

**MINUTES**  
**EDC-VC BOARD OF DIRECTORS MEETING**  
**May 20, 2021**

- Location:** 4001 Mission Oaks Blvd, Camarillo, CA 93012 and by teleconference.
- Attendance:** Gerhard Apfelthaler – California Lutheran University  
Stephanie Caldwell– Chambers of Commerce Alliance  
Henry Dubroff – Pacific Coast Business Times  
Bob Engler – City of Thousand Oaks  
Daniel Groff – City of Moorpark  
Cynthia Herrera – Ventura County Community College District  
Alan Jaeger – NSWC Port Hueneme Division (Liaison)  
Mike Johnson – City of Ventura  
Nina Kobasyashi – Mechanics Bank  
Jey Lacey – Southern California Edison  
Matt Lavere – County of Ventura  
Kelly Long – County of Ventura  
Vianey Lopez – City of Oxnard  
Chris Meissner – Meissner Filtration Products  
Shawn Mulchay – City of Camarillo  
Michele Newell – Aera Energy (voted in as board member, first Admin item on the agenda)  
Rosie Ornelas – Economic Development Representative/City of Oxnard  
Tracy Perez – VCEDA  
Andy Sobel – City of Santa Paula  
Brian Tucker – Ventura County West (Liaison)  
Peter Zierhut, *Secretary/Treasurer* – Haas Automation
- Absent:** Dee Cavanaugh – City of Simi Valley  
Kristin Decas – Port of Hueneme/Oxnard Harbor District  
Skyler Ditchfield– Geolinks  
Nan Drake – E.J. Harrison Industries  
Harold Edwards, *Vice Chair* – Limoneira Company  
Randy Haney – City of Ojai  
Ari Larson – City of Fillmore  
Will Mitchell – Strata Solar Development  
Mary Jarvis – Kaiser Permanente  
Misty Perez – City of Port Hueneme  
Jim Scanlon – Arthur J. Gallagher and Co  
Alex Schneider – The Trade Desk  
Trace Stevenson – AeroVironment, Inc.  
Sim Tang Paradis – City National Bank  
Ysabel Trinidad – California State University Channel Islands  
IBEW Local #952
- Legal Counsel:** Nancy Kierstyn Schreiner, Law Offices of Nancy Kierstyn Schreiner

**Staff:** Ray Bowman, EDCSBDC Director  
Shalene Hayman, Controller  
Kelly Noble, Office Manager  
Tracie Schneider, Communications and Marketing Coordinator  
Bruce Stenslie, President/CEO

**Guests:** Haider Alawami, City of Thousand Oaks  
Amy Fonzo, Aera Energy  
Doug Halter, City of Ventura

**Call to Order:** Chair Kelly Long called the meeting to order at 3:31 p.m. Long thanked everyone for attending.

**Amendment to the Agenda:** None

**Public Comment:** None

**Minutes:** **Approval of Meeting Minutes, April 2021**  
Chair Long asked if there were any comments on the April 20, 2021 minutes. With none, Edwards asked for a motion to approve the minutes from April 20, 2021. Henry Dubroff motioned to approve the minutes from April 20, 2021. Andy Sobel seconded the motion. All Board members listed in attendance in favor, motion carried.

**Financial Report:** **April 2021 Financials**  
Shalene Hayman reviewed the April 2021 financials. Following brief discussion, Chair Long asked for a motion to approve the April 2021 Financials. Gerhard Apfelthaler motioned to approve the April 2021 Financials. Stephanie Caldwell seconded the motion. All Board members listed in attendance in favor, motion carried.

**Administration:** **Consideration of a \$286,750 Agreement with the City of Ventura for Provision of Business Technical Assistance, Lending and Grant Support Services in Response to the Impacts of COVID-19. Recommendation to Approve.**  
Mike Johnson recused himself from this action item.

Stenslie noted that EDC has for some 20 years successfully provided Community Development Block Grant (CDBG) funded loan services for the City of Ventura.

As part of the federal response to the pandemic, CDBG “entitlement” areas, including the City of Ventura, have received additional awards of CDBG funds, above the usual formula allocations. As per usual regulatory guidance, CDBG funds may be used for economic development purposes, restricted primarily to micro-enterprise development and for the specific purpose of supporting the creation and retention of low- and moderate-income workers and jobs.

In response to an invitation for services in support of business recovery, EDC proposed a program for ten loans up to \$25,000 each to small businesses employing at least one low- or moderate-income worker. The strategy calls for the businesses to be evaluated for readiness, need and benefit by the receipt of a low-cost loan, and to receive monthly technical assistance on business recovery and resiliency through EDC’s Small Business Development Center. Should the business continue its participation in the technical

assistance and retain the worker then the loan may be forgiven. During the 12-month period of intensive technical assistance, the business borrower will pay interest only.

EDC's operating expense for the program is \$36,750. EDC is contributing SBDC funded services, for a value not less than \$27,500 in direct advising assistance. Our proposal was to launch the program as soon as it could be funded, for a one-year term. The City has just recently approved the proposal and provide a letter of commitment; while we have not yet received a contract, we anticipate one imminently.

