

**MINUTES**  
**EDC-VC BOARD OF DIRECTORS MEETING**  
**February 20, 2020**

- Location:** 4001 Mission Oaks Blvd, Camarillo, CA 93012
- Attendance:** Haider Alawami – City of Thousand Oaks, Liaison, ED Managers Roundtable  
Gerhard Apfelthaler– California Lutheran University  
Will Berg – City of Port Hueneme  
Vance Brahosky – NSWC Port Hueneme Division (Liaison)  
Dee Dee Cavanaugh – City of Simi Valley  
Gary Cushing – Chambers of Commerce Alliance  
Nan Drake, *Chair* – E.J. Harrison Industries  
Cheryl Heitmann – City of Ventura  
Cynthia Herrera – Ventura County Community College District  
Bob Huber – County of Ventura  
Mary Jarvis – Kaiser Permanente  
Nina Kobasyashi – Mechanics Bank  
Jey Lacey – Southern California Edison  
Chris Meissner – Meissner Filtration Products  
Roseann Mikos – City of Moorpark  
Manuel Minjares – City of Fillmore  
Sean McCullough – Pacific Coast Business Times  
Shawn Mulchay – City of Camarillo  
Jim Scanlon – Arthur J. Gallagher and Co  
Sandy Smith – VCEDA  
Brian Tucker – Ventura County West  
Peter Zierhut, *Secretary/Treasurer* – Haas Automation
- Absent:** Kristin Decas – Port of Hueneme/Oxnard Harbor District  
Skyler Ditchfield– Geolinks  
Harold Edwards – Limoneira Company  
Bob Engler – City of Thousand Oaks  
Amy Fonzo – California Resources Corporation  
Anthony Goff – Calleguas Municipal Water District (Liaison)  
Kelly Long, *Vice Chair* – County of Ventura  
Will Mitchell – Strata Solar Development  
Carmen Ramirez – City of Oxnard  
Alex Schneider – The Trade Desk  
Tony Skinner – IBEW Local #952  
Andy Sobel – City of Santa Paula  
Trace Stevenson – AeroVironment, Inc.  
Sim Tang Paradis – City National Bank  
Ysabel Trinidad – California State University Channel Islands  
William Weirick – City of Ojai
- Legal Counsel:** Nancy Kierstyn Schreiner, Law Offices of Nancy Kierstyn Schreiner

<b>Staff:</b>	Marvin Boateng, Loan Officer Shalene Hayman, Controller Kelly Noble, Office Manager Bruce Stenslie, President/CEO
<b>Guests:</b>	Melody Rafelson, Supervisor Bob Huber, County of Ventura
<b>Call to Order:</b>	Chair Nan Drake called the meeting to order at 3:32 p.m. Drake thanked everyone for attending.
<b>Amendment to the Agenda:</b>	None
<b>Public Comment:</b>	None
<b>Minutes:</b>	<p><b>Approval of Meeting Minutes, January 16, 2020</b></p> <p>Chair Nan Drake asked if there were any comments on the January 16, 2020 minutes. With none, Drake asked for a motion to approve the minutes from January 16, 2020. Gary Cushing motioned to approve the minutes from January 16, 2020. Dee Dee Cavanaugh seconded the motion. Nina Kobayashi, Gerhard Apfelthaler, Cheryl Heitmann and Mary Jarvis were not present for this item. All remaining Board members listed in attendance in favor, motion carried.</p>
<b>November and December 2019 Financials:</b>	<p><b>November and December 2019 Financials</b></p> <p>Shalene Hayman briefly reviewed the financials focusing on December 2019. Hayman explained that we will go deeper into year-end during the Presentation of the Draft 2020 budget.</p>
<b>January 2020 Financials:</b>	Manuel Minjares moved to table this item. Roseann Mikos seconded the motion. All Board Members in attendance in favor, motion carried.
<b>Presentation of Draft 2020 Budget. Recommendation to Approve:</b>	<p>Stenslie stated that while 2019 closeout figures remain preliminary, we are again projecting a strong year-end net income.</p> <p>We are projecting a moderate increase in both revenue and expense for 2020, over 2019, still with a moderate net income for 2020. Revenue is projected at \$2,429,666, up by \$119,311, with Expense up by \$166,044. While this is healthy growth, it pales compared to the over \$500,000 growth we experienced from 2018 to 2019. Year-end net income for 2020 is projected at \$20,926.</p> <p>Continuing Policy and Governance Considerations for 2020:</p> <ul style="list-style-type: none"> <li>• Membership Dues were last increased, in 2015, by 10%. No additional changes are recommended for 2020. Private sector dues are set at \$6,750 annually. Dues for the cities are on a sliding scale, ranging from \$1,100 for the smallest city (Ojai) to \$9,900 for the largest (Oxnard). The County's dues are set at \$27,500 annually. Prior to 2015, our last <i>private</i> sector dues increase was in 2008, when we moved it from \$6,000 to \$6,250, and <i>our last public sector dues increase was in 2006</i>.</li> <li>• Our bylaws stipulate that the Board may allow for not more than <i>five</i> private sector members to be relieved from the payment of dues, in lieu of their providing in-kind services to the EDC, at a value of at least two times the donation for regular Board membership (Article VI, Section 6.2). As noted in recommendation</li> </ul>

