



ACTION	TYPE OF ITEM
<input type="checkbox"/> Approved Recommendation	<input type="checkbox"/> Info/Consent
<input type="checkbox"/> Ord. No(s). _____	<input checked="" type="checkbox"/> Report
<input type="checkbox"/> Res. No(s). _____	<input type="checkbox"/> Public Hearing (Info/consent)
<input type="checkbox"/> Other _____	<input type="checkbox"/> Other _____

Prepared By: Edmund F. Sotelo, City Manager Agenda Item No. O-1

Reviewed By: City Manager [Signature] City Attorney [Signature] Finance [Signature] Other (Specify) _____

DATE: June 9, 2011

TO: City Council

FROM: Edmund F. Sotelo, City Manager

SUBJECT: Economic Development Corporation of Oxnard (EDCO)

RECOMMENDATION

That the City Council provide direction concerning the future involvement of EDCO in the economic development activities of the City of Oxnard.

DISCUSSION

History/Background

At a recent City Council meeting, the City Council requested that the subject of the EDCO's relationship to the City be placed on the City Council agenda for discussion.

In 1993 the City Council expressed its concern that economic development remain a high priority for the City. They supported the creation of a non-profit corporation dedicated to Oxnard's economic development needs. A combination of state revenue reductions and local economic challenges necessitated the need to reduce the size of City government and outsource services to the private sector when feasible. On November 9, 1993, City Council directed staff to move forward and return with a detailed business plan. (Attachment No. 1)

On January 11, 1994, the Greater Oxnard Economic Development Corporation (EDC) was endorsed by the City Council. Its mission, as a non-profit corporation, was to enhance economic development in Oxnard through business attraction, expansion and retention. Prior to the formation of the EDC, this mission was assigned to the City's Economic Development Department. (Attachment No. 2)

Funding

Per the original agreement, funding for a five (5) month start-up period of the EDC (which was February 1, 1994 through June 30, 1994) was approved in the amount of \$266,000, of which \$188,500 came from the City's General Fund and \$77,500 was funded by the Community Development Block Grant (CDBG) funds. Effective July 1, 1994, the first amendment to the agreement amended the funding amount for FY 1994-95 to \$642,000, of which \$315,000 was from the General Fund and

\$327,000 in CDBG funds. CDBG funds increased due to the added scope of administering a CDBG Business Retention Program. The second amendment, effective July 1, 1995, added the Oxnard Redevelopment Agency (Agency) as a party to the agreement, amended the scope of work to include the EDC Work Program, and also set out new funding for FY 1995-96 in the amount of \$366,400, of which \$189,200 was from the General Fund, \$102,200 from the Agency and \$75,000 in CDBG funds.

Council approved the current agreement between the City, the CDC (formerly known as the Oxnard Redevelopment Agency), and EDCO (#A-6520) on June 28, 2005 for the term of July 1, 2005 to June 30, 2010. The agreement was amended on June 22, 2010, which extended the term to June 30, 2015.

OPTIONS

The City Council may consider the following options:

1. Maintain current arrangement with EDCO.
2. Opt out of the contract providing six (6) months notice.
3. Reinstate the Economic Development function to the City.
4. Discussion of potential phase out of City contribution.
5. Combination of more than one option.

FINANCIAL IMPACT

There is no financial impact at this time.

EFS/el

Attachment #1 – City Council minutes of November 9, 1993 meeting

Attachment #2 – City Council minutes of January 11, 1994 meeting and Final Business Plan.

Police Department Item

- 6. (037) SUBJECT: State of California, Department of California Highway Patrol training agreements.
F-505 RECOMMENDATION: Adopt Resolution No. 10,649 authorizing the Chief of Police to execute training agreements with the State of California, Department of California Highway Patrol for the City's participation in the El Protector program.
CONSENT AGENDA ACTION: Councilman Plisky moved to approve the recommendation. Councilmember Herrera seconded, and the motion carried by the following vote: Ayes: Councilmembers Herrera, Holden, Lopez, Pinkard, and Plisky.

