loan loss reserve for what we perceive may be higher risk lending than our general portfolio,
- seeking first to assist clients to access commercial credit or other state or federal assistance that might be optimally suited to their circumstance, and
- providing lending assistance through other, existing sources for capital for firms that are seeking loans larger than the \$15,000 we've identified for an upper limit per loan in this fund.

Chair Heitmann stated that it is recommended by the Executive Committee that the full board of directors ratify its actions of January 9, 2018:

1. Approve a Program Related Income Loan Agreement and Note with the Gene Haas Foundation, in the amount of \$200,000, for the term January 9, 2018 through December 31, 2021, to capitalize a micro-enterprise loan fund for businesses impacted by the Thomas Fire.
2. Delegate authority to the President/CEO, subject to legal review, to sign the Agreement and Note, and any related documents, required to secure the loan fund contribution for business recovery from the Thomas Fire from the Gene Haas Foundation.

Nancy Mayerson motioned to

1. Approve a Program Related Income Loan Agreement and Note with the Gene Haas Foundation, in the amount of \$200,000, for the term January 9, 2018 through December 31, 2021, to capitalize a micro-enterprise loan fund for businesses impacted by the Thomas Fire.
2. Delegate authority to the President/CEO, subject to legal review, to sign the Agreement and Note, and any related documents, required to secure the loan fund contribution for business recovery from the Thomas Fire from the Gene Haas Foundation.

Dee Dee Cavanaugh seconded the motion. Member Nan Drake entered after this item. All remaining board members listed in attendance in favor, motion carried.

**Consideration of New Member Nomination, The Trade Desk, Represented by Alex Schneider. Recommend to Approve.**

**Background:** Our bylaws, Section 2.2, identify our full board as a maximum of 36 members, including up to 24 from the private sector (which may include up to four members from other public organizations or special districts, such as CSUCI and the Port of Hueneme) and 12 from the public sector.

Public Sector: The public sector seats are *defined specifically* as one elected official from each of the ten cities and two members of the County Board of Supervisors. These public sector seats are filled and membership dues are current.

Private Sector: With today's recommended action we have 21 private sector members, out of a total of 24 available seats. Of the 21 private sector seats, currently three are "in-kind" (out of a maximum allowable of five), for the Pacific Coast Business Times, Mayerson Marketing and the Chambers of Commerce Alliance.

Today's Recommended Action is to approve a nomination to the full Board for membership for The Trade Desk ([www.thetradedesk.com/](http://www.thetradedesk.com/)), a Ventura based, fast-growing firm in digital advertising. The Trade Desk was launched out of the City's business incubator and went public in 2016, now trading on the Nasdaq with a nearly \$2 billion market cap. Securing a new membership from an early stage, high growth technology-driven firm has been a priority in new member recruitment. This nomination addresses that priority.

The Trade Desk will be represented by Alex Schneider, VP of Client Strategy. Alex has been with the firm since 2010, joining shortly after its launch. Previous to his tenure with The Trade Desk, Alex worked for the City in helping to launch its business incubator.

We are actively recruiting new members for the remaining three seats, with a key consideration to fill vacancies relative to gaps in industry sector representation. Our recruitment considerations include not only distribution and diversity by industry sector but also by region of the county, significance of the business and sector as well as the personal and professional characteristics of the individuals representing the industries and firms we recruit.

Current active recruitments have focused on the Health Services sector, Manufacturing and its value chain, regional Hospitality, Biotech, Medical Device, Finance & Insurance and others.

Chair Heitmann it is recommended that the Board of Directors approve a new EDC-VC Board Membership for the Trade Desk, represented by Alex Schneider, VP of Client Strategy. Chris Meissner motioned to approve a new EDC-VC Board Membership for the Trade Desk, represented by Alex Schneider, VP of Client Strategy. Amy Fonzo seconded the motion. Member Nan Drake entered after this item. All remaining board members listed in attendance in favor, motion carried.

#### **Election of Officers, 2018**

Stenslie noted for the Board that our bylaws stipulate, at Section 2.8, that the Executive Committee shall act as the nominating committee for the election of board officers. The slate listed above was approved by the Executive Committee at its meeting on January 9. Section 3.1b of our bylaws states that at the annual meeting for each new calendar year, the Board shall elect the Chair of the Board, the Vice-Chair, the President, Secretary and Treasurer of the Corporation.

Section 3.1a further specifies that “the Chair and Vice-Chair will alternate between its [the board's] public and private sector representatives.” Accordingly, the 2018 Chair is selected from among our Board’s *private* sector members and our Vice-Chair is selected from among our Board’s *public* sector members.

