

MINUTES
EDC-VC BOARD OF DIRECTORS MEETING
September 15, 2022

Location: <https://us06web.zoom.us/j/87048392992?pwd=aGszcmxUdE1XVS9EY0F6NmE1c0JUQT09>

Attendance: Haider Alawami—City of Thousand Oaks
Letitia Austin— Port of Hueneme/Oxnard Harbor Port District
Tony Biasotti— Pacific Coast Business Times
Dee Dee Cavanaugh, *Vice Chair* – City of Simi Valley
Nan Drake – E.J. Harrison Industries
Harold Edwards, *Board Chair* -- Limoneira Company
Amy Fonzo – Aera Energy
Suza Francina – City of Ojai
Monica Gibbs – AT&T
Mary Jarvis – Kaiser Permanente
Mike Johnson – City of Ventura
Kelly Long, Ventura County Board Supervisor
Jey Lacey – Southern California Edison
Vianey Lopez – City of Oxnard
Rick MacLennan—VCCCD
Gloria Martinez— County of Ventura
Chris Meissner – Meissner Filtration Products
Shawn Mulchay – City of Camarillo
Tracy Perez – VCEDA
Andy Sobel – City of Santa Paula
Sim Tang Paradis – City National Bank
Brian Tucker – Ventura County West (Liaison)
Celina Zacarias – California State University Channel Islands
Peter Zierhut, *Secretary/Treasurer* – Haas Automation

Absent: Simone Alex – City of Fillmore
Gerhard Apfelthaler – California Lutheran University
Stephanie Caldwell – Chambers of Commerce Alliance
Martin Erickson -- Ventura County Transportation
Alan Jaeger – NSWC Port Hueneme Division (Liaison)
Misty Perez – City of Port Hueneme
Stephanie Caldwell – Chambers of Commerce Alliance
Daniel Groff – City of Moorpark
Skyler Ditchfield– Geolinks
Anthony Goff – Calleguas Municipal Water District (Liaison)
Jim Scanlon – Arthur J. Gallagher and Co
Alex Schneider – The Trade Desk
Trace Stevenson – AeroVironment, Inc

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

Staff: Monica Estrella, Grants and Contracts Manager
Ray Bowman, SBDC Director
Marvin Boateng, Director of Lending
Tracie Schneider, Marketing and Communications Manager
Alondra Gaytan, Director of Strategic Relations
Shalene Hayman, Controller
Bruce Stenslie, President/CEO
Jaime Fall, Workforce and Economic Strategies Director

Guests: Rosie Ornelas – Economic Development Representative/City of Oxnard

Call to Order: Chair Harold Edwards welcomed everyone and called the meeting to order at 3:34pm.

Amendment to the N/A

Agenda:

Public Comment: N/A

**Adopt a
Resolution,**

**Subject to
Government Code
5493, Subdivision
(e)(3), for the EDC-
VC Board of
Directors to Hold
Virtual Meetings
Due to COVID-19
Emergency:**

Board Chair Harold Edwards called a motion to adopt a Resolution, Subject to Government Code 5493, Subdivision (e) (3), for the EDC-VC Board of Directors to Hold Virtual Meetings Due to COVID-19 Emergency. Nan Drake moved the motion and Peter Zierhut seconded the motion. No abstentions.

**Approval of
Meeting Minutes:**

Approval of Meeting Minutes July 21, 2022.

Board Chair Harold Edwards opened discussion and invited comments from members regarding the July 21, 2022 minutes. Harold Edwards called a motion to approve the July 21, 2022 Meeting minutes. The motion was moved by Nan Drake and seconded by Dee Dee Cavanaugh, all Board members listed in attendance in favor, motion carried.

Financial Report:

Financial Report and Overview of July and August Financials

Shalene Hayman provided an overview of the July/August financials. A brief discussion occurred and board members shared their comments. Board chair Harold Edwards called a motion to approve the Financials of July/August, 2022. Andy Sobel moved the motion and Suza Francina seconded the motion. All Board members listed in attendance in favor, motion carried.

Administration:

A. Consideration to Delegate Authority to the President/CEO to Sign a Contract with the County of Ventura for \$3 Million in American Rescue Act Funds and to Approve Subagreements with Partner Organizations for Implementation of Economic Recovery Services. Recommendation to Approve.

Bruce Stenslie provided a general overview of the formula allocation of approximately \$164 million. The cities are also recipients of ARPA funds, though at a smaller scale, adding up among the county's ten cities to some \$90 million. ARPA funds need to be encumbered by mid-2024, though may be spent—variously, depending on the type of service or capital investment—through 2026. The EDC Activities to be Funded by ARPA/County Action for Approval on July 26. The EDC staff has been in negotiations with the County for over a year on priorities for investing in continuing economic development and recovery services. That negotiation was to anticipate federal regulatory guidance and then interpret what populations and services are eligible for ARPA funding and what specific types of outcomes would be prescribed or allowed, and how those parameters align with our local priorities and capacities to deliver. A summary was provided that breaks down the concentration and specific areas that include: Business technical assistance and capital access, Childcare Technical Assistance and Capacity building, and Fathomwerx Start-up support.