- 7. (041) SUBJECT: Proposal for contract police services.
F-505 RECOMMENDATION: Approve and authorize the Chief of Police to present a proposal for the Oxnard Police Department to provide contract law enforcement services to the City of Port Hueneme.
CONSENT AGENDA ACTION: Councilman Plisky moved to approve the recommendation. Councilmember Herrera seconded, and the motion carried by the following vote: Ayes: Councilmembers Herrera, Holden, Lopez, Pinkard, and Plisky.

Recreation and Community Services Department Item

- 8. (057) SUBJECT: Senior service grant award recommendation.
F-736 RECOMMENDATION: (1) Approve the Commission on Aging's (COA) recommended distribution of \$29,700.00 to ten agencies providing service to seniors; (2) Direct the Director of Recreation and Community Services, or designate, to notify recipients of senior service grant awards and authorize the Director of Recreation and Community Services to execute letters of agreement with recipients; and (3) Direct the Finance and Management Services Director to prepare warrants for each grantee organization contingent upon receipt of executed letters of agreement from each recipient.
CONSENT AGENDA ACTION: Councilman Plisky moved to approve the recommendation. Councilmember Herrera seconded, and the motion carried by the following vote: Ayes: Councilmembers Herrera, Holden, Lopez, Pinkard, and Plisky.

E. REPORTS

Economic Development Department Item

- 1. (067) SUBJECT: Business plan for new Economic Development Corporation.
F-691 RECOMMENDATION: (1) Accept the Business Plan for the new Economic Development Corporation (EDC), and authorize staff to proceed with implementation documents, including submitting Articles of Incorporation to the State and preparing a contract for services between the EDC and the City; and (2) Dissolve the Economic Development Advisory Commission, effective at the time of creation of the Economic Development Corporation.

DISCUSSION: The Economic Development Director reviewed the report related to 1) Board composition; 2) Staffing levels; 3) Funding/revenue sources; 4) Downtown Community Development Corporation; and 5) Office location.

Discussion was held on 1) Objectives of the EDC; 2) Council's role; 3) Brown Act requirements; 4) Use of CDBG funds; 5) Private sector involvement in directing the Economic Development Program; 6) Business Plan, specifically the need for more details; 7) Life cycle of the program beyond one year; 8) Board composition, initially and ultimately, including City Council representation; 9) Specificity of goals; 10) Funding; 11) Independency of the corporation; 12) Relationship of Director to the Board; and 13) Performance appraisals.

Mr. George Lauterbach, Chairman of the Economic Development Advisory Committee (EDAC), 300 Montgomery Avenue, recommended that the EDAC be eliminated. He also discussed the following: independency of the corporation; contractual needs; Business Plan detail; goals of the corporation; long-term plan; strategic plan to meet objectives; composition of the board; and resources.

Mr. Oscar Karrin expressed his concerns regarding privatization and performance of employees. He indicated he did not support the formation of a corporation.

Mr. Ventura Fernandez, commented on privatization of government agencies, privatization with public funding, charter of the corporation, and relationship of the corporation's employees to the City.

Mr. Roy Lockwood, 327 South "C" Street, discussed a charter, articles of incorporation, appropriation of taxpayer's money to the program, matching funds for the "Downtowners", coordination with the District Attorney and Grand Jury, board composition, and by-laws.

Mr. Bernard Dunhom, 215 North "H" Street expressed concerns about the proposed corporation's employees and their benefits.

Ms. Eileen McCarthy, California Rural League Assistance, 445 South "B" Street, presented a letter dated November 9, 1993 and discussed a remark by Mayor Pro Tem Plisky, the use of CDBG funds, composition of the board of directors, and public hearing requirements. The Economic Development Director explained how CDBG funds would be protected.

ACTION: Councilman Plisky moved to 1) Authorize staff to move forward and return to City Council by January 15, 1994 with a detailed business plan and a detailed budget to deal with all the concerns that were expressed by the City Council; 2) Provide for the dissolution of the Economic Development Advisory Commission concurrent with the creation of the Economic Development Corporation; and 3) Return to City Council, if required, for additional input that may be necessary to meet the previously stated goal. Councilmember Herrera seconded, and the motion carried by the following vote: Ayes: Councilmembers Holden, Lopez, Pinkard, Plisky, and Herrera. Also requested was a summary of the points of concerns expressed by City Council as soon as possible so that, if needed, clarifications could be made. Further, the City Council concurred to approve the concept of shared office space at Heritage Square.

