

MINUTES
EDC-VC BOARD OF DIRECTORS MEETING
May 16, 2019

Location: 4001 Mission Oaks Boulevard, Camarillo 93012

Attendance: Will Berg – City of Port Hueneme
Vance Brahosky – NSWC Port Hueneme Division
Kristin Decas – Port of Hueneme/Oxnard Harbor District
Dee Dee Cavanaugh – City of Simi Valley
Gary Cushing – Chambers of Commerce Alliance
Carole Drulias – Rabobank
Bob Engler – City of Thousand Oaks
Amy Fonzo – California Resources Corporation
Bob Huber – County of Ventura
Kelly Long – County of Ventura
Roseann Mikos – City of Moorpark
Manuel Minjares – City of Fillmore
Shawn Mulchay – City of Camarillo
Marissa Nall – Pacific Coast Business Times
Michele Newell – VCEDA
Carmen Ramirez, *Chair* – City of Oxnard
Sim Tang Paradis – City National Bank
Ysabel Trinidad – California State University Channel Islands
William Weirick – City of Ojai
Peter Zierhut, *Secretary/Treasurer* – Haas Automation

Absent: Haider Alawami – City of Thousand Oaks, Liaison, ED Managers Roundtable
Gerhard Apfelthaler – California Lutheran University
Eric Bergh – Calleguas Municipal Water District (Liaison)
Victor Dollar – Ventura County West
Nan Drake, *Vice Chair* – E.J. Harrison Industries
Harold Edwards – Limoneira Company
Clint Garman – City of Santa Paula
Greg Gillespie – Ventura County Community College District
Cheryl Heitmann – City of Ventura
Chris Meissner – Meissner Filtration Products
Jim Scanlon – Arthur J. Gallagher and Co
Alex Schneider – The Trade Desk
Laurel Shockley – Southern California Edison
Tony Skinner – IBEW Local #952
Trace Stevenson – AeroVironment, Inc.

Legal Counsel: Nancy Kierstyn Schreiner, Law Offices of Nancy Kierstyn Schreiner

Staff: Marvin Boateng, Loan Officer
Shalene Hayman, Controller
Kelly Noble, Office Manager
Bruce Stenslie, President/CEO

Guests: Michel Abedian, Farber Hass Hurley LLP
Melody Rafelson, Supervisor Bob Huber, Sr. District Representative

Call to Order:	Chair Carmen Ramirez called the meeting to order at 3:41 p.m. Ramirez thanked everyone for being here today.
Amendment to the Agenda:	None
Public Comment:	None
Minutes:	<p>Approval of Meeting Minutes, April 18, 2019</p> <p>Chair Ramirez asked if there were any comments on the April 18, 2019 minutes. With none, Ramirez asked for a motion to approve the minutes from April 18, 2019. Bob Huber motioned to approve the minutes from April 18, 2019. William Weirick seconded the motion. All Board members listed in attendance in favor, motion carried.</p>
Financial Report:	<p>April 2019 Financials</p> <p>Shalene Hayman Briefly reviewed the April 2019 financials. Stenslie added that with staff transitions at the City of Oxnard their dues and contributions payments had fallen behind, but are now paid, though there was not enough time to post prior to printing the financials so still showing 90 plus days.</p> <p>Ramirez asked if there were any questions. With none, Ramirez requested a motion to approve and file the April 18, 2019 Financials. William Weirick motioned to approve and file April 18, 2019. Manuel Minjares seconded the motion. All Board members listed in attendance in favor, motion carried.</p>
Administration	<p>Consideration of the Draft Auditor’s Report and Financial Statements for December 31, 2018. Recommendation to Approve.</p> <p>Stenslie stated this is our third audit by Farber Hass Hurley LLP, after several years by Poindexter and Company. The Executive Committee reviewed the draft report at its meeting of May 1, approving the report with the addition of the 2018 comparatives, recommending its consideration and approval by the full Board.</p> <p>Stenslie added that he would like to commend the excellent work of Kelly Noble, Shalene Hayman and Marvin Boateng for their exercise of our financial control systems, and for their assistance in the audit process.</p> <p>Stenslie introduced the auditor for the year 2018, Michel Abedian from Farber Hass Hurley LLP.</p> <p>Michel Abedian went through the financial statements explaining that the audit provides an unqualified opinion for the representation of these financial statements.</p> <p>Abedian stated that there are no findings reported for 2018, and no findings from prior years requiring tracking.</p> <p>Board members and the auditors had a brief discussion about the audit report, with the auditor answering questions on the details.</p> <p>Ramirez stated that It is recommended by the Executive Committee that the Board approve the draft Auditor’s Report and Financial Statements for Fiscal Year Ending December 31, 2018. Kelly Long Motioned to approve the draft Auditor’s Report and Financial Statements for Fiscal Year Ending December 31, 2018. Bob Huber seconded the motion. Roseann</p>

Mikos left prior to this motion. All remaining Board members listed in attendance in favor, motion carried.

Consideration of a Contract with the Ventura County Children and Families First Commission, up to \$35,000 to EDC for the Administration of the Community Investment Loan Fund, \$350,000 in Loan Capital, for the Period July 1, 2019 – June 30, 2020. Recommendation to Approve.

Stenslie gave the background of the loan fund explaining its program budget and loan pool.

