

MINUTES
EDC-VC EXECUTIVE COMMITTEE MEETING

April 3, 2019

Location:	EDC-VC, 4001 Mission Oaks Blvd., Founder’s Room, Suite A-1, Camarillo, CA 93012
Attendance:	Haider Alawami– Economic Roundtable Representative, City of Thousand Oaks Cheryl Heitmann – City of Ventura Carmen Ramirez, <i>Chair</i> – City of Oxnard Anthony Trembley – City of Camarillo Peter Zierhut, <i>Secretary/Treasurer</i> – Haas Automation
Absent:	Nan Drake, <i>Vice Chair</i> – E.J. Harrison Industries Harold Edwards – Limoneira Company Kelly Long – County of Ventura Chris Meissner– Meissner Filtration Products
Legal Counsel:	Nancy Kierstyn Schreiner – Law Offices of Nancy Kierstyn Schreiner
Guests:	None
Staff:	Marvin Boateng, Loan Officer Ray Bowman, EDCSBDC Director Kelly Noble, Office Manager Bruce Stenslie, President/CEO
Call to Order:	3:46 p.m. Chair Carmen Ramirez thanked everyone for attending.
Roll Call:	Kelly Noble
Amendment to the Agenda:	None
Public Comment:	None
Approval of Executive Committee Minutes	Executive Committee Meeting March 6, 2019 Chair Ramirez asked for a motion to approve the minutes from March 6, 2019 Executive Committee meeting. Tony Trembley moved to approve and file the minutes from March 6, 2019 Executive Committee meeting. Cheryl Heitmann seconded the motion. All Executive Members listed in attendance in favor, motion carried.
Administration	Consideration of the 2019 Annual Update to the EDC Business Plan Executive Summary and Supplement on Priorities in Regional Economic Competitiveness. 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 formal business 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.

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. For grant-writing and for sharing with stakeholders, we also share annually updated summaries of our donors and sponsors and Fact Sheet. The Supplement, by contrast, is used more as an external document, to highlight larger regional economic priorities.

Both the Business Plan and Priorities documents are supplemented by our website and collateral communication materials. These are primarily targeted to clients that may benefit from our services and to partner organizations that serve as referral resources. All of these materials in combination may be mixed and matched, customized to purpose and to the particular stakeholder or client target.

Stenslie added that our primary changes this year are simply to refresh the formatting, consistent with our 2018 re-brand, and a small adjustment in Work Plan item 3.b, for more inclusive language on the larger agenda of economic development.

We have recently had several discussions about the Goals for our Comprehensive Economic Development Strategy (CEDS). We've sought to assure that the priorities here attached and those Goals are aligned, though the two lists are slightly different, with the CEDS more specifically prescribed and more concentrated on items for which the U.S. Dept. of Commerce may direct funding. The priorities summarized here stand as our broadest statement on economic competitiveness.

The Executive Committee had a discussion regarding changes, with particular attention to aligning these priorities with the draft CEDS goals. There was no action for this item. Staff will be bringing back next month with some changes.

Review of the Draft Goals for the 2019-2024 Comprehensive Economic Development Strategy (CEDS)

Stenslie stated that the development of a CEDS is in many ways a compliance issue, a prerequisite or requirement for the region's receipt of grant funds distributed by the U.S. Department of Commerce, Economic Development Administration (or EDA).

A new CEDS is required every five years. Our last round of a CEDS was established just about five years ago.

We have received presentations and draft materials at several prior Executive Committee and full Board meetings from Dr. Alexandria Wright, Director of Workforce and Economic Development for the VCCCD Chancellor's Office, with whom we have agreement to author the CEDS.

Those discussions concentrated on the SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis, and then on the initial formation of strategic priorities, goals and objectives.

The Executive Committee discussed updating the goals, in alignment with the EDC business plan executive summary and priorities. This update will be brought to the full Board.

Discussion on the Development of a State/Regional Partnership to Inform a “Regions-Up” Triple Bottom Line California Economic Development Strategy, Incorporating the Economic Interests and Realities of the Different Areas of the State; Identification by the Regions of Actions the State Might Take to Assist Us in Executing Our Regional Economic Development Priorities

Stenslie noted that as previously discussed, CA Forward and the California Stewardship Network have been in discussions about developing content for a “regions-up” triple bottom line (that is, equally attentive to economic opportunity, broadly shared equity, environmental balance) economic development strategy for California.

This work is moving forward on several fronts, though one more urgent activity in particular is to secure from the several regions around the state contributions of some eight to ten priorities that we’d urge the state to adopt to support us in our local and regional work.

A draft outline of what that process looks like is in the packet.

Our interest today is to solicit Executive Committee input on our submittal of priorities.

For this we’ll draw from our CEDS process, our own already adopted regional priorities, and other inputs. The specific wrinkle here, however, is identifying items for which state action may be particularly important.

Small Business Development Center 1st Quarter Report

Stenslie noted for the Executive Committee that our initial contract as budgeted and approved by our Board is for \$405,000. At the time we considered those approvals, staff anticipated that we are likely to receive a mid-year increase to \$475,000. We just received that information on March 29 and are in the process of developing our internal budget modification.