RECESS

At 4:35 p.m., the City Council recessed. At 4:55 p.m., the City Council reconvened.

F. CITY COUNCIL BUSINESS F-296B

1. (089) SUBJECT: Bailard Landfill Update (Mayor Pro Tem Plisky).
RECOMMENDATION: Affirm opposition to the proposed extension of the Bailard Landfill except on a contingency basis where no alternatives exist for the disposal of the City's solid waste and refuse.
DISCUSSION: Discussion was held concerning the problems of the landfill, alternative landfill sites, and guarantee of the landfill closure.

Mr. Roy Lockwood stated his opposition to closing the landfill and also discussed potential flooding.

Mr. Lee Hickman, 2320 Laurel Valley Place, on behalf of the River Ridge Fairways Homeowners' Association stated his support for closure of the Bailard Landfill.

Mr. Ted Hetherington, 2044 Spyglass Trail W., presented a letter from the River Ridge Homeowners Association, in support of the closure of Bailard Landfill.

ACTION: Councilmember Plisky moved to approve the recommendation. The motion died for lack of a second.

2. SUBJECT: Beach Bus Route and Signs (Mayor Lopez).
DISCUSSION: Mayor Lopez discussed a meeting of the Ventura County Transportation Commission as it related to the beach bus route. He also announced the display of a master sign depicting subdivisions for sale that was being exhibited behind the Council Chambers.

Mr. Juan Soria, 1835 MacArthur Avenue, expressed his support for a tourism bureau, but questioned the process of establishing the Greater Oxnard and Harbor Tourism Bureau.

Mr. Fred Buenber, P.O. Box 5286, President of Channel Islands Harbor Association of Leasees, stated the Harbor Association's support for this tourism bureau.

ACTION: Councilmember Plisky moved to approve the recommendation. Councilmember Herrera seconded, and the motion carried by the following vote: Ayes: Councilmembers Lopez, Pinkard, Plisky, Herrera and Holden.

3. (085)
F-751

SUBJECT: Contract with Greater Oxnard Economic Development Corporation.

RECOMMENDATION: (1) Endorse the establishment of the Greater Oxnard Economic Development Corporation (EDC); (2) Approve the Business Plan for the EDC; (3) Appoint two Councilmembers to serve on the EDC Board of Directors from January 15, 1994 to June 30, 1994; (4) Approve and authorize the Mayor to execute a contract in the amount of \$266,000.00 with the EDC, to provide economic development services to the City; (5) Approve a special budget appropriation in the amount of \$266,000.00 of which \$188,500.00 is from General Fund Account No. 100-040-0101 and \$77,500.00 is from CDBG Block Grant funds Account No. 260-840-0106; and (6) Adopt Resolution No. 10,672 amending Resolution No. 10,583 to delete the Director of Economic Development classification, effective February 1, 1994.

DISCUSSION: The Economic Development Director presented the report to the City Council outlining details of the plan.

Mr. George Lauterbach, Chairman of the Tourist Board, commented on the leadership of the board of directors. He asked that Councilmembers Herrera and Plisky be part of the Board of Directors.

Mr. Kevin Bernzott, Vice-President of Government Relations of the Oxnard Chamber of Commerce, expressed support for this item.

ACTION: Mayor Lopez moved to approve the recommendation with Councilmembers Plisky and Herrera as board members. Councilmember Plisky seconded, and the motion carried by the following vote: Ayes: Councilmembers Pinkard, Plisky, Herrera, Holden and Lopez.

**GREATER OXNARD
ECONOMIC DEVELOPMENT
CORPORATION**

BUSINESS PLAN



January 1, 1994

GREATER OXNARD ECONOMIC DEVELOPMENT CORPORATION
BUSINESS PLAN

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INTRODUCTION

Several forces converged during 1993 to support the creation of a non-profit corporation dedicated to Oxnard's economic development needs. First, the City Council which was seated following the 1992 election made clear that economic development was one of its highest priorities, and asked staff to present a program which would return the City to its historically accustomed aggressive posture in this arena. That program, and related budget, were approved in March, 1993.