This innovative program is just one of what may be several new services designed in collaboration with the cities and county moving forward in recovery from COVID-19. A special thanks to Director of Lending Marvin Boateng and Loan Program Assistant Vicki Meraz for the development of this strategy and proposal. We look forward to launching this activity as soon as possible.

Chair Long requested a motion that the Board of Directors delegate authority to the President/CEO, subject to legal review, to sign a contract and related agreements, \$36,750 for EDC-VC's administration of \$250,000 in loan capital for businesses impacted by COVID-19. Shawn Mulchay motioned to delegate authority to the President/CEO, subject to legal review, to sign a contract and related agreements, \$36,750 for EDC-VC's administration of \$250,000 in loan capital for businesses impacted by COVID-19. Michele Newell seconded the motion. With Mike Johnson recused, all other Board members listed in attendance in favor, motion carried.

**Consideration to Renew a Contract Not to Exceed \$535,000 with First 5 Ventura County, for Loan Capital and Lending Services to Child Care/Early Child Education Centers. Recommendation to Approve.**

Matt LaVere recused himself from this action item.

Stenslie noted, Ventura County Children and Families First Commission (First 5 Ventura County) was created by the Ventura County Board of Supervisors pursuant to the Children and Families First Act of 1998 (known generally as "Prop 10").

The purpose and mission of First 5 Ventura County is to promote, support, and improve the early development of children from the prenatal stage through five years of age. The Commission is funded by an annual allocation of tobacco tax funds, as established by Prop 10, plus additional discretionary public and private grants and contracts.

In 2009, First 5 Ventura County established its "Community Investment Loan Fund," the intent of which is "to increase the capacity and infrastructure of programs serving young children and their families . . . through affordable, accessible capital for the development and maintenance of quality child care and preschool facilities for Ventura County's children." Following a competitive selection process, EDC-VC was awarded the contract for the management of the loan program.

The recommended action today is to continue the program through June 30, 2022. First 5 Ventura County approved the contract at its regular meeting on April 22.

As noted in the recommendation, our cost for operating the program is \$35,000, unchanged from the prior year. Our administrative expenses are for business outreach and technical assistance, loan underwriting and the servicing of the portfolio. The technical assistance component of this contract is considerable and is augmented by our Small Business Development Center resources, which makes the project feasible.

The agreement this year includes a loan capitalization of \$500,000, which is the balance available in the loan pool, set originally, in 2009, at \$1.3 million total.

EDC has made five loans from First 5 funds for the increase of regional child care capacity, 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.

Scope of Work: 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 technical assistance in areas such as business planning, market research, 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 and community-based lenders 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 child care providers and community need and demand. The Local Child Care Planning Council has reported there is a deficiency in licensed child care slots, covering only some 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 sector is itself an economic driver in the economy as it enables parents to work and earn or upgrade their skills. If parents do not have coverage for their children, we lose out on their human capital contributions to the region's economy and productivity.
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. *The skills of our future workforce are foundational to our long-term economic competitiveness.*

Chair Long requested a motion that the Executive Committee delegate authority to the President/CEO, subject to legal review, to sign a contract with the Ventura County Children and Families First Commission (First 5 Ventura County), for the period July 1, 2021 – June 30, 2022, for \$535,000, of which \$35,000 is for EDC-VC's administration of \$500,000 in loan capital available for lending for the Community Investment Loan Fund. Cynthia Herrera motioned to delegate authority to the President/CEO, subject to legal review, to sign a

contract with the Ventura County Children and Families First Commission (First 5 Ventura County), for the period July 1, 2021 – June 30, 2022, for \$535,000, of which \$35,000 is for EDC-VC's administration of \$500,000 in loan capital available for lending for the Community Investment Loan Fund. Bob Huber seconded the motion. With Matt LaVere recusing, all other Board members listed in attendance in favor, motion carried.

**Consideration of a \$120,000 Contract Agreement with the Ventura County Workforce Development Board for Continuing Provision of Layoff Aversion and Business Assistance Services. Recommendation to Approve.**

Kelly Long, Peter Zierhut, Tracy Perez and Matt LaVere recused themselves from this action item. Andy Sobel, as a member of the Executive Committee, stepped in as chair for this item.

Stenslie noted for the Board that EDC has continuously and successfully provided business retention and layoff aversion services for the local workforce development system since 2002. The core funding for this activity comes through the Workforce Development Board's annual allocation of federal Workforce Innovation and Opportunity Act (WIOA) funds, specifically the category of funding called "Rapid Response."

Rapid Response funds are used primarily by the local workforce and Jobs Center systems to assist in the re-employment of workers who have been laid off.

A parallel priority and goal—with the service provided by EDC in Ventura County—is referred to as "layoff aversion," that is, to work with businesses at-risk of decline, to help stabilize them and to keep their workers employed.

As this program is supported with federal funds, the Workforce Development Board and County develop a solicitation for new contractors for this project every three or four years. As we are at the end of the current procurement cycle, the County published a Request for Proposals in late 2020. Based on a panel's scoring of our proposal, our past performance, and given that we were the only applicant, the Workforce Board has approved a contract for our continuing service for 2021-2022, with options, based on performance and at the County's discretion, for the following two to three years. Final approval is pending action from the County Board of Supervisors.