Also as noted in prior meetings, this contract funding and activity is augmented by two awards from the CA Governor’s Office of Business and Economic Development, \$475,000 for general expansion of our services—with target activities relating to business access to capital, international business and disaster preparedness and recovery—and \$145,000 for business capital infusion.

Finally on funding, we are also required to provide a 50% match in cash to the \$475,000 SBA contract. As adopted in our budget, we anticipate \$110,000 of that as supplied by the business capital infusion item noted just above, plus \$127,500 locally raised

- up to some \$88,000 from the cities,
- \$30,000 from the County of Ventura, and
- an estimated \$45,000 from Santa Barbara City College and Cuesta College.

The total of those represents an “over-match” which provides us some confidence and cushion in assuring we can draw down our full allocation of federal funds.

Our service delivery is through the provision of direct, one-on-one professional consulting, using a corps of some 30 contract consultants. Our strategy is to develop direct consulting relationships with business clients, customized around specific scopes of work responsive to their needs for growth and profitability.

Our contract goals for the \$475,000 agreement follow below. All outcomes (or “milestones”) must be documented by signed agreement from the businesses served.

<u>Performance Goals</u>	<u>Outcome Target</u>
Clients Served:	316
Capital Infusion	\$35,000,000
Business Starts	60

The goals and targets are assigned by the Lead Center. The “Clients Served” category is new, replacing the former “Long-Term Clients” measure. This is a minor shift, though welcome, as the “long-term clients” measure encouraged a commitment of hours served to clients, without regard to economic outcomes.

We are confident we’ll exceed these measures, though as noted above, we have added a significant amount of new funds for this program through the Governor’s Office of Business and Economic Development, which drives the total number of clients served up to 900. That will be amore of a stretch goal this year.

Ray Bowman went over our newly developed “dashboard,” which allows us to track activities and outcomes in real time. Committee members recommended that the dashboard be shared with the full Board of Directors.

Update on Technology Exchange Consortium; First Consideration of Draft Management Agreement

Stenslie stated that in previous meetings our Executive Committee and Board have approved a Partnership Intermediary Agreement with the Naval Surface Warfare Center-Port Hueneme Division (NSWC-PHD) and a Memorandum of Understanding with NSWC-PHD, Matter Labs and the Port of Hueneme, for the purpose of advancing our activity as an intermediary for growing the economy through technology transfer and to identify and define the roles of the parties for advancing regional economic sustainability and competitiveness.

Draft organizing Articles have been shared with the Executive Committee and are in circulation for additional stakeholder comment. The Consortium’s Articles are not for our EDC approval, rather for awareness about the development of the Consortium, the purpose of which is to facilitate business connection to federal contracting through an Other Transactional Authority or “OTA.” Matter Labs is playing the lead in recruiting businesses to participate in the Consortium. Staff will circulate copies of the Draft Articles again prior to our meeting.

The standard operating procedure for supporting a technology consortium is through a “Consortium Management Firm.” That role is essentially to serve as the

fiscal agent for managing the business affairs of the Consortium. Staff believes that such a convening and intermediary role is wholly appropriate for EDC, consistent with our organizational purpose and capacity.

Functions and responsibilities of the Management Firm include:

- a) Act as the administrative point of contact for the Technology Exchange Consortium under the Articles of Collaboration and any amendments thereto;
- b) Assist the Consortium's Formation Committee/Executive Committee and Executive Director in negotiating with the Government on issues involving the OTA;
- c) Guard against the disclosure of competitively sensitive information and, together with the Consortium Executive Director and Executive Committee, institute policies and procedures to prevent potential violations of antitrust law;
- d) Together with the Consortium Executive Committee and Executive Director, take appropriate steps to avoid organizational conflicts of interest among the Members and to mitigate such conflicts if they cannot be avoided;
- e) Request nominations, prepare a slate of candidates for any open Consortium committee positions, facilitate Consortium meeting agenda development, provide notice of meetings and provide notice of member additions and deletions to the government; and
- f) Invoice, collect, and track membership dues/projects assessments from Member Companies. Provide quarterly financial reports to the Consortium Executive Committee.

For additional guidance on developing the management agreement and overall business plan for the Consortium—and for the management of the research/laboratory equipment we've secured under lease at the Port of Hueneme—EDC staff and partners (Matter Labs and Naval Surface Warfare Center)—are securing guidance from other OTA's and Consortia. The draft to be shared this week is not intended as the final document, anticipating additional inputs.

Meanwhile the Consortium formation and related activities continue apace. Two of the research labs at Naval Base Ventura County have secured grant funds (totaling \$120,000) that will contribute to the development and implementation, and other sources are also being pursued.

The overall regional interest in both the technology transfer opportunities and access to the research laboratory at the Port of Hueneme have been enormously encouraging.

In discussion it was agreed that before further considering, we need additional detail about the membership and structure of the Consortium. Stenslie noted that the item will come back to the Executive Committee after securing that information.

President's Report

Stenslie noted that field work for the audit is underway. A draft audit should be ready for presentation to the Executive Committee in May.

Stenslie also provided a brief update on the SBA Ojai Portable Assistance Grant.

**New or Unfinished
Business:** None

**Executive Committee
Comments:** None

Adjournment At 4:54 pm., Chair Ramirez announced that the meeting is adjourned to May 1, 2019.

Minutes taken by Kelly Noble