However, at the same time, the overall City budget was under pressure from a combination of local economic weaknesses and State-generated revenue reductions. The City Council committed itself to reducing the size of the entire City government, with an emphasis on placing services into the private sector whenever feasible.

In this environment, the City Council, the Economic-Development Advisory Commission, and the Oxnard Chamber of Commerce Board of Directors met for a day-long retreat, from which the idea of creating a private corporation to take over the City's Economic Development Department activities emerged. Between June and November, 1993, the City Economic Development staff researched the state-wide experience with economic development corporations at the local level, and worked with economic consultants to prepare a feasibility assessment to the City Council. The next step was to prepare a full business plan for the startup of the corporation, with a target implementation date of January 15, 1994.

The document which follows is precisely that: a start-up business plan which provides a detailed discussion of the goals and operations of the Greater Oxnard Economic Development Corporation during its initial six months of existence. It also provides a more general framework of the long-term goals and operating structure of the EDC, so that the reader can gain an understanding of the direction the EDC is headed.

It is the intention of the initial Board of Directors of the Corporation to develop a full five-year strategic plan during the six-month start-up period, and prior to the appointment of a full permanent Board. That plan will provide a similar level of detail for the future of the EDC as this plan shows for the start-up period.

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MISSION

The Greater Oxnard Economic Development Corporation (EDC) is a private, non-profit corporation, constituted with the following Mission:

To provide public-private leadership on matters pertaining to the economic development and prosperity of the people and businesses of Oxnard. The EDC will pro-actively guide the economic future of the city by fostering the growth of existing businesses and by leading new economic forces to the Oxnard area, in a manner respectful of the community's quality of life goals.

GOALS AND OBJECTIVES

When all is said and done, the success of the Economic Development Corporation will depend upon people's perceptions of whether the economy of Oxnard is "better" than when the EDC started. What precisely defines the economy, and what signals that it has improved, is open to some individual interpretation, but there is little doubt that, from the individual resident's viewpoint, growth in job opportunities and quality is a successful outcome, and from the City government's viewpoint, growth in tax revenues is a desirable result. A business perspective blends these two viewpoints, in that an improving economy fosters business expansion, which leads to job growth and a greater tax base, at the same time that it stimulates profitability.

Hence, the goals of the EDC will focus closely on those outcomes which will serve as indicators of its success. **The fundamental goal will be to stimulate jobs and tax base growth in the Oxnard area.** This is accomplished primarily by working with existing businesses, to remove impediments to their growth and ensure that they have access to the tools of growth. Emphasis on expansion of existing businesses is critical partly because most job growth in a community is created by expansion, rather than new business relocation, and partly because a vigorous local business community is a strong asset in a business attraction program.

A complete job and tax base development program must also include a strong marketing component. Attraction of new businesses occurs through intelligent marketing, and an intelligent marketing campaign depends upon a thorough understanding of the existing local economy, so as to know what types of business are the best match for the community. With limited funds a targeted approach to marketing, as opposed to "shotgun" advertising, is a necessity.

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The secondary goal of the EDC will be to focus attention and energy on a select number of geographic areas in the city which are of strategic importance to the health of the local economy. At the outset, those areas will be limited to the downtown, the 101 Freeway corridor, and South Oxnard. Over time, other areas may emerge as being as strategically important as these three areas are now.

Finally, the internal goal of the EDC will be to develop itself, organizationally and financially, from a fledgling new concept into an established and effective community asset, with a strong Board of Directors and long-term financial stability.

Following are the three initial goals of the Economic Development Corporation, accompanied by more specific objectives in each area to guide the corporation's activities through its startup period into stabilized operations.

A. Goal: Job and Tax Base Development

To spark the growth of jobs, job quality, and total tax base in Oxnard by preventing the loss of existing jobs, assisting in the growth of existing businesses, and attracting new high-quality businesses to the Oxnard area.