#3, we have two in-kind members renewing in 2020: Chambers of Commerce Alliance of Ventura and Santa Barbara Counties, and the Pacific Coast Business Times.

Primary Revenue Source and Activity is Business Advising: This activity is supported by a mix of federal (US SBA and US DOL) and state funds (Governor's Office of Business and Economic Development), augmented for cash match purposes by city and county contributions, totaling \$1,316,716, or some 54% of our total revenue. These funds are the primary source of support for driving economic outcomes, through some 900 clients annually.

We are maintaining our current staffing level of 6.5 FTE's, with some allowance built into the budget for part-time growth

On the benefits side, we managed to hold increases to a very low percentage, though anticipate we'll be needing to absorb larger costs increases in upcoming years.

We are projecting an increase in year-over-year budget by \$35,000 in office operations. We have small increases in office space, with a larger increase—\$15,900—in travel and training (line 5330).

Fully \$909,000 of our service delivery capacity is through this line, some 38% of all expense. This assures our continuing flexibility to apply the right technical skills to business need. In consideration of state legislation, all of this activity is with incorporated entities.

In summary, we continue to trend in the right direction with healthy net income, managing expenses within prescribed limits and maintaining stable and growing revenue.

All revenue sources remain dedicated to our core functions in economic development services. We remain vigilant for new program and income opportunities consistent with our mission. We also remain cautious around the discretionary nature of our funding.

Chair Drake requested a motion to approve and file the November and December 2019 Financials as well as the draft 2020 budget. Bob Huber motioned to approve and file November and December 2019 Financials and draft 2020 budget. Gerhard Apfelthaler seconded the motion. All Board members listed in attendance in favor, motion carried.

**Administration:**

**Consideration of EDC's Development of a Marketing Strategy for Regional Business Services and Assets. Recommendation to Approve**

Stenslie commented to the Board of Directors that Ventura County as a region lacks a comprehensive business service resource and assets communication tool that is effective for connecting the region's service providers to existing and prospective business need and demand. This gap undermines our ability to promote economic growth and secure economic prosperity through a program of business retention and growth, entrepreneurship and attraction.

Recognizing this communication gap already in 2010, and seeking to enhance our recovery from the Great Recession, the VC Workforce Development Board accessed federal ARRA funding to address the need. The Workforce Board launched, and has maintained since then, the Ventura County Grows Business (VCGB) website, featuring information equally on each of the cities and county and providing profiles of the region's business and workforce services and assets. At the time it was created, it served to fill a

gap for promoting the region.