Chair Heitmann stated that it is recommended that the Board of Directors approve and elect the Executive Committee’s slate of nominations for our 2018 officers:

- Chris Meissner, Chair
- Carmen Ramirez, Vice-Chair
- Peter Zierhut, Secretary/Treasurer
- Bruce Stenslie, President

Tony Trembley motioned to approve and elect the Executive Committee’s slate of nominations for our 2018 officers:

- Chris Meissner, Chair
- Carmen Ramirez, Vice-Chair
- Peter Zierhut, Secretary/Treasurer
- Bruce Stenslie, President

Kristin Decas seconded the motion. Member Nan Drake entered after this item. All remaining board members listed in attendance in favor, motion carried.

#### **Appointment of Executive**

Stenslie stated that the following summarizes the guidance of our bylaws for the annual establishment of our Executive Committee. Section 3.3 of the bylaws states that:

## **Committee Members for 2018**

“An Executive Committee comprised of nine (9) Board members, including the Chair, Vice Chair, and Secretary/Treasurer with the balance selected by the Chair, subject to Board approval, shall be established each year at the first Board meeting of the calendar year. The Chair shall select one member of the Executive Committee from among the city or county economic development practitioners who participate in the Economic Developers Roundtable. This member of the Executive Committee shall also be designated as an advisory member of the EDC-VC Board of Directors, consistent with Section 2.7 of these bylaws.”

Heitmann stated that per the Chair Nominee’s direction, the following slate of 2018 Executive Committee members is submitted for the board’s approval:

### **Private Sector**

- Harold Edwards, Limoneira Company
- *Chris Meissner, Meissner Filtration Products (Chair)\**
- Sim Tang-Paradis, City National Bank
- *Peter Zierhut, Haas Automation (Secretary/Treasurer)\**

### **Public Sector**

- *Cheryl Heitmann, City of Ventura*
- John Procter, City of Santa Paula
- Carmen Ramirez, City of Oxnard (*Vice-Chair*)\*
- Anthony Trembley, City of Camarillo

### **Economic Development Roundtable**

- Haider Alawami, City of Thousand Oaks

Dee Dee Cavanaugh motioned to approve the slate of of 2018 Executive Committee members:

### **Private Sector**

- Harold Edwards, Limoneira Company
- *Chris Meissner, Meissner Filtration Products (Chair)\**
- Sim Tang-Paradis, City National Bank
- *Peter Zierhut, Haas Automation (Secretary/Treasurer)\**

### **Public Sector**

- *Cheryl Heitmann, City of Ventura*
- John Procter, City of Santa Paula
- Carmen Ramirez, City of Oxnard (*Vice-Chair*)\*
- Anthony Trembley, City of Camarillo

### **Economic Development Roundtable**

- Haider Alawami, City of Thousand Oaks

Kristin Decas Seconded the motion. Member Nan Drake entered after this item. All remaining board members listed in attendance in favor, motion carried.

**Recommendation to Approve the 2018 Meeting Calendar**

Stenslie noted for the board that the full board meetings are held on the third Thursday of the month at 4:00 PM.

Unless otherwise notified, full board meetings are at the Board Room, 4001 Mission Oaks Blvd, Camarillo, 93012.

As in past years there are no board meetings in August and December.

<u>Month , 2018</u>	<u>Full Board</u>	<u>Location</u>
January	1/18 (Annual Meeting, 1:30 PM	Spanish Hills CC
February	2/15, 4:00 PM	Meissner Filtration 1001 Flynn Road, Camarillo
March	3/15, 4:00 PM	4001 Mission Oaks Blvd
April	4/19, 4:00 PM	4001 Mission Oaks Blvd
May	5/17, 4:00 PM	4001 Mission Oaks Blvd
June	6/21, 4:00 PM	4001 Mission Oaks Blvd
July	7/19, 4:00 PM	4001 Mission Oaks Blvd
No August meeting		
September	9/20, 4:00 PM	4001 Mission Oaks Blvd
October	10/18, 4:00 PM	4001 Mission Oaks Blvd
November	11/15, 4:00 PM	4001 Mission Oaks Blvd
No December Meeting		
January, 2019	1/17/19 (Annual Meeting, 3:00 PM)	TBD

Chair Heitmann asked for a motion to approve the 2018 meeting calendar. Chris Meissner motioned to approve the 2018 meeting calendar. Sim Tang-Paradis seconded the motion. Member Nan Drake entered after this item. All remaining board members listed in attendance in favor, motion carried.