Objectives:

1. Establish "early warning" communication network to insure timely awareness of both problems and opportunities for local businesses.
2. Serve as liaison and advocate to City for both problem resolution and new business contacts.
3. Provide access to capital for business expansion and new business creation.
4. Provide access to training - both management and labor force - to promote job development and new job creation.
5. Prepare quantitative analysis of local economy to understand which are key sectors for future development.
6. Develop marketing program for business attraction, based on identifiable local assets and key sector analysis; and provide information which energizes the community about its positive attributes and about opportunities available for business growth in Oxnard.
7. Support the Greater Oxnard and Harbors Tourism Bureau, to insure maximum positive economic impact from the tourism industry.

B. Goal: Strategic Area Development

To stimulate the proper development of defined strategic areas which are critical to the overall economic health of the City.

Objectives:

1. Work with downtown business association to create an economic development strategy and marketing plan to attract new businesses, and to create a Community Development Corporation as the appropriate management entity for downtown economic revitalization.
2. Assist businesses to open and/or expand, by providing access to financing and assisting with City processes, and by proposing programs to City Council for incentives to locate businesses downtown.
3. Organize a Freeway Corridor Task Force of City representatives and appropriate business interests, to develop a long-term strategy for sustained retail sales growth, and to address other strategic issues in this critical area, such as redevelopment.
4. Advocate strategic economic development interests to City Council in the creation of the long-term plan for South Oxnard, and work closely with City to implement plan.

C. Goal: Organization Development

To continue the growth of the corporation itself by refining and maturing the governance and management structure and by expanding the financial bases of support for the corporation.

Objectives:

1. Appoint Directors to fill all established positions on the Board of Directors, and finalize By-laws once full Board is seated.
2. Finalize management structure, and add staff in accordance with 5-year financial plan.
3. Establish subsidiary downtown Community Development Corporation, in conjunction with downtown business association.
4. Work toward financial self-sufficiency by increasing earned income and reducing dependence on public funds.

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OPERATING PROGRAM

Overall Strategy

A strategy of leveraging relationships and resources will underlie the activities of the Economic Development Corporation. As an institution chartered from the outset to be a public/private collaboration, the EDC is in the ideal position to orchestrate the economic development efforts of a multitude of community organizations to create maximum positive impact from everyone's efforts.

Hence, words like "partnering," "alliance-building," "collaborating," "fund-leveraging" and "supporting" will characterize the activities of the EDC, rather than any sort of stand-alone campaign. In the startup operating program which follows, existing community organizations such as these will play a crucial role:

- Chambers of Commerce and VCEDA
- Banks
- Educational Institutions
- Government Agencies
- Oxnard Harbor District
- Utility Companies
- California Central Coast World Trade Center Association
- Business and Professional Organizations
- Service Clubs and Neighborhood Associations

Operating Program

The operating program below is intended to describe the specific activities of the EDC during the startup period of the Corporation. It is organized to correspond to the framework established by the corporate goals and objectives.

Goal: Job and Tax Base Development

Communication

- Organize information exchange with Chambers on Business Retention issues.
- Interview existing businesses about current conditions and future prospects.
- Contact local brokers, contractors, lawyers, accountants, etc. to ask for early alert when problems or opportunities are known.

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City Liaison

- Contact appropriate City department or Councilmember for problem resolution.
- Provide entrée to City organization for new business prospects or existing businesses wishing to expand.

Access to Capital

- Administer current Revolving Loan Fund (CDBG) for City.
- Catalog and market existing sources of development financing.
- Contact local banks to form shared-risk loan pool.
- Apply for Federal or foundation funds to create local loan program.
- Explore SBA certification for enhanced lending power.

Access to Training

- Catalog and market existing sources of low-cost training.
- Explore creation of Small Business Development Center.

Economic Analysis

- Solicit consultant and/or academic proposals for econometric study.
- Solicit funding for econometric study.

Marketing

- Update and upgrade all marketing materials.
- Design marketing campaign targeted for new industrial firms.
- Design quarterly bulletin to publicize newsworthy events of the EDC.
- Respond to inquiries for information about Oxnard.
- Establish complete data base capabilities for current economic information.

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Tourism

- Coordinate production of marketing materials with Tourism Bureau, to avoid duplication and provide mutually supportive messages.