That value noted, a recent survey and analysis of the service providing partners indicates that none are receiving significant referrals through VCGB.

Our conclusion through a multi-partner participatory process for evaluating our current state is that VCGB is not wholly meeting the current needs of the region, either by connecting businesses to services for retention and growth or by marketing the region's assets for business attraction.

#### Recommendation for a New Direction:

1. **Problem: Lack of Referrals:** The VCGB website is not maintained by an organization whose primary business is multi-purpose and professional business engagement and economic development service.

Solution: Discontinue the investment in *Ventura County Grows Business* and redirect resources and funding to EDC—as a regional, full service economic development corporation—for the development and maintenance of a new online resource, with a working title of *Business First Ventura County*.

- 2) **Problem: Lack of staff support and measurable economic outcomes:** VCGB is neither structured for nor fully staffed to manage referrals and follow up with the diversity of service providing partners.

Solution: EDC, through its own resources and partner investment, and under the auspices of the Economic Vitality Strategic Plan, commits to an on-going convening of the business service partners and to providing dedicated business assistance staffing, expert in follow-up and referral, documenting and measuring economic outcomes resulting from business engagements.

- 3) **Problem: Lack of clarity in purpose and function between growth and retention and attraction:** These two roles—retention and growth and attraction—are neither currently clearly defined nor supported by regularly updated and differentiated content.

Solution: EDC establishes a regional public/private communication leadership committee for defining marketing and communication strategies for business attraction, continues to catalog and promote the region's assets, and secures sustainable funding for this activity that is separate from the functions of retention and growth.

#### Action Steps for Implementation

- 1) Secure partner and resource commitments for the proposed strategy, *including potential sources of funding as identified below*. Staff is presenting this same proposal on February 20 to the monthly meeting of the City Managers and County Executive Office, and previously received the support of the County Executive Office to move forward with this proposal.
- 2) Establish new *Business First Ventura County* web presence, with the process managed and implemented by EDC, inclusive of partner input, by July 1, 2020.
- 3) Redirect queries to VCGB to *Business First VC*, by target date of July 1, 2020.
- 4) Develop and finalize referral and follow up protocols through service provider stakeholder committee convened by EDC on behalf of EVSP.
- 5) Convene regional leadership group for continuous guidance and input on business marketing and communication strategies for business attraction.
- 6) Define outcome measures and establish process for review and continuous improvement.

Stenslie added that the current strategy and resources have been valuable for their time. Now, some ten years into an economic recovery and the reality of a new cycle of economic challenges ahead, we recognize the need and opportunity to evolve to a new platform, integrated with regional economic development service capacity.

The recommended action and steps retain our attention to marketing the region, but also add considerable emphasis on assuring the efficient delivery of services to business, documenting outcomes and leveraging the resources of the region's evolving community of service providers.

EDC has, since 2010, built the capacity to absorb the leadership role for regional business services marketing, central to the practice of regional economic development. EDC now has the opportunity to build on the experience of VCGB, an appreciated advantage for moving forward.

Chair Drake requested a motion that the Board of Directors Approve Staff's Development of a Marketing Strategy and On-Line Resource for Promoting Regional Business Services and Assets. Roseann Mikos motioned to Approve Staff's Development of a Marketing Strategy and On-Line Resource for Promoting Regional Business Services and Assets. Bob Huber seconded the motion. All Board members listed in attendance in favor, motion carried.

**Consideration of the Development and Launch of an Ongoing Series of EDC Forums, Convening Dialogue on the Issues that Drive or Inhibit Regional Economic Growth and Prosperity. Recommendation to Approve.**

Stenslie noted that while we have long identified among our roles our function as a regional convener, we have, to be fair, *under-played* this role relative to our larger concentrations of efforts in direct business engagement, most specifically business technical assistance, lending and training.

While our role has not been to advocate on issues relating to business climate, there remains enormous opportunity to convene on a more neutral platform.

