



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

18 W. Beach Street  
Watsonville, CA  
95076  
(831) 763-8900  
[www.santacruzwdcb.com](http://www.santacruzwdcb.com)

## Agenda

### **BUSINESS SERVICES/CEDS COMMITTEE:**

Marshall Delk, Chair  
Santa Cruz County Bank

Carol Siegel, Employment Manager  
Santa Cruz Seaside Company

Elyse Destout, Vice-Chair  
Photography by Elyse Destout

Casey Beyer, Executive Director  
Santa Cruz Area Chamber of Commerce

Gerlinde Brady  
Cabrillo College

Andy Constable  
Economic Development Manager  
Santa Cruz County

Tina Friend, City Manager  
City of Scotts Valley

Katie Herlihy  
Community Development Manager  
City of Capitola

Matt Huffaker, City Manager  
City of Watsonville

Bonnie Lipscomb, Executive Director  
City of Santa Cruz, Economic Development

Rob Morse, Manager  
Pacific Gas and Electric Company

DIRECTOR:  
Andy Stone

*Santa Cruz County Workforce  
Development supports the Community  
by cultivating economic vitality and  
assisting Jobseekers by creating  
programs to train, educate, and  
support the workforce to develop key  
and timely skills. We assist Business to  
secure the talent they need to thrive  
now, and into the future.*

- 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.*



☐ Action ☐ Consent ☒ Information ☒ Discussion

## I.1 Labor Market Information

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

### 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)

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### SUGGESTED MOTION: (if applicable)

N/A

<b>COMMITTEE DATE</b>	<b>COMMITTEE APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:
<b>BOARD DATE</b>	<b>BOARD APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:

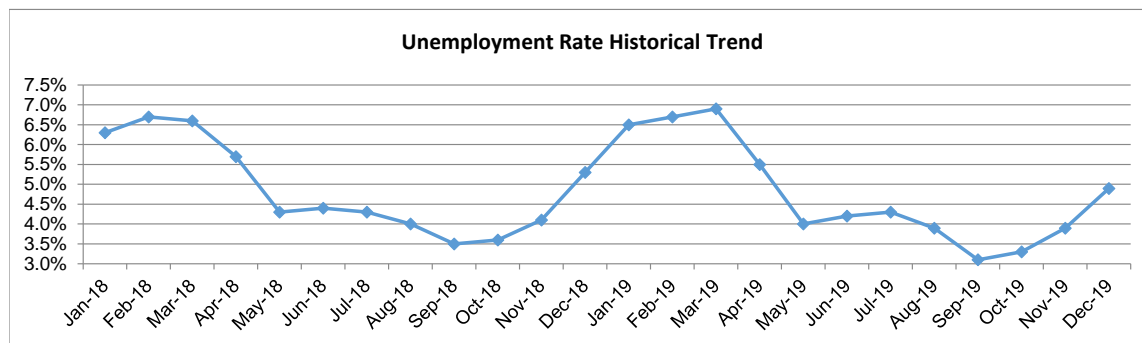
State of California  
 EMPLOYMENT DEVELOPMENT DEPARTMENT  
 Labor Market Information Division  
 130 East Ortega Street  
 Santa Barbara, CA 93101

January 24, 2020

Andriy Moskalyk  
 805-568-1314

IMMEDIATE RELEASE  
 SANTA CRUZ-WATSONVILLE METROPOLITAN STATISTICAL AREA (MSA)  
**(Santa Cruz County)**

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.



Industry	Nov-2019	Dec-2019	Change		Dec-2018	Dec-2019	Change
	Revised	Prelim				Prelim	
Total, All Industries	113,300	109,100	(4,200)		107,800	109,100	1,300
Total Farm	7,700	4,900	(2,800)		4,800	4,900	100
Total Nonfarm	105,600	104,200	(1,400)		103,000	104,200	1,200
Mining, Logging, and Construction	4,600	4,500	(100)		4,400	4,500	100
Manufacturing	7,900	7,800	(100)		7,400	7,800	400
Trade, Transportation & Utilities	17,600	17,400	(200)		17,400	17,400	0
Information	600	600	0		600	600	0
Financial Activities	3,600	3,600	0		3,500	3,600	100
Professional & Business Services	10,900	10,700	(200)		10,300	10,700	400
Educational & Health Services	18,000	18,000	0		17,900	18,000	100
Leisure & Hospitality	13,400	13,000	(400)		13,500	13,000	(500)
Other Services	5,500	5,500	0		5,200	5,500	300
Government	23,500	23,100	(400)		22,800	23,100	300