Goal: Strategic Area Development

Downtown Marketing

- Advise and monitor downtown consultant who is lead in developing strategy and plan and a downtown management entity.
- Market downtown opportunities based on completed strategy and plan.

Downtown Financial Incentives

- Secure infrastructure fee waiver for qualifying downtown infill projects.
- Work with City staff to secure a movie theater in downtown.
- Develop program for eliminating retail vacancies by offering "micro-loans" as incentives.

Freeway Corridor

- Identify and solicit members for task force, then organize goals and meeting schedules.

South Oxnard

- Identify opportunities for Port-supportive and airport-supportive, as well as tourism-supportive, development in South Oxnard, and convey same to City Council during deliberations on new Ormond Beach Specific Plan.

Goal: Organization Development

Board of Directors

- Develop full description of Board responsibilities and selection criteria.

Management

- Update long-term business plan annually.
- Prepare annual operating plan and budget.

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- Prepare policies and procedures manual.

Community Development Corporation

- Establish legal frameworks for subsidiary non-profit corporation.
- Solicit interest for Board membership on new corporation.

Financial Self-sufficiency

- Solicit other clients, not in conflict with Oxnard economic development interests, for fee-based services.
- Establish fees for loan packaging services.

IMPLEMENTATION MILESTONES

During Start-up Period (February through June 1994)

Goal: Job and Tax Base Development

- Conduct twelve interviews with Chamber executives and local brokers to set up information exchange on business retention issues.
- Conduct up to one thousand interviews with local businesses to learn their perspectives on business problems in Oxnard and how EDC might help.
- Assist ten businesses with City expediting or problem resolution.
- Contact twelve business leads for relocation to Oxnard.
- Develop guidebook of financing resources for small businesses.
- Hold interviews with five banks to organize loan pool.
- Develop guidebook of training resources for small businesses.
- Solicit proposals and contract for econometric study.
- Design and publish quarterly bulletin of EDC news.

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- Respond to fifty inquiries for information about Oxnard.

Goal: Strategic Area Development

- Insure completion of downtown economic development plan and marketing materials by downtown consultant.
- File articles of incorporation for Downtown CDC.
- Complete proposal to City Council on downtown infrastructure fee waiver program.
- Create Freeway Corridor Task Force.
- Make specific land use recommendations to City Council on Ormond Beach Specific Plan.

Goal: Organization Development

- Adopt Interim By-laws by February 1.
- Establish Administrative Policies by March 1.
- Organize Planning Retreat for April.
- Develop full strategic plan by May 1.
- Appoint full Board with terms established by June 1.
- Present annual report and budget request to City by May 15.

GOVERNANCE

The Economic Development Corporation is to be established as a public benefit non-profit corporation chartered according to the laws of California. It will be classified for tax purposes as a 501(c)(3) charitable organization.

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Board of Directors

The EDC will operate initially under the policy direction of a nine-member Board of Directors. This Board will serve until June 30, 1994, with the purpose of establishing the on-going Board structure and By-laws to serve the Corporation after the startup period. The initial Board members may or may not themselves fill the one-, two- or three-year terms which will commence on July 1, 1994, but they will be responsible for nominating and electing a full Board, as that number may be defined in the full By-laws.

It is intended and expected from the outset that Board members will be fully involved in setting the goals, objectives, and strategic plan for the EDC, in supporting its activities, and in monitoring its accomplishments. Consequently, full participation is an absolute requirement for Board membership, in terms of attendance at appropriate meetings and in terms of contribution of ideas, energy and resources.

The responsibilities of the Board will include:

- Authorizing and periodically reviewing the Business Plan or work program.
- Approving a budget in accordance with the Plan.
- Acting on Board committee recommendations.
- Determining the long-term goals and course of action.
- Appointing Board officers and filling Board vacancies, in accordance with the By-laws.
- Amending the By-laws as may be needed.
- Hiring the President (chief executive), establishing performance objectives, and reviewing his/her performance in accordance with those objectives.

Committees

The Board will appoint three committees during its startup period. These committees will serve with the expectation of concluding their work by June 30, 1994; however, the newly-elected full Board may choose to continue any of these committees, as well as appoint additional ones.