Stenslie noted, the primary contractual activity is for the retention of jobs at-risk of layoff. The contract goal increased in 2020-21, in response to the pandemic, for the provision of layoff aversion services to not less than 50 firms, resulting in 200 jobs retained. This is approximately double prior years goals and will remain high so long as businesses continue to suffer this high level of disruption.

The procurement for the term starting 2021 also asked for additional contractual commitments, which include a minimum of 96 referrals to Workforce system partners and a minimum of 20 of those referrals for work-based learning activities.

The budget is \$120,000, though may be subject to change based on final allocations of federal funds to the state and county. If the dollar amount changes, there will be a corresponding adjustment to the outcome goals.

It should be noted that this funding was anticipated in our budget adoption for fiscal/calendar year 2021, based on contract performance and on-going discussions about service concentrations.

Going forward, we project that approximately 50% of the contract will be drawn down and

expensed under this agreement prior to the end of December, with the balance carried forward to our 2022 fiscal year.

Andy Sobel requested a motion that the Board of Directors, subject to legal review, delegate authority to the President/CEO for signing a contract and amendments thereto with the County of Ventura, Workforce Development Board (WDB) for Business Assistance and Layoff Aversion Services, for \$120,000, for the period July 1, 2021 through June 30, 2022. Mike Johnson motioned, subject to legal review, delegate authority to the President/CEO for signing a contract and amendments thereto with the County of Ventura, Workforce Development Board (WDB) for Business Assistance and Layoff Aversion Services, for \$120,000, for the period July 1, 2021 through June 30, 2022. Shawn Mulchay seconded the motion. With Kelly Long, Peter Zierhut, Tracy Perez and Matt Laverre recusing themselves, all other Board members listed in attendance in favor, motion carried.

### **Presidents Report**

Stenslie noted for the Board that the Governor recently released the “May Revision” to the state budget last week, introducing an enormous amount of new money fueled by the federal American Rescue Plan funds and by California’s largely unanticipated budget surplus. Several newly proposed programs address economic recovery and workforce training.

EDC staff just released 2 job announcements. One for a Grants Manager and one for a Bilingual Communications assistant.

Stenslie briefly addressed issues relating to the enormous disruptions to the labor market and how these disruptions are impacting both workers and business.

### **Committee/Liaison Reports**

**Naval Surface Warfare Center-Port Hueneme Division-** Alan Jaeger informed the Board that next week they are hosting a Vice Admiral from the nation’s Navy command. The Fathomwerx lab and partnership continues to draw attention from across the country.

**VCEDA-**None

**Ventura County Industry Council (VCIC)-**None

**Ventura County Lodging Association-**Brian Tucker stated that they just received the travel forecast. He will post the link in the chat.

**Calleguas Municipal Water District-**None

**Economic Developers Roundtable-**None

### **New or Unfinished Business:**

None

### **Board Member Comments**

There was a brief exchange, with several board members providing detail on their experience, relative both to impacts and recovery from COVID-19.

### **Zoom Chat Box Contents:**

15:28:13 From Alan Jaeger to Everyone:

Hello all. I am representing NAWC Port Hueneme for Vance. He is out at White Sands Missile Range today.

15:29:09 From henry dubroff to Everyone:

HI Everyone ....if I can be recorded as a vote for the items...that would be Ok. But I

am going to have to hop off for our Hall of Fame prep in around 10 minutes.

15:30:34 From Alan Jaeger to Kelly Noble(Direct Message):

Your background pond is awesome!!!

15:34:19 From Kelly Noble to Alan Jaeger(Direct Message):

That's my pond. Thank you so much

15:36:12 From Alan Jaeger to Kelly Noble(Direct Message):

So cool

15:39:39 From stephanie caldwell to Kelly Noble(Direct Message):

Kelly, Just wanted to let you know I was able to make it after all. My other commitment was rescheduled.

15:44:11 From Kelly Noble to stephanie caldwell(Direct Message):

Nice to see you Stephanie. Thanks

15:46:00 From Kelly Noble to Everyone:

Done with the item

15:46:17 From Mike Johnson to Everyone:

Thank you

15:49:20 From Kelly Noble to Everyone:

We are done with Item V-B

15:54:03 From Kelly Noble to Everyone:

We are done with item V-C

16:01:20 From Gerhard Apfelthaler to Everyone:

Apologies - I'll jump over to Henry's event.

16:01:37 From Andy Sobel to Everyone:

Right behind you

16:13:27 From Alan Jaeger to Everyone:

Happy to provide a brief report

16:19:07 From Brian Tucker to Everyone:

Travel Forecast: <https://www.dropbox.com/sh/pva36m52u5h2n1c/AACtXukeF-6A7fAM-pwL06PXa?dl=0>

**Adjournment:**

Meeting adjourned at 4:27 p.m. Our next meeting is June 17, 2021, 4001 Mission Oaks Blvd, Camarillo and by teleconference.