

MINUTES
EDC-VC BOARD OF DIRECTORS MEETING
September 17, 2020

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

Staff:	<p>Marvin Boateng, Loan Officer Ray Bowman, EDC SBDC Director Clare Briglio, Director of Communications Shalene Hayman, Controller Kelly Noble, Office Manager Bruce Stenslie, President/CEO</p>
Guests:	<p>Larry Buckley, Ventura County Community College District P.J. Gagajena, City of Moorpark Cynthia Herrera, Ventura County Community College district Carlos Juarez, City of Santa Paula Gloria Martinez, County of Ventura Cam Spencer, Port of Hueneme/Oxnard Harbor District Ryan Valencia – Office of Asm. Christy Smith Bryan Went, Fathomwerx Erick Went, Fathomwerx</p>
Call to Order:	<p>Chair Nan Drake called the meeting to order at 3:31 p.m. Drake thanked everyone for attending.</p>
Amendment to the Agenda:	<p>None</p>
Public Comment:	<p>None</p>
Minutes:	<p>Approval of Meeting Minutes, July 16, 2020</p> <p>Chair Drake asked if there were any comments on the July 16, 2020 minutes. With none, Drake asked for a motion to approve the minutes from July 16, 2020. Bob Huber motioned to approve the minutes from July 16, 2020. Henry Dubroff seconded the motion. All Board members listed in attendance in favor, motion carried.</p>
Financial Report:	<p>July and August 2020 Financials</p> <p>Shalene Hayman reviewed the July and August 2020 financials. Drake asked for a motion to approve the July and August 2020 Financials. Bob Huber motioned to approve the July and August 2020 Financials. William Weirick seconded the motion. All Board members listed in attendance in favor, motion carried.</p>
Discussion:	<p>Organizing a Regional Industry Partnership and Strategy. Peter Zierhut, Haas Automation</p> <p>Stenslie noted that while long characterized by a particularly strong production economy, Ventura County’s production sectors have not been especially organized.</p> <p><i>That lack of targeted organizational capacity notwithstanding, it’s important to note that the Ventura County manufacturing and agriculture and food systems sectors continue to rank among the nation’s most concentrated by geography and high value by productivity and local economic contribution.</i></p> <p>Looking to change that course on organizational structure, EDC board member Peter Zierhut, Vice President at Haas Automation, is in the process of organizing a core team of some ten leaders in manufacturing, biotech and agriculture, for consideration of forming a broadly purposed regional industrial organization.</p>

Peter Zierhut provided an overview of the following:

- what is motivating the group's formation,
- its early and formational membership,
- the inputs received so far from both local leaders and other industry groups from around the state and the continuing process of securing input, guidance and participation, and
- the group's intended purposes.

Through discussion it became clear there is enthusiastic support for the effort from members and staff.

Presentation and Discussion:

Fathomwerx Partnership, Facilitating Business Access to Small Business Innovation Research Grants

Stenslie commented that in January 2019 we entered into a Memorandum of Understanding with the Naval Surface Warfare Center-Port Hueneme Division (NSWC-PHD), the Port of Hueneme and Matter Labs, with several purposes in mind:

- supporting a culture of regional technology innovation, leveraging Navy Laboratory and Port resources,
- enabling systems supportive of technology transfer, building a closer relationship between the Navy Labs and the Port and businesses seeking to commercialize Navy and Port innovations,
- accelerating a self-supporting network of innovative research aligned to identified technological needs and a clear path to transition and commercialization by utilizing SBIR/STTR funding, Navy and Port R&D activities and other public and private capital.

In support of those purposes, we have branded this work as the Fathomwerx Partnership, built out at the Port of Hueneme an extraordinary research lab open to partner organizations, and secured the lab's designation by the Assistant Secretary of the Navy as a Naval X Tech Bridge, a connected network that enhances collaboration between Naval Labs, industry, academia, and other military branches.

Fathomwerx is also the sponsor or co-sponsor of several (virtual) convenings for the region, including a recent "Navy Partnership 101 for Women and Minority-Owned Small Businesses," "Rustathon," an opportunity for businesses and teams of firms to showcase their anti-corrosion coatings in potential naval and maritime applications, and is the organizing sponsor of this year's ANTX, or Advanced Naval Technology Exercise, Coastal Trident Port and Maritime Security Program (September 15-17).

At our July board meeting we reported on a variety of the Fathomwerx Partnership activities, highlighting business access to federal Small Business Innovation Research (SBIR) grants.