- The Administrative Policy Committee will set salaries, benefits, and job descriptions for all employees. It will establish office policies, financial controls, and an employee handbook.
- The Finance/Budget Committee will develop budgets and a financial plan for short-term and long-term income and expenditures. It will monitor all current income and expenses. It will provide oversight to the capital access and loan programs.
- The Strategic Planning Committee will develop a long-term strategic plan, and will monitor the current work program.

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Initial Board of Directors

The initial Board of Directors will include:

- George Lauterbach (Chairman), Lauterbach & Associates Architects
- Michael Montoya, Southern California Edison
- Robert Paulger, Procter & Gamble
- Richard Spencer, MVS Associates
- Anthony Taormina, Oxnard Harbor District
- To be appointed by City Council, January 11, 1994
- To be appointed by City Council, January 11, 1994
- To be appointed by initial Board members
- To be appointed by initial Board members

Individuals interested in serving on the Board of Directors will be asked to submit a resume and a letter identifying their interests and skills to the Chairman.

Downtown Oxnard Community Development Corporation

A future component of the EDC should be the creation of a subsidiary Community Development Corporation (CDC), to focus on the downtown area. A community development corporation is similar in form and function to an EDC, but it is oriented to a specific area of the city, usually at the neighborhood level, its mission is made specific to that area, and it has a board of directors chosen from the area.

In this case, a CDC can be a valuable tool to assist in downtown revitalization efforts, by performing several functions:

- It can provide access to capital for business development, by being an eligible recipient of Federal grants and grants from private foundations and banks seeking to invest in downtown areas.
- It can serve as an effective intermediary between the City and downtown businesses, funneling City financial support through a private corporation into the downtown, and providing a body to define and advocate downtown interests to the City Council.
- It can provide structure and support to the privately-sponsored downtown business management program currently being formulated, as a follow-up to the Downtown Master Plan.

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ADMINISTRATION

The initial staff organization of the EDC will provide for four full-time employees. Additional staff needs will be accommodated on a contract basis during the startup period, with options open to the full Board after normalized operations are achieved, whether to establish additional staff positions or to continue with contract/consultant assistance.

Staff

- **President, Steven Kinney**

Responsible for leadership of the Corporation and for the development and execution of Board-approved plans and programs. He is responsible for all administrative and managerial functions. He serves at the pleasure of the Board, and will review his performance at least annually with the Board, in comparison with established objectives.

- **Finance Manager, Cheryl McCulloch**

Reports to the President. Administers the City's CDBG-funded revolving loan program, markets and assists clients with loan programs and other financial services. Maintains internal financial operations of the Corporation. Assists clients with other City liaison services as needed.

- **Administrative Assistant, Kathleen Thorp**

Supports the daily operations of the Corporation. Responsible for clerical support, establishing startup office systems, organizing information data base, and creating custom marketing packages as needed.

- **Receptionist, (open)**

Creates initial image of Corporation through first public contact with walk-in or telephone clients. Provides information about City and Corporation as requested. Serves as contract receptionist also for Chamber of Commerce and Tourism Bureau, when all three organizations are operating together in one location.

Additional Services, to be Contracted For Initially

- **Financial**

Develops and organizes programs for financial assistance to EDC clients. Catalogs and gains access to existing financing programs, and identifies source of capital for additional programs to be created by Corporation.

- **Marketing and Research**

Establishes and maintains full library of economic and demographic data for Oxnard and region. Creates attractive, innovative programs and products to market EDC resources and services to industry and to the community.

- **Downtown Manager (linked to creation of CDC)**

Responsible for daily operations of Downtown CDC, including service to Board and management of all programs targeted at the downtown area. This position is not needed until the actual creation of the CDC.

BUDGET

February 1, 1994 through June 30, 1994

The start-up budget for the EDC covers the period from February 1 through June 30, 1994. It is the detailed financial control document during the start-up operation of the Corporation. It will be superseded by the full FY 94-95 budget to be developed as a part of the Strategic Plan during the Spring of 1994.