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](http://www.labormarketinfo.edd.ca.gov)



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## C.1 Approval of Meeting Minutes

<b>COMMITTEE:</b> Business Services/CEDS	<b>MEETING DATE:</b> February 12, 2020
<b>STAFF NAME:</b> Andy Stone, WDB Director; Laurel Gazza, Administrative Aide	

### SUMMARY:

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

☒Attachment(s)

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### **SUGGESTED MOTION: (if applicable)**

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

<b>COMMITTEE DATE</b>	<b>COMMITTEE APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:
<b>BOARD DATE</b>	<b>BOARD APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:



**Workforce Development Board  
Business Services/CEDS Committee  
Cabrillo College – Sesnon House  
6500 Soquel Dr., Aptos  
Wednesday, October 9, 2019, 3:00 p.m.**

C.1 Attachment

18 W. Beach Street  
Watsonville, CA 95076  
(831) 763-8900  
[www.santacruzwb.com](http://www.santacruzwb.com)

**MINUTES**

**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

**BUSINESS SERVICES/CEDS  
COMMITTEE:**

Marshall Delk, Chair  
Santa Cruz County Bank

Elyse Destout, Owner  
Photography by Elyse Destout

Gerlinde Brady,  
Cabrillo College

Andy Constable, Barbara Mason  
Economic Development  
County of Santa Cruz

Candice Elliott  
Principal Consultant  
Fortress and Flourish

Katie Herlihy, Director of Community Development  
City of Capitola

Matt Huffaker, Assistant City Manager  
City of Watsonville

Bonnie Lipscomb, Executive Director  
City of Santa Cruz Economic Development

Casey Beyer, Executive Director  
Santa Cruz Area Chamber of Commerce

Tina Friend, City Manager  
City of Scotts Valley

Rob Morse, Manager  
Pacific Gas and Electric Company

Carol Siegel, Employment Manager  
Santa Cruz Seaside Company

DIRECTOR:  
Andy Stone

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**Subject: II. Public Comment**

There was no public comment.

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**Subject: III. Service Provider Activity Reports**

Brandon Napoli, Director of the Small Business Development Center at Cabrillo College gave an update on 1<sup>st</sup> 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.

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**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%.

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**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

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

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**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.

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**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 130<sup>th</sup> 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.

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**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**



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## C.2 Business Services Dashboard

<b>COMMITTEE:</b>	BS/CEDS Committee	<b>MEETING DATE:</b>	February 12, 2020
<b>STAFF NAME:</b> Belinda Barr, Business Services Manager			

### 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 Pursuing 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)

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**SUGGESTED MOTION: (if applicable)**

<b>COMMITTEE DATE</b>	<b>COMMITTEE APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:
<b>BOARD DATE</b>	<b>BOARD APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:

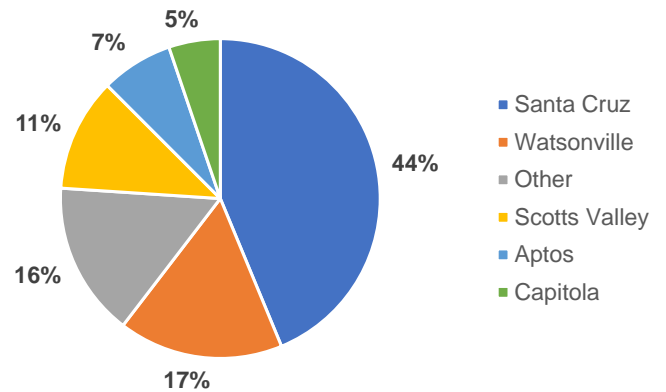


## Business Services Dashboard Program Year 2019 - 2020 (through Q1)

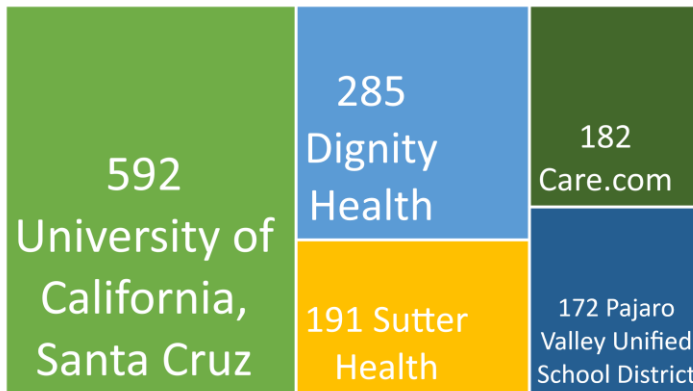
### Business Services<sup>(1)</sup>



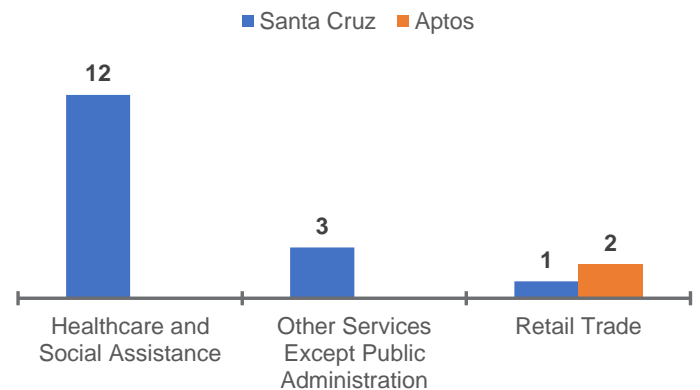
### Business Services by Location



### Top 5 Job Ads by Company<sup>(7)</sup>



### Layoffs Averted by Sector & Location<sup>(5)</sup>



#### 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



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## C.3 Contractor Budget & Performance

<b>COMMITTEE:</b>	BS/CEDS Committee	<b>MEETING DATE:</b>	February 12, 2020
<b>STAFF NAME:</b> 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)

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**SUGGESTED MOTION: (if applicable)**

<b>COMMITTEE DATE</b>	<b>COMMITTEE APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:
<b>BOARD DATE</b>	<b>BOARD APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:

**Workforce Services for Business**  
**WIOA Financial and Performance Report for Program Year 2019-20**

Small Business Development Center (SBDC) Layoff Aversion - Budget v. Expenditures  
(Through 9/30/2019)

<b>SBDC Layoff Aversion</b>	<b>Actual</b>
<b>Budget</b>	<b>\$44,000</b>
<b>Invoiced Amount</b>	\$5,383
Percent Invoiced	<b>12.2%</b>
Remaining Budget	<b>\$38,618</b>

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

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

SBDC Layoff Aversion is on track to meet annual targets.



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## C.4 Recontracting PY 20/21 Services

<b>COMMITTEE:</b>	Business Services/CEDS	<b>MEETING DATE:</b>	February 12, 2020
<b>STAFF NAME:</b> Andy Stone, WDB Director; Belinda Barr, Business Services Manager			

### SUMMARY:

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.

☒Attachment(s)

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### **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.

<b>COMMITTEE DATE</b>	<b>COMMITTEE APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:
<b>BOARD DATE</b>	<b>BOARD APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:

C.4 Attachment  
Re-Contracting PY 20/21  
Workforce Service Providers

<b>CONTRACTOR</b>	<b>Funding Source/ Services</b>	<b>Actual PY 19/20 Allocation</b>	<b>Recommended PY 20/21 Allocation</b>
Small Business Development Center*	Layoff Aversion	\$44,000	\$44,000

\*Pending Negotiations



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## A.1 Business Resource Network Update

<b>COMMITTEE:</b>	BS/CEDS Committee	<b>MEETING DATE:</b>	February 12, 2020
<b>STAFF NAME:</b> Belinda Barr, Business Services Manager			

### 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)

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### **SUGGESTED MOTION: (if applicable)**

I move to accept the Business Resource Network update.

<b>COMMITTEE DATE</b>	<b>COMMITTEE APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:
<b>BOARD DATE</b>	<b>BOARD APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:



## A.2 CEDS 5 Year Plan

<b>COMMITTEE:</b>	BS/CEDS Committee	<b>MEETING DATE:</b>	February 12, 2020
<b>STAFF NAME:</b> 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)

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### **SUGGESTED MOTION: (if applicable)**

N/A

<b>COMMITTEE DATE</b>	<b>COMMITTEE APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:
<b>BOARD DATE</b>	<b>BOARD APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:



☐ Action ☐ Consent ☒ Information ☒ Discussion

## A.3 Committee Member/Jurisdictional Roundtable

<b>COMMITTEE:</b> Business Services/CEDS Committee	<b>MEETING DATE:</b> February 12, 2020
<b>STAFF NAME:</b> Andy Stone, WDB Director	

### 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

☐ Attachment(s)

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### SUGGESTED MOTION: (if applicable)

N/A

<b>COMMITTEE DATE</b>	<b>COMMITTEE APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other:
<b>BOARD DATE</b>	<b>BOARD APPROVAL:</b> <input type="checkbox"/> Yes <input type="checkbox"/> No Other: