



MINUTES
EDC-VC EXECUTIVE COMMITTEE MEETING
September 1, 2016

Location: 1601 Carmen Drive, Suite 215, Camarillo

Attendance: Brian Gabler – Economic Roundtable Representative, City of Simi Valley
Kathy Long– County of Ventura
Roseann Mikos, *Secretary/Treasurer* – City of Moorpark
Sim Tang-Paradis – City National Bank
John Procter – City of Santa Paula
Peter Zierhut, *Chair* – Haas Automation

Absent: Henry Dubroff, Pacific Coast Business Times
Harold Edwards – Limoneira Company
Cheryl Heitmann, *Vice-Chair* – City of Ventura

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

Guests: None

Staff: Marvin Boateng, Loan Officer
Kelly Noble, Office Manager

Call to Order: 4:06 p.m.

Roll Call: Kelly Noble

Amendment to the Agenda: None

Public Comment: None

Approval of Executive Committee Minutes Chair Peter Zierhut requested a motion to approve the minutes from the July 7, 2016 Executive Committee meeting. Sim Tang-Paradis moved to approve and file the minutes from the July 7, 2016 Executive Committee Meeting. John Procter seconded the motion. All Executive Members listed in attendance in favor, motion carried.

Administration **Consideration of a Contract with JSL Community Strategies, Not to Exceed \$38,000, for the Period September 1, 2016 through June 30, 2017, for Project Management Consulting Services for the Grant Funded Project “Improving the Efficiency of Identifying At-Risk Firms for Layoff Aversion Services.” Recommendation to Approve.**

Zierhut noted from the staff report that earlier this year, in June, our Board approved receipt of a \$97,580 grant from the California Workforce Development Board for testing a pilot program for improving the efficiency of identifying firms at-risk for layoffs. The project is intended to contribute to a statewide systemic

solution to one of the primary problems in layoff aversion programming, that is, the efficient and timely identification of at-risk firms.

Implementing the project, however will require some increase in our project management capacity. To secure that capacity, staff developed and released a Request for Proposals (RFP) on August 2, with proposals due August 23. We distributed the RFP to four potential bidders.

The recommended action is to approve a contract, attached, not to exceed \$38,000 with JSL Community Strategies, with Jennifer S. Lobenhofer, owner and principal, providing the services for the period September 1, 2016 through June 30, 2017. JSL fully satisfied our criteria for technical expertise and prior experience.

Chair Zierhut asked for a motion that the Executive Committee approve and recommend to the full Board approval of a \$38,000 contract with JSL Community Strategies for the period September 1, 2016 through June 30, 2017, for Project Management Services for the Grant Funded Pilot Project for Improving the Efficiency of Identifying At-Risk Firms for Layoff Aversion Services. Kathy Long motioned to approve and recommend to the full Board approval of a \$38,000 contract with JSL Community Strategies for the period September 1, 2016 through June 30, 2017, for Project Management Services for the Grant Funded Pilot Project for Improving the Efficiency of Identifying At-Risk Firms for Layoff Aversion Services. Brian Gabler seconded the motion. All Executive Members listed in attendance in favor, motion carried

Membership Report and Recommendation for New Members, Recommendation to Approve.

Zierhut explained that the board has a priority to fill what are 5 current vacancies (or 6 including the vacancy being filled by California Resources Corp, which the Exec Committee approved in July).

We have one recommendation to move forward today, seeking the Executive Committee's approval to nominate **Lead Builders** to the full Board.

The firm is a fit for several reasons:

By sector: We've long looked for a firm representing the construction/development sector, particularly doing a lot of government and defense sector work, as well as more broadly.

By geography: They're based in Thousand Oaks, an area from which we have few members.

By "diversity": Lead Builders has an SBA 8(a) certification as a minority owned business, was recently was recognized by the Pac Coast Biz Times as the Minority Owned Small Business of the Year. They're a representative small business, 25-30 employees, some \$10-\$15 million in annual revenue and growing.

Toward filling additional vacancies, we have two more that are in active play: **Kellstrom Defense, in Camarillo**, does maintenance, repair and overhaul for the aerospace industry, with offices in Florida and a global operation and **Community Memorial Hospital**. We have an invitation/proposal into them, per

their request to identify an alignment of our mission and service with their community service plan.

Chair Zierhut asked for a motion that the Executive Committee nominate **Lead Builders** to the full Board. Roseann Mikos motioned that the Executive Committee approves Lead Builders to the full Board. Sim Tang-Paradis seconded the motion. All Executive Members listed in attendance in favor, motion carried.

Consideration of a \$40,000 Grant Award from the Governor's Office of Business and Economic Development and Long Beach City College, for the Capital Infusion Project. Recommendation to Delegate Authority to the President/CEO to Execute Grant Agreement.

Chair Zierhut noted from the staff report that this is the third round of funding in this, from a discretionary fund managed by the Governor's Office of Business and Economic Development.

The fund may be used as cash match for our SBA/SBDC funds, but is targeted specifically for improving our capacity to assist businesses in access to capital.

We've been extremely successful in capital infusion outcomes, each year exceeding our SBDC contract goal.

We've also exceeded our contract goals with this fund, securing some \$8 million in new capital infusion on a goal of \$5 million for the prior grant, just ended.

The funding is down statewide this year. Last year we received \$65,000.

We're not confident this program will continue past this year. Essentially, the Governor's office doesn't have the capacity to administer it.

Should it not continue, it's not fatal to us, but it does reduce our resources for business assistance and puts pressure on us to rely on other funds—which we can secure—for cash match.

Chair Zierhut asked for a motion to delegate authority to the President/CEO to sign and approve grant agreements as necessary and appropriate for the receipt of \$40,000 in Capital Infusion Small Business Development Center Grant Funds from the State of California. Roseann Mikos motioned to delegate authority to the President/CEO to sign and approve grant agreements as necessary and appropriate for the receipt of \$40,000 in Capital Infusion Small Business Development Center Grant Funds from the State of California. Kathy Long seconded the motion. All Executive Members listed in attendance in favor, motion carried

Loan Program Update, EDC-VC Enrollment as a California Capital Access Program (CalCAP) Financial Institution

Marvin Boateng announced that now as a member of CalCap, the EDC-VC can build a loan loss reserve matched by the State of California with a maximum contribution of 10.5%. Marvin also announced that lending has picked up recently. The EDC-VC is talking to financial partners in regards to building our loan capital. Marvin Boateng went over the loan fund balances and how much capital there is left to loan out at the present time.

President's Report

None

**New or Unfinished
Business:** None

**Executive
Committee
Comments:** John Procter mentioned that SCAG had a presentation at the LA EDC. Sr. Vice President spoke with lots of optimism regarding manufacturing.

Adjournment: 4:26 p.m.

Minutes taken by Kelly Noble