**Recommendation to Receive and File “2017 Highlights”**

Stenslie stated that this has been put on the agenda as a “Receive and File” item. Again this year we have assembled an annual “highlights” document. Developed in concert with Mayerson Marketing & Public Relations, the report will *be available at the time of our meeting on January 18.*

The document is not intended to serve as a formal annual report, rather it is to provide attendees of our Annual Meeting and stakeholders a snapshot of some of our work.

Key points include:

- Our activity for quickly mobilizing business support services in response to the Thomas Fire disasters.
- Outstanding performance through our Small Business Development Center, specifically recognizing our receipt of the SBA’s Small Business Development

Center International Excellence Award and Center Director Ray Bowman's designation as the California "State Star" for 2017.

- Outstanding performance and continuing positive growth in our lending and access to capital programs as led by Marvin Boateng.
- Success story from our client GBL Systems Corporation in Camarillo.
- A short summary of our activity and success in providing support for entrepreneurship and innovation.

We look forward to building on and expanding this work in 2018.

**Closed Session –  
Employee  
Performance  
Evaluation**

EDC-VC Representatives: Cheryl Heitmann and Nancy Kierstyn Schreiner  
Unrepresented Employee: President

The Board went into closed session at 3:05 p.m.

**Government Code  
Section 54957.  
Title: President  
Conference with  
Labor Negotiators  
pursuant to  
Government Code  
54957.6  
EDC-VC  
representatives  
Cheryl Heitmann  
and Nancy  
Kierstyn  
Schreiner  
Unrepresented:  
President**

**Consideration of  
Approval of  
President's Third  
Amended  
Employment  
Agreement,  
Employee  
Compensation**

The Board came out of closed session at 3:15 with the following to report:

Chris Meissner motioned to Approve the President's Third amended employment agreement and employee compensation. Roseann Mikos seconded the motion. All board members listed in attendance in favor, motion carried.

**Board Member  
Comments**

Recess at 3:15 to reception and Annual Meeting.



**Reconvene at 4:00  
PM – Grand  
Ballroom**

190 guests in attendance.

- **Welcome by Cheryl Heitmann, EDC-VC Chair 2017, Highlights & Introduction of 2017 Officers**
- **Priorities for 2018 by Chair Nominee Chris Meissner**
- **Entrepreneurship Panel & Keynote Speaker, Phil Auerswald**

Cheryl Heitmann welcomed everyone, and thank you for attending EDC-VC's 21<sup>st</sup> Annual Meeting.

Chair Heitmann thanked the board members for their support this past year and for all the work you do in Ventura County. It is very much appreciated.

While on the topic of thanks, Chair Heitmann thanked our many elected officials and dignitaries here today, who are committed to the public/private partnerships that make Ventura County a great place to live and work.

Looking back on the year just past, Chair Heitmann focused on three key points:

First is just to emphasize we are a service directed economic development organization, dedicated to business technical assistance, lending and training.

We provided services to nearly 600 firms this past year, resulting in nearly 500 jobs created and retained, over 60 new business start-ups and more than \$68 million in new capital infusion to those firms.

As a top performer in the national small business network, we earned the Small Business Development Center International Excellence Award from the SBA District Office and our Small Business Center Director Ray Bowman earned the SBA's State Star designation.

Further on our service activities, in partnership with the Port of Hueneme and Cal Lutheran University we completed an analysis of our region's extraordinary export activity in agribusiness.

And with the Ventura County Community College District we developed a User's Guide for business looking to access career education resources.<sup>3</sup>

For the second point, looking at the big picture, Chair Heitmann reflected on what's just been happening in our area and where we came from.

The EDC was launched over 20 years ago in large measure as a response to the Northridge Earthquake.

Since then we've grown and diversified our resources and services, but it's important that at this moment, we remember where and how we started.

Again, we have been called to help with another natural disaster, the Thomas Fire. For those of us in Ventura, this is particularly important. Chair Heitmann noted how proud she is that EDCVC now has the capacity and the team to help support businesses in their efforts to recover from the Thomas Fire disasters.

Although some of the businesses in the county were impacted by the fire, it could have been much worse.

Moving forward, we need to recognize that our retail, service and hospitality economies were particularly hit hard, with millions of dollars in lost sales during the

holidays. Recovery will be a long road, but we do have resources to help in that recovery.

And third, it's to reflect on how we do business. That is, we are the Economic Development Collaborative, with the emphasis on Collaborative.

We couldn't do any of the business assistance we do without the partnership of many of you and so many organizations.

In our efforts to respond to the fires, we appreciate the work of the Chambers of Commerce, of Downtown organizations, of Visitors and Convention Bureaus, the cities and county and many more.

Chair Heitmann called out several more for special thanks:

- To our partners, the County of Ventura, for their leadership in the development of a regional Economic Vitality Plan.
- To our partners at the SBA District office and our SBDC Lead Center in Long Beach.
- To the Governor's Office of Business & Economic Development for being here, with us, on the ground, meeting with local firms.
- And finally, to two private firms that really went the extra mile for us this year.

To City National Bank, for \$1.2 million in loan capital. Thank you Sim and Greg and your entire team.

And for fire recovery, to the Gene Haas Foundation, for \$200,000 in loan capital, for the small firms that have so few options for getting back on their feet. These will be short-term loans, quick turnaround, up to \$15,000 at 4% interest. Our goal is to get some working capital into the businesses and into the economy.

This is an extraordinarily generous investment, demonstrating leadership and commitment to our Ventura County. We look forward to building on that fund.

In closing, Chair Heitmann introduced our leadership team for 2018.

Earlier today our Board of Directors elected Chris Meissner, of Meissner Filtration Products, as our 2018 Chair.

Serving as officers with Chris will be

- Vice Chair Carmen Ramirez, Mayor Pro Tem City of Oxnard
- And Peter Zierhut, from Haas Automation, will be continuing as our Secretary/Treasurer.

2018 Chair Chris Meissner thanked Cheryl and everyone for being at today's meeting and for the confidence for taking on the Chair's role in 2018.

Chair Meissner thanked the sponsors for the Annual Meeting, without whom the event wouldn't be possible.

Looking ahead to 2018, Chair Meissner mentioned several points:

Our first priority will be our continuing work on fire recovery.

As soon as the fire hit us, we were moving into action. We have teams of business advisors that will continue to outreach to the many firms that were impacted.

We are especially grateful for the support of the Los Angeles SBDC network and to the Governor's Office of Business & Economic Development for immediately delivering an additional \$86,000 in support of this work.

We've added staff, with Clare Briglio coming on board, leading our effort in outreach and networking resources for business assistance.

And as Cheryl noted, we've also added new loan capital and developed a new loan product, fueled by the generous support of the Gene Haas Foundation.

Which leads to our 2<sup>nd</sup> priority in 2018, that is, adding to our capital base for lending.

To be clear, we're not a bank, rather, we're an alternative lender, supporting the work of our region's financial institutions.

As Cheryl noted, we are a partnership driven group, and we look forward to expanding on those partnerships for new capital to fuel economic growth in the region.

For a 3<sup>rd</sup> priority, we'll be launching this year a Quarterly Economic Indicator Report in collaboration with the Community College District.

Our intent with this is to help set a baseline, a common set of data and understanding of our actual condition.

And it's not just for the sake of having data, rather it's for helping to inform our own organization's and our region's leadership on how to steward our economy and economic opportunity.

And finally, for the first time in our organization's 21 year history, we'll be moving our offices, across town, still in Camarillo, but in a new partnership with the Ventura County Community Foundation.

With that we're excited for new partnerships with what's emerging as a center for business development and entrepreneurship.

Moving ahead, Chair Meissner introduced the 2018 Executive Committee.

Officers:

- Carmen Ramirez, City of Oxnard
- Peter Zierhut, Haas Automation

Representing the private sector:

- Harold Edwards, Limoneira Company

- Sim Tang-Paradis, City National Bank

And Representing the Public sector:

- Council Member Cheryl Heitmann, City of Ventura
- Council Member John Procter, City of Santa Paula
- Council Member Tony Trembley, City of Camarillo
- Haider Alawami, City of Thousand Oaks, representing the Economic Development Roundtable.

Moving on to our topic of the day, entrepreneurship and the condition of our region's entrepreneurship ecosystem, Chair Meissner introduced Bruce Stenslie to introduce our topic of the day.

Bruce introduced Phil Auerswald, Xopolis, Urban Analytics, who presented their current research on the region's entrepreneurship ecosystem.

There was a brief Q&A session following the presentation. Stenslie turned the podium back to Chair Meissner to close out the meeting.

Chair Elect Meissner stated that it is his honor and pleasure to thank Cheryl Heitmann, our 2017 Chair, for her outstanding contributions to our Board and to our region's economy and economic development.

In recognition of that work, we have a gift for Cheryl, and of course several of you have proclamations. Several elected officials from throughout the region presented Cheryl Heitmann with their appreciation and proclamations.

Chair Meissner thanked everyone for helping us to honor the outstanding work and leadership of Cheryl Heitmann and thanked everyone for attending. Please join us for dinner.

**Adjournment to Next Regular Meeting,  
February 15, 2018** Meeting adjourned at 5:15 p.m. to February 15, 2018.