At our last couple of Executive Committee meetings, staff has shared a draft framework for moving forward on this agenda. Key questions or issues include:

- What is the format and frequency, and what composition of attendees might we consider ideal? In response, the thought is three to four annually, with something more than 40 to 50 attendees and growing as we move ahead, optimally a diverse mix of stakeholders.
- What are the priority issues and what outcomes are we looking for?
  - Identify economic challenges and emerging issues faced by the local business community and provide opportunities to inform discussion and identify strategic priorities to help mitigate these challenges with the support of EDC staff, board leadership, city officials and key stakeholders.
  - Support EDC's current communication effort and enhance its position as a research organization and strategic convener of regional economic development partners, resources and opportunities committed to improving the regional economy.
  - Create greater clarity and focus around EDC Research projects and reports with the intent to connect them to the overall EDC economic development

strategy for the greater Ventura County region.

- With whom, or with which organizations, might we consider co-convening?  
In response, strategic partners include, but are not limited to, VC Economic Vitality Strategic Plan Steering Committee, Civic Alliance, VCEDA, California Lutheran University, CSUCI, Fathomwerx, VC Community Development Corporation, HOME, First 5, VCTC, SCAG, etc.

Some considerations informing the discussion about our role as a convener:

- Over the last several months there has been an increase in reporting and stakeholder concern about the region's economic condition and business climate. Several leaders, particularly elected officials, have expressed a desire to see more organizing and dialogue around this issue. People are eager for information, context and interpretation, direction and answers.
- We have increased our activity in publishing reports, analysis and data. Our purpose in this work is to inform discussion, priority setting and planning, for which we have not found, nor will we find, adequate forums for driving discussion without ourselves organizing and driving the opportunity.
- Moving forward, we are just now releasing our first quarterly *Ventura County Sustainable Community Indicators*. We also have several other publications—both completed and in the works—that create opportunity for convening and dialogue.
- While we're not alone in the economic development "space," we hold a significant leadership position generally and most specifically as the only public/private partnership with our focus.

Staff will move forward, with guidance from the Executive Committee, for scheduling and developing the focus for an initial launch of the convening's for late March or April

Chair Drake asked for a motion that the Board approve our development and launch of a regular series of EDC Forums, convening dialogue on the issues that drive or inhibit regional economic growth and prosperity. Bob Huber motioned to approve our development and launch of a regular series of EDC Forums, convening dialogue on the issues that drive or inhibit regional economic growth and prosperity. Dee Dee Cavanaugh seconded the motion. All Board members listed in attendance in favor, motion carried.

#### **President's Report**

Stenslie informed the Board that the Governor's Office of Business and Economic Development has agreed to fund EDC for building out a statewide version of our economic dashboard for Small Business Development Center data and performance. The system also includes additional elements for the management of advisor performance, that are viewable only by staff. The cost for building it out, and for the first year of operation, for all 49 Small Business Development Centers in CA will be some \$125,000, funded by GO-Biz. We have a three-year commitment for continuing operation.

Stenslie also informed the Board that our panel discussion at the Annual Meeting received nice press coverage in both the Pacific Coast Business Times and Ventura Star. A huge thanks to all our sponsors and attendees. For the press coverage, see attached.

#### **Committee/Liaison Reports:**

**Naval Surface Warfare Center** – Vance Brahosky spoke about Fathomwerks and how the Navy would like to bring it to a national level.

**VCEDA – None**

**Economic Developers Roundtable – None**  
**Ventura County Lodging Association – Brian Tucker gave a brief update**  
**Calleguas Municipal Water District - None**

**New or Unfinished  
Business:**

None

**Board Comments:**

Chair Drake welcomed Shawn Mulchay from City of Camarillo and Mary Jarvis from Kaiser Permanente to the Board of Directors.

**Adjournment:**

Meeting adjourned at 4:44 p.m. Our next meeting is March 19, 2020 4001 Mission Oaks Blvd, Camarillo