Workforce Development Board
Business Services/CEDS Committee
Wednesday, February 12, 2020
Cabrillo College, Sesnon House
6500 Soquel Dr., Aptos
3:00 p.m.

Agenda

I. Call to Order/Welcome
II. Public Comment
III. Service Provider Activity Report
   SBDC (Layoff Aversion)
IV. Informational Item
   I.1 Labor Market Information.........................................................2-3
V. Consent Items
   C.1 Approval of Minutes from October 9, 2019 Meeting ...............4-7
   C.2 Committee Dashboard ..............................................................8-9
   C.3 Contractor Financial and Performance Report .................10-11
   C.4 Re-Contracting PY 20/21 Bus. Svcs..................................12-13
VI. Administration
    A.1 Business Resource Network Update ....................................14
    A.2 CEDS 5 Year Plan Update/Josh Williams .............................15
    A.3 Committee Member/Jurisdictional Roundtable .....................16

VII. Chairperson’s Report
VIII. Adjournment

Next Meeting: Workforce Development Board Meeting
April 2, 2020 @ 8:30 a.m.
Best Western Seacliff Inn
7500 Old Dominion Court
Aptos, CA 95003

Next Committee Meeting:
April 7, 2020 @ 3:00 p.m.
Sesnon House, Cabrillo College

The County of Santa Cruz does not discriminate on the basis of disability, and no person shall, by reason of a disability, be denied the benefit of the services, programs, or activities. This meeting is located in an accessible facility. If you are a person with a disability and require special assistance in order to participate in the meeting, please call (831) 763-8900 (TDD/TTY - 711) at least 72 hours in advance of the meeting in order to make arrangements. Persons with disabilities may request a copy of the agenda in an alternative format. As a courtesy to those affected, please attend the meeting smoke and scent free.
I.1 Labor Market Information

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<th>COMMITTEE:</th>
<th>MEETING DATE:</th>
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<tbody>
<tr>
<td>Business Services/CEDS Committee</td>
<td>February 12, 2020</td>
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<tr>
<th>STAFF NAME:</th>
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<tbody>
<tr>
<td>Andy Stone - WDB Director, Laurel Gazza - Administrative Aide</td>
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SUMMARY:

The current unemployment rate in Santa Cruz County was 4.9 percent in December 2019, up from a revised 3.9 percent in November 2019 (summary also attached), and below the year ago estimate of 5.3 percent. This compares with an unadjusted unemployment rate of 3.7 percent for California and 3.4 percent for the nation during the same period.

Attachment(s)

SUGGESTED MOTION: (if applicable)

N/A
The unemployment rate in the Santa Cruz County was 4.9 percent in December 2019, up from a revised 3.9 percent in November 2019, and below the year-ago estimate of 5.3 percent. This compares with an unadjusted unemployment rate of 3.7 percent for California and 3.4 percent for the nation during the same period.

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<tbody>
<tr>
<td>Total, All Industries</td>
<td>113,300</td>
<td>109,100</td>
<td>(4,200)</td>
<td>107,800</td>
<td>109,100</td>
<td>1,300</td>
</tr>
<tr>
<td>Total Farm</td>
<td>7,700</td>
<td>4,900</td>
<td>(2,800)</td>
<td>4,800</td>
<td>4,900</td>
<td>100</td>
</tr>
<tr>
<td>Total Nonfarm</td>
<td>105,600</td>
<td>104,200</td>
<td>(1,400)</td>
<td>103,000</td>
<td>104,200</td>
<td>1,200</td>
</tr>
<tr>
<td>Mining, Logging, and Construction</td>
<td>4,600</td>
<td>4,500</td>
<td>(100)</td>
<td>4,400</td>
<td>4,500</td>
<td>100</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>7,900</td>
<td>7,800</td>
<td>(100)</td>
<td>7,400</td>
<td>7,800</td>
<td>400</td>
</tr>
<tr>
<td>Trade, Transportation &amp; Utilities</td>
<td>17,600</td>
<td>17,400</td>
<td>(200)</td>
<td>17,400</td>
<td>17,400</td>
<td>0</td>
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<tr>
<td>Information</td>
<td>600</td>
<td>600</td>
<td>0</td>
<td>600</td>
<td>600</td>
<td>0</td>
</tr>
<tr>
<td>Financial Activities</td>
<td>3,600</td>
<td>3,600</td>
<td>0</td>
<td>3,500</td>
<td>3,600</td>
<td>100</td>
</tr>
<tr>
<td>Professional &amp; Business Services</td>
<td>10,900</td>
<td>10,700</td>
<td>(200)</td>
<td>10,300</td>
<td>10,700</td>
<td>400</td>
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<tr>
<td>Educational &amp; Health Services</td>
<td>18,000</td>
<td>18,000</td>
<td>0</td>
<td>17,900</td>
<td>18,000</td>
<td>100</td>
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<tr>
<td>Leisure &amp; Hospitality</td>
<td>13,400</td>
<td>13,000</td>
<td>(400)</td>
<td>13,500</td>
<td>13,000</td>
<td>(500)</td>
</tr>
<tr>
<td>Other Services</td>
<td>5,500</td>
<td>5,500</td>
<td>0</td>
<td>5,200</td>
<td>5,500</td>
<td>300</td>
</tr>
<tr>
<td>Government</td>
<td>23,500</td>
<td>23,100</td>
<td>(400)</td>
<td>22,800</td>
<td>23,100</td>
<td>300</td>
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Notes: Data not adjusted for seasonality. Data may not add due to rounding Labor force data are revised month to month Additional data are available online at www.labormarketinfo.edd.ca.gov
C.1 Approval of Meeting Minutes