Harold Edwards called a motion to approve that the board Delegate Authority to the President/CEO to Sign a Contract with the County of Ventura for \$3 Million in American Rescue Act Funds and to Approve Sub agreements with Partner Organizations for Implementation of Economic Recovery Services. Kelly Long Recused herself from this motion. Nan Drake moved to approve the motion and Dee Dee Cavanaugh seconded the motion. All board members listed in attendance, excepting Kelly Long's recusal, in favor and motion passed.

B. Consideration to Delegate Authority to the President/CEO to Sign an Agreement with the City of Simi Valley, EDC Securing \$1 Million in American Rescue Plan Act Funds to Capitalize a COVID Recovery Business Loan Fund. Recommendation to Approve.

Bruce provided an overview of the EDC's experience managing public and private funds for business assistance loan programs and COVID- related loan capital. While the EDC has access to capital from other non-disaster loan programs, both public and private, the EDC continues to experience a significant demand for relatively high-risk disaster recovery loan capital. The EDC currently has dedicated disaster lending capital from the cities of Camarillo, Oxnard and Ventura, but additional funds are clearly needed. The American Rescue Plan Act (ARPA) Local Funding, City of Simi Valley is the federal government's current COVID recovery funding and strategy is through ARPA, particularly its "State and Local Fiscal Recovery Funds" program, which provides a formula distribution to all states, counties and cities. Each jurisdiction has authority and autonomy to allocate the funding based on local impacts and priorities, though eligible populations, spending and outcomes must be consistent with very stringent federal rules. The federal ARPA final rule, at page 152, specifically allows business loan programs. The City of Simi Valley's share of ARPA funds is estimated at \$...., of which the City has approved an allocation of \$1 million for business lending. The EDC staff is just now negotiating the agreement with the City, though we are recommending approval of a delegation of authority today so that we may launch the services as soon as we reach final agreement. Once fully loaned, the EDC believes the regulations allow the conversion of the repaid loan funds and interest to a Revolving Loan Fund, for continuing benefit to

businesses and entrepreneurs in Simi Valley.

Harold Edwards called a motion to approve that the board Delegate Authority to the President/CEO to Sign an Agreement with the City of Simi Valley, EDC Securing \$1 Million in American Rescue Plan Act Funds to Capitalize a COVID Recovery Business Loan Fund. Dee Dee Cavanaugh recused herself from this motion. Andy Sobel moved to approve the motion and Sim Tang Paradis seconded the motion. All board members listed in attendance, excepting Dee Dee Cavanaugh's recusal, in favor and motion passed.

C. Consideration of 2021 Federal and State Tax Exempt Organization Returns.

Bruce Stenslie recommended that the board approve the EDC-VC 2021 Federal Return of Organization Exempt from Income Tax, Form 990, and 2021 California Exempt Organization Annual Information Return, Form 199, as separately distributed. The Board of Directors approved the 2021 financial statements and audit at its May meeting. As a package of services, the auditor, Farber Hass Hurley LLP, also prepares required annual federal and state "exempt organization" tax and information returns. The federal and state filings are required annually to maintain our non-profit, tax-exempt corporate status. The financial data in the tax returns ties to our audited statements. The returns were separately provided to each Board member for review and their records.

Harold Edwards called a motion to approve and file the 2021 Federal and State Tax Exempt Organization Returns. Mike Johnson moved to approve the motion and Suza Francina seconded the motion. All board members listed in attendance in favor and motion passed.

D. Consideration to Contract with Farber Hass Hurley LLP for Annual Audit Services.

Bruce Stenslie provided background of the EDC's history distributing local request for proposals to local CPA firms required by our bylaws. For the last five years the EDC has contracted with Farber Hass Hurley LLP (FHH) for these services. Initially secured the services from FHH through an open procurement, soliciting bids from potential auditors for a five-year term. The five-year period has come to an end. On July 15th the EDC released a new Request for Proposals (RFP). The RFP was distributed to several local and regional CPA firms. The EDC's interests are to secure cost-effective bids, prioritizing local firms, and developing an engagement with the highest level of technical and professional assistance available.

Harold Edwards called a motion to approve the EDC to contract with Farber Hass Hurley LLP for Annual Audit Services. Dee Dee Cavanaugh moved to approve the motion and Suza Francina seconded the motion. All board members listed in attendance in favor and motion passed.

E. Consideration of an Amended Fathomwerx Partnership Memorandum of Understanding.

Bruce Stenslie provided background on the MOU and the partners involved in Fathomwerx. There are two main adjustments.

First, we have added a fifth partner, another of the three primary research commands at NBVC, the Naval Facilities Engineering and Expeditionary Warfare Center (NAVFAC EXWC).

The addition of NAFVFAC-EXWC brings to the table another critical asset for building out our network of entrepreneurship supports, further solidifying our relationship with NBVC.

Second, members may recall that the original MOU, developed in late 2018, referred to EDC as the convener of a partnership we called a “Technology Exchange Consortium,” or TEC, a particular type of organizational structure for private sector partnerships with the U.S. Department of Defense. Through a good part of 2019 we researched various iterations of TEC’s, though concluded that the model was not a perfect fit for us locally, so we never adopted that structure. Instead, we developed a partnership management agreement under the Fathomwerx name and have operated with that as our guide for how to carry out the functions of this MOU. Accordingly, the attached revised MOU drops the Technology Exchange Consortium language and replaces it with reference to Fathomwerx.

Finally, the MOU parties drafted the attached MOU earlier this summer, in June. We are recommending the Executive Committee and full Board’s approval or endorsement of the MOU, to assure our governance awareness of the partnership and leadership buy-in. Please note the MOU is a non-financial agreement, though the parties do agree to collaborate on seeking and securing funding. We have had success on that front, securing funding recently through Ventura County’s share of American Rescue Plan Act (ARPA) funds and, earlier this year, by a state designation and funding for Fathomwerx as an Inclusive Innovation Hub. EDC and our partners will continue to look for and invest resources in the partnership, for the purpose of growing our regional economy and competitiveness.

Harold Edwards called a motion to Amended Fathomwerx Partnership Memorandum of Understanding. Letitia Austin and Celina Zacarias recused from this motion. Shawn Mulchay moved to approve the motion and Sim Tang Paradis seconded the motion. All board members listed in attendance in favor and motion passed.

F. Consideration of Appointments of New Board Members, Central Coast Labor Council and Montecito Bank & Trust.

Bruce Stenslie provided background on the EDC’s bylaws and its reference to board appointments and expressed the concerns with dues and retention of board members. It is recommended that the Board of Directors approve the following appointments to fill two vacant board seats: 1) Central Coast Labor Council, represented by Jeremy Goldberg, Executive Director; 2) Montecito Bank & Trust, represented by Sarah McLelland, VP Business Client Service Advisor, Commercial Lending Group.

Harold Edwards called a motion to approve the appointments of New Board Members, Central Coast Labor Council and Montecito Bank & Trust. Nan Drake moved to approve the motion and Suza Francina seconded the motion. All board members listed in attendance in favor and motion passed.

G. Recommendation to Ratify the President/CEO’s Approval of a \$75,000 Grant Agreement with the Amgen Foundation, EDC-VC Serving as Fiscal Agent and for VC STEM, in Support of Expanding the Ecosystem and Building Sustainability of the Ventura County STEM Network.

Bruce Provided an overview of the partnership the EDC has with VC STEM and provided an overview of the Amgen Foundation grant, the organizational structure, priorities and outcomes.

Harold Edwards called a motion to Ratify the President/CEO's Approval of a \$75,000 Grant Agreement with the Amgen Foundation, EDC-VC Serving as Fiscal Agent and for VC STEM, in Support of Expanding the Ecosystem and Building Sustainability of the Ventura County STEM Network. Suza Francina moved to approve the motion and Dee Dee Cavanagh seconded the motion. All board members listed in attendance in favor and motion passed.

A. Naval Surface Warfare Center – Nothing to report

B. VCTC – Nothing to report

C. VCIC- Peter Zierhut provided a brief report on the group's outreach for additional members.

D. VCEDA – Tracy Perez reported that VCEDA is exploring ways to reimagine its role and are working on the strategic plan to advocate for business. Conversation on a legacy fund and solicited outreach are in the works. Nan Drake also shared her remarks on the VCEDA's purpose and what it has meant to the business community and cheered Bill Camarillo's support and, separately, the resources VCEDA has provided businesses for 59 years.

E. Economic Development Roundtable – Nothing to report

F. VC Lodging Association— Brian Tucker shared how high in demand lodging has been due to the local events that have been happening such as the Dallas Cowboys Training Camp, Surf Rodeo, Wings Over Camarillo, Hueneme Beach Festival. Brian also shared the economic impacts in July averaging 77% occupancy and Average daily rate of \$174 beating what was forecasted.

G. Calleguas Municipal Water District— Nothing to report

Harold Edward congratulated EDC staff Alondra Gaytan for the "40 under 40" recognition by the Pacific Coast Business Times.

Dee Dee Cavanaugh expressed her condolences for the passing of Supervisor Carmen Ramirez and ended with an adjournment in her memory.

None

Committee/Liaison Reports:

Board Member Comments:

New unfinished business:

Chair Harold Edwards thanked everyone for attending and adjourned the meeting at 4:34pm to October 20th 2022 at 3:30pm.

Adjournment: