

**STANISLAUS COUNTY
ECONOMIC DEVELOPMENT ACTION COMMITTEE (EDAC)**

Thursday, March 9, 2017, 4 p.m.
Alliance Kirk Lindsey Center – Tenth Street Plaza
1020 10th Street, Suite 102
Modesto, CA 95354

Meeting Minutes

Members Present: Supervisor Jim DeMartini (District 5); Harold “Bud” Hill (Hughson); Doug Ridenour (Modesto); Katrina Kidd (District 1); Jeff Rowe (District 2); Cecil Russell (District 4); Harpreet Singh (Community); Bob Hondeville (Community); and David White (Community); Joshua Whitfield (Waterford)

Members Absent: Representatives of Newman, Oakdale, Patterson, Riverbank, and Turlock; Jennifer Carter (Community); Rosalinda Vierra (Community); Jon Rodriguez (District 3); Ron Jackson (Community); Lance Boullion (Community)

Others Present: Keith Boggs (Chief Executive Office); Tera Chumley (Secretary/Chief Executive Office); Laurie Smith (City of Modesto); Randy Saffold (City of Modesto); Toby Wells (Ceres City Manager); Thomas Boze, County Counsel

Call to Order at 4:07 p.m. by Committee Vice Chair, Jeff Rowe, in the absence of Chair, Ron Jackson.

A quorum of members was not present to conduct business for voting purposes. Committee Vice Chair continued the meeting as informational.

Public Comment Period – No one from the public was in attendance.

I. Welcome and Introductions

- a. Committee Vice Chair, Jeff Rowe, welcomed those attending their first meeting: Joshua Whitfield, Waterford Representative; and Toby Wells, Ceres City Manager, for Steve Hallam, Ceres Representative.

Other new members (not present) include:

Sean Scully (Seat 6, Riverbank Primary Representative replacing Jill Anderson); Laroy McDonald (Seat 5, Newman Primary Representative replacing Michael Holland); Joshua Naranjo (Seat 10, Patterson Representative replacing Sheree Lustgarten); and Alfred Parham (Patterson Alternate replacing Deborah Novelli).

II. Approval of Minutes of **October 27, 2016** Meeting

A quorum of members was not present to approve the Minutes of October 27, 2016.

III. Secretary Report:

- a. Comprehensive Economic Development Strategy (CEDS) Update – Review and Motion to Approve

STANISLAUS COUNTY
ECONOMIC DEVELOPMENT ACTION COMMITTEE (EDAC) – MINUTES
March 9, 2017
Page 2

Secretary Chumley discussed the updated draft CEDS. This document lays out a plan of the economic development for each of the Cities and County to enhance and increase our workforce and allows for application of EDA funding if the core priorities and development projects are contained within the document. Tera thanked Dave White and his research staff at Opportunity Stanislaus who assisted with gathering the statistical information for the updated document. She also thanked the Cities for submitting their entries timely.

Secretary Chumley received a six-month extension on the current CEDS through April 24, 2017; she was hoping to submit the revised document to the Board of Supervisors on April 4th. Since there is not a quorum today, the Committee will need to schedule a special meeting to vote on the document.

Highlights of the revised CEDs document:

- Page 4 – Economy: Our economy is improving. The 24-month unemployment average for 2012-2013 was at 16.6%; the current unemployment rate for 2015-2016 is at 8.7%.
- Page 4 – Commuter Lifestyle: Currently, approximately 23% of employed County residents commute out of town (neighboring counties) and 9% commute to bay area communities, which is a slight increase over 2012-2013. Tera did not have information readily available on the number of commuters into Stanislaus County.
- Page 5 – Housing: Stanislaus County is starting to see improvements from the housing crisis.
- Page 6 – Per Capita Income: Average per capita income and unemployment by city; per capital income over a five-year average (2011-2015) is approximately \$20,447 per person.
- Page 8 – Education and Workforce Development: Stanislaus County lags behind the national average in four-year and advanced degrees. Workforce reductions are higher in production related sectors; whereas retailers and distributors have expanded in Stanislaus County.
- Page 9 – Industry: Agriculture sales decreased slightly over 2014-2015; however, 2012-2013 showed an increase.
Dave White noted Opportunity Stanislaus has seen a significant increase in economic activity in the past few months likely related to the drought and uncertainties in an election year.
- Page 9 – Major Manufacturing Employers: 2014-2015 showed an increase in the number of manufacturing workers employed around 19,000; also seeing employment figures improve at 35,700 workers in the Non-Manufacturing Employers.
- Page 11 – Population: Stanislaus County population is projected to increase 24% (2015-2035 projections).
- Page 11 – Taxable Sales: 2015 shows a slight improvement/increase over 2014.
- Page 12 – Transportation: Convenient/efficient major north-south routes (I-5 and Highway 99); air passenger service within 90 miles of the County.
- Page 12 – Environmental Issues: Major concerns include water supply, wastewater treatment, and air quality which is likely to increase as population expands.