<table>
<thead>
<tr>
<th>COMMITTEE:</th>
<th>Business Services/CEDS</th>
<th>MEETING DATE:</th>
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<tbody>
<tr>
<td>STAFF NAME:</td>
<td>Andy Stone, WDB Director; Laurel Gazza, Administrative Aide</td>
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SUMMARY:

Requesting Consent approval of the October 9, 2019 Business Services/CEDS meeting minutes.

SUGGESTED MOTION: (if applicable)

I move to approve the October 9, 2019 Business Services/CEDS meeting minutes.

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<th>COMMITTEE DATE</th>
<th>COMMITTEE APPROVAL:</th>
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<td>Yes</td>
<td>No</td>
<td>Other:</td>
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Vice-Chair Elyse DEstout called the meeting to order at 3:06 pm, and a quorum was established. Members, staff and guests introduced themselves.

Committee Members in Attendance
Beyer, Casey
Destout, Elyse – Vice Chair
Elliott, Candice
Herlihy, Katie
Mason, Barbara
Unitt, Rebecca – in for Bonnie Lipscomb, City of Santa Cruz

Committee Members Absent
Brady, Gerlinde
Constable, Andy
Delk, Marshall - Chair
Friend, Tina
Huffaker, Matt
Lipscomb, Bonnie
Siegel, Carol

Staff in Attendance
Barr, Belinda - WDB Business Services Manager
Gazza, Laurel – WDB Administrative Aide
Gray, Lacie – WDB Senior Analyst
Stone, Andy – WDB Director

Guests
Berube, Matthew – Goodwill Central Coast
Napoli, Brandon – Cabrillo College SBDC
Williams, Josh – BW Research
Winter, Amanda – Career Center Operator

Subject: II. Public Comment
There was no public comment.
Subject: III. Service Provider Activity Reports

Brandon Napoli, Director of the Small Business Development Center at Cabrillo College gave an update on 1st Quarter performance and stated that they had helped 17 businesses and retained 16 jobs. He also invited everyone to visit the newly remodeled SBDC office.

Subject: IV. Informational Item

I.1 – Labor Market Information

WDB Director Andy Stone noted that the local employment rate for August 2019 was 3.9%, below the year ago estimate of 4.0%.

Subject: V. Consent Items:

C.1 – Approval of Minutes from August 7, 2019 Meeting
C.2 – Business Resource Network Update

Action: It was moved to approve the Consent Agenda Items

Status: Motion to Approve: Casey Beyer
Motion Seconded: Katie Herlihy
Abstentions: None
Committee Action: All in favor, motion passed

Subject: VI. Administration Items:

A.1 CEDS 5 Year Plan Kickoff/Josh Williams

Guest speaker Josh Williams, of BW Research asked Committee members what is important for economic development in Santa Cruz County, in order to gather a framework for developing the next 5-year CEDS Plan. Members main concerns centered around lack of commitment to improving infrastructure, attracting and keeping businesses in the county, succession planning, land use decisions and high cost of living.

Action: No action taken, discussion only.
A.2 – Committee Member Jurisdictional Roundtable

Committee members from various jurisdictions within the county gave updates on current and future building projects and challenges in their respective areas. General topics were better serving of the downtown Santa Cruz area, the Capitola Mall redevelopment project, Small Business Saturday to be held on November 30, 2019; and the upcoming 130th Anniversary of the Santa Cruz Chamber of Commerce. WDB Director Andy Stone also mentioned there would be a “Future of Agriculture” presentation at the May 27, 2020 WDB full board meeting.

Action: No action taken, discussion only.

Subject: VII. Chairperson’s Report – Chair Marshall Delk was absent, no report given.

Meeting adjourned at 4:25 p.m.

Next Meeting:  Workforce Development Board Meeting
Thursday, December 5, 2019 @ 8:30 a.m.
Seacliff Inn
7500 Old Dominion Ct.
Aptos, CA  95003

Business Services Committee Meeting
February 12 @ 3:00 pm
Sesnon House – Cabrillo College, Aptos
C.2 Business Services Dashboard

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<tr>
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<tr>
<td>STAFF NAME:</td>
<td>Belinda Barr, Business Services Manager</td>
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SUMMARY:

In addition to the Data Dashboard, Workforce Santa Cruz County identified and responded to 10 layoffs during PY 19/20 Q1, as specified below (by Layoffs/Industry/Employer/Location/Reason):

(2) Recreation, Segway Santa Cruz Tours, Santa Cruz, Business Closure due to Pursing New Venture
(1) Retail, Arteak Interiors, Santa Cruz, Business Closure due to Retiring Business Owner
(2) Retail, Hannah's Home Furnishings, Capitola, Business Closure due to Retiring Business Owner
(2) Services, Inter-Con Security, Capitola, Downsizing due to Losing Security Contract
(3) Waste, rePLANET Recycling, Aptos, Business Closure due to Increased Cost

attachment(s)

SUGGESTED MOTION: (if applicable)

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C.2 Committee Dashboard

Business Services Dashboard
Program Year 2019 - 2020 (through Q1)

Business Services

- Employer Information and Support Services
- Rapid Response/Business Downsizing Assistance
- Workforce Recruitment Assistance
- Incumbent Worker Training Services/Training Services

Business Services by Location

- Santa Cruz: 44%
- Watsonville: 11%
- Other: 16%
- Scotts Valley: 16%
- Aptos: 7%
- Capitola: 5%

Top 5 Job Ads by Company

1. University of California, Santa Cruz
2. Dignity Health
3. Care.com
4. Sutter Health
5. Pajaro Valley Unified School District

Layoffs Averted by Sector & Location

- Healthcare and Social Assistance: 12
- Other Services Except Public Administration: 3
- Retail Trade: 1

Footnotes:
(1) Served 55 businesses and activities are organized by new EDD Reporting Categories for employer services
(2) Employer information and support services includes Networking (27), Labor Market Information (4) & Community Resource Referrals (3)
(3) Contacted 16 businesses and confirmed 10 layoffs with 5 business (Waste-3, Retail-3, Services-2, & Recreation-2); held no Rapid Response Orientations
(4) Connected with 18 businesses to avert layoffs related to Business Operations Improvements (12), Hiring Layoffs (2), Downsizing (2) & Business Succession Planning (2)
(5) SBDC served 12 new businesses & averted 18 layoffs, on track to meet annual goal of serving 40 new at-risk businesses & averting 60 layoffs
(6) Recruitment services includes Job Listings & Candidate Referrals (14), Job Fairs at Watsonville Career Center (6), CalJOBS Assistance (5) & Job Fairs at Capitola Career Center (2)
(7) Online job postings in PY 19/20 Q1 per JobsEQ
C.3 Contractor Budget & Performance

COMMITTEE: BS/CEDS Committee
MEETING DATE: February 12, 2020

STAFF NAME: Belinda Barr, Business Services Manager

SUMMARY:
Report attached tracking Small Business Development Center (SBDC) spend and performance for layoff aversion. SBDC is on track to meet annual targets.

Attachment(s)

SUGGESTED MOTION: (if applicable)

COMMITTEE DATE
COMMITTEE APPROVAL:
☐ Yes ☐ No Other:

BOARD DATE
BOARD APPROVAL:
☐ Yes ☐ No Other:
Small Business Development Center (SBDC) Layoff Aversion - Budget v. Expenditures
(Through 9/30/2019)

<table>
<thead>
<tr>
<th>SBDC Layoff Aversion</th>
<th>Actual</th>
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<tbody>
<tr>
<td>Budget</td>
<td>$44,000</td>
</tr>
<tr>
<td>Invoiced Amount</td>
<td>$5,383</td>
</tr>
<tr>
<td>Percent Invoiced</td>
<td>12.2%</td>
</tr>
<tr>
<td>Remaining Budget</td>
<td>$38,618</td>
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</tbody>
</table>

SBDC - Contract Performance Objectives (Through 9/30/2019)

<table>
<thead>
<tr>
<th>SBDC Layoff Aversion Contract Outcomes</th>
<th>Actual</th>
<th>Annual Goal</th>
<th>% Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of new at-risk businesses to be served</td>
<td>12</td>
<td>40</td>
<td>30.0%</td>
</tr>
<tr>
<td>Number of actual jobs retained or layoffs averted</td>
<td>18</td>
<td>60</td>
<td>30.0%</td>
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</table>

SBDC Layoff Aversion is on track to meet annual targets.
C.4 Recontracting PY 20/21 Services

The Small Business Development Center's (SBDC) Layoff Aversion contract is scheduled to terminate on June 30, 2020. WDB staff recommends that the WIOA Layoff Aversion contract be renewed with SBDC.

Although the Employment Development Department (EDD) has not yet released the Workforce Innovation and Opportunity Act (WIOA) Allocations for Program Year 2020-21 for the Adult, Dislocated Worker (DW), Rapid Response and Youth funding sources, final contractor allocations will be based upon overall state funding levels. It is recommended that the Executive Committee of this Board have final authority over allocation amounts.

Negotiations on the scope of work with the service goals and the budgets will be completed with services continuing as of July 1, 2020, according to the County's continuing contract agreements process.

SUGGESTED MOTION: (if applicable)

I move to accept the PY 20/21 re-contracting recommendations, submit to the Executive Committee for final allocation approval and direct staff to move forward with contract negotiations upon receipt of approvals.
## CONTRACTOR Funding Source/ Services Actual PY 19/20 Allocation Recommended PY 20/21 Allocation

| Small Business Development Center* | Layoff Aversion | $44,000 | $44,000 |

*Pending Negotiations
A.1 Business Resource Network Update

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SUMMARY:

The Business Resource Network is a workforce employer services approach to proactively improve business operations through a business assistance referral network in order to avert layoffs. The Ohio Business Resource Network presented their offering to Santa Cruz County BS/CEDS Committee Members via webinar on October 23, 2019. The WDB staff is looking into implementing the Business Resource Network at a scale achievable with local funding levels.

☐Attachment(s)

SUGGESTED MOTION: (if applicable)

I move to accept the Business Resource Network update.
A.2 CEDS 5 Year Plan

COMMITTEE: BS/CEDS Committee
MEETING DATE: February 12, 2020

STAFF NAME: Belinda Barr, Business Services Manager

SUMMARY:
The Comprehensive Economic Development Strategy (CEDS) 5-Year Plan for Santa Cruz County will be submitted to the United States Economic Development Administration (EDA) in May 2020. The CEDS Plan will make Santa Cruz County eligible for EDA grants. The CEDS Plan will include a Summary Background, SWOT Analysis, Action Plan, Performance Measures, and Economic Resilience. EDA CEDS Content Guidelines are available here: https://www.eda.gov/files/ceds/CEDS-Content-Guidelines-full.pdf

BW Research will provide an update on the CEDS 5-Year Plan for Santa Cruz County and request additional stakeholder feedback to finalize the action plan and performance measures.

The previous Santa Cruz County CEDS Plan (2015) is available here: https://www.santacruzhumanservices.org/Portals/0/wib/reports/2015-CEDS-5-Year-Plan.pdf

Attachment(s)

SUGGESTED MOTION: (if applicable)

N/A

COMMITTEE DATE
COMMITTEE APPROVAL:
☐ Yes ☐ No Other:

BOARD DATE
BOARD APPROVAL:
☐ Yes ☐ No Other:
A.3 Committee Member/Jurisdictional Roundtable

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<tr>
<td>Andy Stone, WDB Director</td>
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**SUMMARY:**

In order to determine its local focus and actionable items, committee members will provide a report out on their respective jurisdiction or industry sector. Topics such as the latest developments in their industry, emerging issues or trends can be presented.

**Industry:**

*Financial Activities*
*Hospitality*
*Professional Services*
*Trade*

**SUGGESTED MOTION: (if applicable)**

N/A

**Committee Approval:**

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**Board Approval:**

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