Stenslie stated that five loans from First 5 funds are currently open, totaling \$1,196,868, successfully leveraging an additional \$568,132 in other loan funds, for a total of \$1,765,000 loaned. The fund is extraordinarily cost effective, creating, 341 new child care slots—including 97 in the high value/tight market space for infants and toddlers—and creating 52 new jobs. For more detail, see attachment.

EDC-VC's responsibilities under the agreement include:

- Conduct loan consultation for potential borrowers.
- Conduct risk-assessment of loan applicant and the proposed project.
- Provide or identify resources for pre-financing technical assistance to loan applicants in areas such as business planning, market research and analyses, real estate and capital finance information, facilities development budget and timeline, access to other funding, etc.
- Evaluate loan applications and make underwriting decisions.
- Establish and manage a loan board that operates as a decision making body, guiding the development of loan policies and procedures and making funding decisions for loans.
- Manage and monitor the use and repayment of loan funds, ensure compliance with the loan terms and program guidelines, forecast loan repayment challenges, and provide mitigation support before challenges become serious.
- Outreach to other commercial, public and community-based lending institutions to invite and secure participation and co-investment in the Community Investment Loan Fund.

Our motivations for engaging in this project are several:

1. Local analyses have identified a large gap between the capacity of the formal child care industry and community need and demand. In December 2010, the Local Child Care Planning Council reported that there are only 32,037 licensed child care slots, with capacity sufficient to serve only 36% of all children between birth and age 13 with all parents in the labor force (88,893 children, based on 59% of parents in the workforce).
2. Limited finance capacity and economic challenges within the industry—particularly limited access to capital—comprise two of the three greatest barriers to the development of facilities and to closing the gap between capacity and need (the other significant barrier is “regulatory,” that is, inconsistent local development standards, procedures and planning processes).
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. *Longitudinal analyses show that*

investments in early child education pay the highest returns for future earnings and avoidance of social costs. The skills of our future workforce are foundational to our long-term economic competitiveness.

Ramirez stated that it is recommended that the Board of Directors delegate authority to the President/CEO to sign a contract renewal with the Ventura County Children and Families First Commission (First 5 Ventura County), for the period July 1, 2019 – June 30, 2020, up to \$385,000, of which up to \$35,000 is for EDC-VC's administration of \$350,000 in new loan capital for the Community Investment Loan Fund. Kristin Decas motioned that the Board of Directors delegate authority to the President/CEO to sign a contract renewal with the Ventura County Children and Families First Commission (First 5 Ventura County), for the period July 1, 2019 – June 30, 2020, up to \$385,000, of which up to \$35,000 is for EDC-VC's administration of \$350,000 in new loan capital for the Community Investment Loan Fund. Bob Engler seconded the motion. Kelly Long abstained from this item. Roseann Mikos left prior to this motion. All remaining Board members listed in attendance in favor, motion carried.

Update on Ventura County Film Commission and Film Liaison Activity

Stenslie stated that In 2013 our Board approved a two year pilot to launch a more active role as the Ventura County Film Commission. The approved action established both the framework for funding—through voluntary assessments or contributions from the County, the cities and other stakeholders—and the contract function of “Film Liaison.”

In 2015 our Board re-affirmed its support for the Film Commission activity, and we have budgeted for it in each year since, anticipating \$55,000 in revenue contributed by the County, cities and lodging association.

For more on the Film Liaison function and funding, see attached, “Film Liaison Funding Levels, 2019.”

Stenslie introduced Bill Bartels, The EDC Film Liaison. Bartels provided detailed information on film permits issued by jurisdiction and region and on the types of film activity most prevalent. Bill noted that film activity continues to trend upward, emphasizing that we the cities are now getting to be much more detailed in their reporting.

Continuing Discussion on the Development of a State/ Regional Partnership for a “Regions-Up” Triple Bottom Line California Economic Development Strategy, Informed by and Inclusive of the State’s Several Regions; Identification by the Regions of Actions the State Might Take to Assist in Executing Our Regional Economic Development Priorities

Ramirez passed the gavel to the Secretary/Treasurer, Peter Zierhut stating that she has a prior engagement to attend.

Stenslie stated, 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 urgent activity 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. Central to this exercise is identifying items for which state action may be particularly important.

Staff presented a summary of our draft priorities at our Board meeting in April.

From that input, and through discussions with other regions throughout the state, we've refined our draft list that was included in your packet.

There was some discussion around the draft list. Stenslie stated that the report should be complete the end of May or June.

President's Report

Stenslie noted that the CA Public Utilities Commission recently held a hearing in Oxnard, at which he provided comment about the need for greater investment in broadband technology to support business growth and competitiveness.

Committee/Liaison Reports:

VCEDA

Michele Newell reminded the board of the Business Outlook Conference, being held at the Ventura County Office of Education facility on Adolfo Road in Camarillo on October 31. Newell stated that VCEDA's policy committee is working to develop initiatives and goals for advocacy. They are hoping to have that by July.

Economic Developers Roundtable

None

Ventura County Lodging Association

None

Calleguas Municipal Water District

None

New or Unfinished Business:

Stenslie introduced Vance Brahosky, our Board liaison from the Naval Surface Warfare Center – Port Hueneme Division. Brahosky provided an update on local industry engagement activities.

Board Member Comments:

Amy Fonzo announced that California Resource Corporation is the Title Sponsor for the Ride for the Red this Saturday. They are proud to be a sponsor for the third year.

Adjournment:

Meeting adjourned at 4:51 p.m. Our next meeting is June 20, 2019.