STANISLAUS COUNTY
ECONOMIC DEVELOPMENT ACTION COMMITTEE (EDAC) – MINUTES
March 9, 2017
Page 3

- Page 12 – Road Expansion Projects: Infrastructure is a major obstacle to economic growth in Stanislaus County due to diminishing State funding. The transportation funding measure recently passed by County voters will provide much needed funds to maintain our roadway system. See Appendix C for a list of planned roadway projects.
- Pages 13-15 – Countywide SWOT Analysis. A question was raised regarding the recent flooding in local cities. Secretary Chumley indicated those impacts will not be known for several months. Members discussed high foreclosure and bankruptcy rates, clarification on access (opportunity) to education and health care, and criteria for including businesses in Appendices A and B. Member White noted Opportunity Stanislaus tracks those statistics; however, if there is another, more accurate source members are aware of, please provide that information.
- Page 16 – Local Profiles and Projects: This section contains the City economic development updates to increase opportunities for EDA funding

Waterford representative, Joshua Whitfield, expressed dissatisfaction with Waterford's section and would like time to provide a revision to the City's submission based on an economic development project he worked on for the City. Tera pointed out the document is updated annually and there will be an opportunity to provide a revision for the next update. Although there may be an opportunity to provide feedback earlier, depending on when the next meeting is scheduled.

Our office will be sending members a Doodle Poll to establish a date that will ensure a quorum for a special meeting.

Tera will review the EDA website and make recommendations for how to approach the next document update.

IV. Form 700 – 2016/2017 Statement of Economic Interests

- a. Leaving Office/Assuming Office
- b. Annual

Secretary Chumley reminded members their annual/assuming office Form 700 is due to the Clerk of the Board or Sheryl Swartz by **April 3, 2017**. The Clerk of the Board requires an original signature.

In addition to the FPPC link provided in the e-mail, Form 700 packets were made available to members at the meeting.

V. Roundtable Discussion – Update on Economic Development Administration (EDA) Projects

- a. VOLT Institute – Dave White, Opportunity Stanislaus
Stanislaus County Office of Education (SCOE) and Opportunity Stanislaus are involved in developing a new regional training center. Local private sector major manufacturers and companies have expressed a concern with finding skilled workers in certain trades. The program is for adults who are pre-vetted for qualification. An open house was held last week to showcase the training center site at the Modesto

STANISLAUS COUNTY
ECONOMIC DEVELOPMENT ACTION COMMITTEE (EDAC) – MINUTES
March 9, 2017
Page 4

Bee building and unveil the name of the new training program: Valley Occupational Learning Technical (VOLT) Institute. Their Steering Committee is comprised of 20-member companies chaired by Rick Coffee of E&J Gallo. Opportunity Stanislaus will be applying for an EDA grant to help support the purchase and installation of this special safety equipment used for training purposes; they are working with Wil Marshall on a plan to meet requirements for application process. The five-year project costs are around \$1 million.

Training will include:

- Foundational skills (first two weeks) – topics include: teaching workers to show up on time, communication, and proper dress.
 - Basic business skills (three weeks) – students will learn Six Sigma, Lean principles, and project management.
 - Specific skills – maintenance mechanic primary need.
 - Additional components will be added as needs grow.
- b. City of Modesto/Randy Saffold – Link Modesto Fiber Infrastructure Project/Grant Overview
- The City of Modesto is working with consultants Kimley-Horn to update their strategic plan for high speed internet access.
 - The City will be applying for an Economic Development Grant and is working with Opportunity Stanislaus to engage local businesses for help in funding the project.
 - A survey of 181 local businesses was conducted to determine buy in and potential for job creation, competitiveness, and commitment of direct grant support. The EDA requires anticipation of creating 200 new jobs; the City already has signatures for up to 120 jobs.
 - Industries targeted for fiber include AgTech, EdTech, banking and finance, manufacturing, and Telehealth and BioTech.
 - Phase 1 (Primary Fiber Trunk Ring and IXP Connection) is estimated at approximately \$5 million.
 - The City is recruiting local businesses for support and exploring various financing options (federal or revenue bonds, stimulus, private investment, internal and external loans, and donations).
 - Another aspect is operation models (public/private partnership, city owned utility or proposed RFI on other models).
 - Next steps are actualization of business support, grant application, draft master plan, and finalizing financing and management models.

VI. Other Information

a. Upcoming Meetings:

- TBD – Special meeting to approve CEDs document

VII. Adjournment – There being no further business, the meeting was adjourned at 5:03 p.m.