Taken directly from www.sbir.gov/about:

The Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs are highly competitive programs that encourage domestic small businesses to engage in Federal Research/Research and Development (R/R&D) with the potential for commercialization. Through a competitive awards-based program, SBIR and STTR enable small businesses to explore their technological potential and provide the incentive to profit from its commercialization. By including qualified small businesses in the nation's R&D arena, high-tech innovation is

stimulated, and the United States gains entrepreneurial spirit as it meets its specific research and development needs.

A central element of opportunity for Ventura County is the presence of several federal research laboratories hosted at Naval Base Ventura County.

Erick and Bryan Went provided an overview of SBIR activity connected to our region's research labs and to our Fathomwerx Partnership. Alan Jaeger, with the Naval Surface Warfare Center – Port Hueneme Division, also provided information on efforts at NBVC.

In summary, some 37 firms currently or in recent past have secured SBIR's in connection with the research labs and/or Fathomwerx. There is a confirmed a minimum value of those awards at \$2.8 million, though anticipate it to be significantly larger once all awards are tabulated (and the work is on-going).

For moving forward, we still see enormous opportunity for more existing local business engagement with our Naval Research Labs for supporting economic expansion. We also see a priority for promoting the Research Labs as a central element of business attraction, as firms across the country seek R&D and technology transfer opportunities spun off from this local asset.

Administration:

Consideration of a \$125,000 Agreement with California Manufacturing Technology Consulting, for the Term 7/1/20 – 6/30/21, Funding Our Outreach, Assessment and Advising Manufacturers on Available Programs and Resources. Recommendation to Approve.

Stenslie noted that California Manufacturing Technology Consulting (CMTC) serves as the California partner to the US Department of Commerce and National Institute of Standards and Technology for the delivery of the nation's Manufacturing Extension Partnership (MEP) National Network Program.

CMTC was recently awarded federal CARES Act funding to participate in a National Emergency Assistance Program (NEAP) in response to COVID-19. The CMTC goal with the NEAP funding is to help 7,000 California small and mid-size manufacturers survive, recover and thrive in emergence from the pandemic. With that additional funding, CMTC has reached out to several economic development and related organizations to provide assistance in this effort.

CMTC has proposed funding EDC up to \$125,000 to conduct outreach, assessment and advising services to a minimum 180 small and medium sized manufacturers in Ventura and Santa Barbara Counties.

This activity is wholly consistent with our existing Small Business Development Center services and would augment our funding and capacity to do this work, with special attention to our important manufacturing sector. The goal of 180 firms served is wholly reachable. While most of this program activity can be absorbed by existing staff capacity, we anticipate allocating an estimated \$32,000 of the \$125,000 to contract support for project management.

This partnership will add considerable value to our region's manufacturing firms as we will have, to their benefit, more and improved access to CMTC's full suite of services. These services include but are not limited to assistance with strategic planning, access to capital, operational efficiencies, workforce training and supply chain optimization.

Finally, while this contract is only through June of 2021, we anticipate this partnership to extend beyond that date for the enhanced access to CMTC services.

Chair Drake requested a motion for the Board of Directors to delegate authority to the President/CEO to sign agreements, subject to legal counsel review, with California Manufacturing Technology Consulting (CMTC), securing \$125,000 for the Term July 1, 2020 – June 30, 2021, for EDC's Provision of Outreach, Assessment and Advising Services to Manufacturers in Ventura and Santa Barbara Counties. Bob Engler motioned to delegate authority to the President/CEO to sign agreements, subject to legal counsel review, with California Manufacturing Technology Consulting (CMTC), securing \$125,000 for the Term July 1, 2020 – June 30, 2021, for EDC's Provision of Outreach, Assessment and Advising Services to Manufacturers in Ventura and Santa Barbara Counties. Kelly Long seconded the motion. All Board Members listed in attendance in favor, motion carried.

Consideration of a Memorandum of Understanding with Southern California Association of Governments and Other Parties, EDC-VC Serving as Fiscal Agent for the Broadband Consortium of the Pacific Coast, \$57,000 for Provision of Services in Support of the Developing Transportation Broadband Strategies to Reduce VMT & GHG Project. Recommendation to Approve.

Stenslie commented that serving as a federally designated Metropolitan Planning Organization for Southern California, SCAG, a Joint Powers Authority, is responsible of the development of a Regional Transportation Plan/Sustainable Communities Strategy for the counties of Imperial, Los Angeles, Orange, San Bernardino, Riverside and Ventura. The CA Department of Transportation (Caltrans) has awarded a transportation planning grant to SCAG to advance its Sustainable Transportation strategy.

A component of that strategy is to determine the feasibility of accelerating Digital Inclusion—that is, broadband deployment and adoption—as a strategy to reduce VMT and GHG. Or put another way, should more workers be able efficiently to telecommute, we can keep them off the road, reduce expenditures on road construction and maintenance, improve air quality and quality of life.

To carry out that research, SCAG has developed this MOU and scope of work, which includes the California Emerging Technology Fund (CETF) as the implementation lead, along with regional partners the Inland Empire Regional Broadband Consortium, the Southern Boarder Broadband Consortium and the Broadband Consortium of the Pacific Coast (BCPC), the latter for which EDC serves as fiscal agent.

The project scope of work for BCPC/EDC includes:

- \$20,000 for research and data collection for the types of data that are needed to show broadband relationship and impact to VMT and GHG.
- \$20,000 for community engagement and stakeholder meetings.
- \$15,000 for focus groups and surveys.
- \$2,000 for reimbursement of travel expenses.

CETF, EDC and the other regional partners are also contributing in-kind funding to this project. EDC's share of that in-kind contribution is \$5,968, through our existing CA Public Utilities Commission Advanced Services Fund grant, in support of our consortium. With that, our net income on the project is \$50,462. The project is anticipated to launch late September 2020 and for our role should be completed by the end of 2021, with the entire project, including final report, due in mid to late 2022.

We have existing capacity to complete the scope of work through our Consortium contract lead Bill Simmons and EDC staff.

Chair Drake requested a motion that the Board of Directors ratify the President/CEO's approval of a Memorandum of Understanding with Southern California Association of Governments (SCAG) and other parties, EDC-VC serving as fiscal agent for the Broadband Consortium of the Pacific Coast, \$57,000 for EDC and the Consortium's Provision of services in support of the Developing Transportation Broadband Strategies to Reduce Vehicle Miles Travelled VMT and GHG Project. William Weirick motioned to ratify the President/CEO's approval of a Memorandum of Understanding with Southern California Association of Governments (SCAG) and other parties, EDC-VC serving as fiscal agent for the Broadband Consortium of the Pacific Coast, \$57,000 for EDC and the Consortium's Provision of services in support of the Developing Transportation Broadband Strategies to Reduce Vehicle Miles Travelled VMT and GHG Project. Andy Sobel seconded the motion. All Board Members listed in attendance in favor, motion carried.

Consideration of an Agreement with Ventura County Community Foundation, Reimbursement of EDC Expenses in Support of the COVID-19 Business Assistance Grants Program. Recommendation to Approve.

Stenslie noted that the County of Ventura is a recipient of federal CARES Act funding to cover its expenses for providing support for residents, businesses and public and private entities impacted by the coronavirus pandemic. The County Board of Supervisors has approved an allocation and award to the Ventura County Community Foundation (VCCF) of \$24.7 million for a program to issue \$5,000 direct grants to businesses. The County Board also approved an allocation to VCCF of \$500,000 to implement the grant program.

VCCF has agreed to contract with EDC-VC and Women's Economic Ventures (WEV) to support this initiative. Our roles are summarized in the attached Draft Scope of Work. EDC and WEV are providing support in the design of the program, in outreach and communication to businesses, in the review of applications and through staffing a phone support system to answer questions from applicants and to guide them through the application process.

We anticipate our total expense in support of the program to be approximately \$115,000. It turns out that the process of granting \$5,000 for up to approximately 4,900 businesses is incredibly time and labor intensive. The process of awarding grants is still on-going, likely to be complete in September.

The notion of \$5,000 grants is designed specifically to award funds to a broad array of small firms. Similar strategies have been implemented in other California cities and counties and across the nation. Distributing funding to a large number of firms removed the possibility of evaluating applicants on merit, so collectively, with the County's lead, we established a system of simply confirming eligibility. Eligibility requirements include a business license, a W-9, submittal of information attesting to annual income between \$25,000 and \$2 million and a commitment to use the grant funds for eligible expenses to remain in business. If a business submitted a timely application for the grant and met the criteria, and all documents are in order, the business will receive \$5,000.00.

The form of the final agreement has not been finalized. The CARES Act requirements and compliance guidelines are still being developed. A draft of our prescribed scope of work is attached. We anticipate a final contract sometime yet in September.

Chair Drake requested a motion that the Board of Directors delegate authority to the President/CEO, subject to legal counsel review, to sign agreement with the Ventura County Community Foundation, for Reimbursement of EDC Expenses in Support of the Ventura County COVID-19 Business Assistance Grant Program. Roseann Mikos motioned

to delegate authority to the President/CEO, subject to legal counsel review, to sign agreement with the Ventura County Community Foundation, for Reimbursement of EDC Expenses in Support of the Ventura County COVID-19 Business Assistance Grant Program. Bob Huber seconded the motion. With Sim Tang-Paradis abstaining, all remaining Board Members listed in attendance in favor, motion carried.