INCOME

City - General Fund & CDBG	\$266,000
Rent - Heritage Square	7,500
Loan Fees	2,000
Corporate Investment	5,000
In-kind Contributions	5,000
Grants	0
Miscellaneous Fees & Income	<u>0</u>
TOTAL INCOME	\$285,500

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EXPENSES

Staff

Salaries (4 positions)	\$59,500
Benefits	<u>25,500</u>
Subtotal Staff	\$85,000

Operations

Rent/CAM	\$15,500
Janitorial	3,000
Utilities	2,000
Telephone	3,000
Printing & Postage	3,000
Insurance	3,000
Supplies	2,000
Memberships & Periodicals	2,500
Expense Reimbursements	3,000
Advertising	1,000
Training	5,000
Board Support	5,000
Accounting & Legal	<u>10,000</u>
Subtotal Operations	\$58,000

Start-up Costs

Capital Equipment	\$30,000
Other Soft Costs	<u>5,000</u>
Subtotal Start-up	\$35,000

Programs

Consultant - Financing Programs	\$25,000
Temporary Personnel - Business Survey	7,500
Consultant - Econometric Study	50,000
Marketing and Marketing Materials	15,000
Consultant - Financial/Economic	<u>10,000</u>
Subtotal Programs	\$107,500

TOTAL EXPENSES \$285,500

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ATTACHMENT 2
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Future Budgets

Future budgets will be developed in accordance with the long-range strategic plan, to be created by the Board of Directors in the Spring of 1994. Each year, the EDC budget for its forthcoming fiscal year, beginning in July, will be adopted by the Board in time to submit to City Council the EDC request for City funding which is a part of the budget. The Board will make a full report to the City Council on the use of City funds during the prior year, and the results achieved through the use of those funds, as well as a detailed proposal for the use of requested City funds in the year ahead.

One of the important financial objectives of the EDC is to diversify its income sources, so as not to be dependent exclusively on the City for revenue. City funding will remain an important component of the EDC budget, in that the EDC will continue to perform needed services for the City. But to the extent that the EDC can and should expand over time, it is anticipated that the expansion will be funded through income derived elsewhere than from the City.

Potential income sources to be explored include:

Public Sector

- Government (city, county, state, federal): grants and contracts for development of specific programs or the provision of enumerated services.
- Foundations: For general support, demonstration programs, and to meet specific foundation objectives.

Private Sector

- Cash Grants: Either unrestricted or designated for particular uses.
- In-Kind Services/Facilities: Provision of accounting services and office space, for example.
- Fees For Service: Cost recovery, or market rate for a for-profit subsidiary.
- Development Income: From specific projects, such as an industrial or office incubator building.
- Subsidiary Operations: Community development banks, for example.

As a general goal, the EDC will strive to diversify its income sources so that its non-City income exceeds its City funding by the fifth year of its existence.

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A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OXNARD AMENDING RESOLUTION NO. 10,583 AUTHORIZING FULL-TIME EQUIVALENT PERMANENT POSITIONS IN THE CITY SERVICE IN ACCORDANCE WITH THE OPERATING BUDGET FOR THE 1993-94 FISCAL YEAR

WHEREAS, the staff has recommended amendments to Resolution No. 10,583 authorizing full-time permanent positions in the City service; and

WHEREAS, the City Council has carefully reviewed the amendments and finds that said recommended amendments are desirable in the interest of maintaining an efficient municipal organization.

NOW, THEREFORE, the City Council of the City of Oxnard resolves that Resolution No. 10,583 shall remain in force with the following amendment effective February 1, 1994.

Resolution No. 10,583

<u>DEPARTMENT/CLASSIFICATION TITLE</u>	<u>FULL-TIME EQUIVALENT POSITIONS</u>	
<u>Economic Development Department</u>		
Economic Development Director	1.00	0.00
Department Total	4.00	3.00
City-Wide Total	<u>1,003.00</u>	<u>1,002.00</u>

PASSED AND ADOPTED THIS 11TH DAY OF JANUARY, 1994, with the following vote:

AYES:

NOES:

ABSENT:

DR. MANUEL M. LOPEZ
MAYOR

ATTEST:

DANIEL MARTINEZ
CITY CLERK

APPROVED AS TO FORM:

Gary Gillig 1-3-94

GARY L. GILLIG
CITY ATTORNEY