Consideration of a FYE 12/31/2020 Budget Amendment, Incorporating New Revenue and Expense Related to COVID-19. Recommendation to Approve.

Stenslie noted that the Board of Directors adopted our FYE 12/31/2020 budget on February 20, just one month prior to the onset of the pandemic and a near shut down of the economy.

Our programmatic response was immediate and broadscale.

- To accommodate the rush of client need for assistance we hired and trained several part-time staff to support a hot-line call center operation, providing information and referral, program intake and access to advising services.
- We developed a comprehensive state of the art web page on COVID-19 resources (<https://edcollaborative.com/covid19/>) and continue to update it weekly and distribute to some 18,000 Constant Contact subscribers dozens of bulletins and announcements on federal, state and local resources.
- We developed and launched a whole new program of informational webinars on topics, just for example, ranging from federal loan program eligibility to social media and e-commerce strategies to considerations for a business to manage an organized closing to negotiating tenant/landlord issues.
- We organized and deployed an emergency strike team of staff and advisors to provide client assistance in accessing our own loan funds and, especially, the fast-evolving new federal loans and grants (PPP and EIDL).
- We organized new capacity to facilitate business understanding of impacts of new legislation to worker health benefits, business responsibilities in employee management and the nuances of unemployment insurance.
- We developed templates for several industry sectors for a turn-key resources for business compliance with state and local orders for re-opening and safety protocols.
- We hired two new regular staff, one to support our lending and capital access services (and to provide support for our existing loan portfolio clients) and another to support our on-going client, community and partner communications.
- We launched a whole new regional web resource, <https://businessforwardvc.com/>, in support of regional efforts to improve the networking of resources responsive to business need and to begin to communicate more strategically that Ventura County is a great place for business relocation.
- We partnered with the County and Women's Economic Ventures to facilitate some 4,000 firms accessing County sponsored \$5,000 grants.
- We continue to re-engineer our teams and services for optimal response to the continuing pandemic disaster.

So far since March, we have provided customized advising to some 1,947 clients suffering impacts owing to COVID-19, provided webinar training to an additional 2,200 and engaged another several thousand firms for information and referral. All that compares to an average of providing in-depth advising services to some 600 clients annually.

Fortuitously, to execute this evolving work plan and to meet client demand we have been the beneficiary of an extraordinary infusion of new capital, both public and private. Stenslie went through the changes in the budget line items.

The net expense increase is by \$891,914, to an adjusted \$3,300,704. This leaves us with a projected net income of \$99,982, or up by \$79,056 over our adopted budget estimate in February.

This is a conservative expense estimate and budget, leaving us with a reasonable cushion to continue to absorb any unanticipated cost increases through the end of the year.

Chair Drake requested a motion that the Board of Directors approve a FYE 12/31/2020 budget adjustment, incorporating unanticipated revenue and expense primarily related to responding to the coronavirus pandemic. Kelly Long motioned to approve a FYE 12/31/2020 budget adjustment, incorporating unanticipated revenue and expense primarily related to responding to the coronavirus pandemic. Henry Dubroff seconded the motion. All Board Members listed in attendance in favor, motion carried.

President's Report

Stenslie summarized a new monthly impact report. Stenslie noted that EDC has been very busy in getting information out to businesses, asking to make sure that members are receiving all of our communications.

Stenslie introduced Gloria Martinez, a new County employee for lead on Economic Development. Gloria expressed enthusiasm for working with the County and EDC.

Stenslie commented on the unfortunate passing of Tony Skinner, the loss of a real leader for workers and business in Ventura County and an incredibly strong supporter of EDC.

Committee/Liaison Reports:

Naval Surface Warfare Center – Alan Jaeger thanked Kristin Decas from the Port, Bruce Stenslie and Erick and Bryan Went for their partnership. Announced that their Virtual Coastal Trident event was a real success. Alan added that the Fathomwerx partnership has helped NBVC secure considerable increases in grant funds for regional R&D.

VCEDA – Michele Newell stated that VCEDA is planning their 50th BOC for January 2021m then going back to a fall schedule moving forward..

Economic Developers Roundtable – None

Ventura County Lodging Association – Brian Tucker shared that some restrictions have been lifted. Ventura County is out pacing the State as well as the Nation for its rate of recovery. The lodging association is also just launching a new website. If anyone needs more data on this sector please contact Brian.

Calleguas Municipal Water District – None.

New or Unfinished Business:

None

Board Comments:

None

Adjournment:

Meeting adjourned at 4:57 p.m. Our next meeting is October 15, 2020, 4001 Mission Oaks Blvd, Camarillo and by teleconference.