



Santa Cruz County Business Council

Board of Directors

September 18, 2014

Watsonville Community Hospital

Present: **Jarl Saal** (First Alarm), **Karl Philipovitch** (Graniterock), **Bob Murphy** (Wells Fargo Insurance), **Dawn Mathes** (PG&E), Robert Singleton (SCCBC), Bob Cagle (ProductOps), Bud Colligan (South Swell Ventures), **Peggy Dolgenos** (Cruzio Internet), **Karen Semingson** (Hutchinson & Bloodgood LLP), **Mike Machado**, **Rick Hofstetter** (Lighthouse Bank), **Mickey Holzman** (Pajaro Dunes Resort), **Tonee Picard** (Bay Federal Credit Union), **Jon Lee** (Barry Swenson Builder), **Tom Hart** (PAMF/Sutter), **Cindy Weigelt** (Watsonville Community Hospital), **Audra Earle** (Watsonville Community Hospital), Mary Ann Leffel (Monterey County Business Council), **Sid Slatter** (Slatter Construction)

Meeting Highlights

- **Monterey Bay Economic Partnership:** Directors heard a presentation from Bud Colligan (SCCBC member, MBEP Board chair) and Mary Ann Leffel (Monterey County Business Council). They discussed the progress made with this effort, and their plans for the future. They asked for SCCBC to join MBEP as an active, participating member. The Board will consider this at their October meeting.
- **Santa Cruz Works:** Colligan and ProductOps CEO Bob Cagle presented the current status of Santa Cruz Works. Additionally, they discussed future plans for the group and how SCCBC can support their efforts. Staff will continue to follow up with Works reps to determine strategies for future collaboration.
- **Housing in Santa Cruz County:** Board gave staff direction to add “housing” as SCCBC’s fourth focus area.
- **Participation in the proposed transportation sales tax process:** Board gave direction to staff for SCCBC to participate in the soon to be formed advisory group associated with the proposed transportation tax measure.
- **Education Initiative:** Directors held a preliminary discussion about the parameters of SCCBC’s education initiative efforts. Staff will continue to gather information from members and refine the scope before any implementation occurs. It was noted that another Board discussion about the effort should take place by the end of 2014.

Meeting Minutes (action in BOLD)

1. Welcome/introductions/July minutes
 1. **A motion was made and seconded to approve the July 2014 Board meeting minutes. The motion was unanimously passed.**



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2. Guests Bob Cagle (ProductOps), Bud Colligan (South Swell Ventures) and Mary Ann Leffel (Monterey County Business Council)

2. Committee reports
 1. Executive
 1. 2014 focus areas (transportation, water, education) - update
 1. An update on our progress in these areas was given. The Executive Committee will be meeting in October to discuss next steps in these three (3) areas. A few members offered thoughts on our “education” initiative. There was an update given about the City of Santa Cruz’s Water Solutions Advisory Committee (WSAC). Transportation was held back for the Infrastructure Committee report.
 2. Financial
 1. Directors were given a detailed spreadsheet of the current financials. There were no questions. **Directors accepted the report.**
 3. Membership & Programs
 1. The Committee report available through Dropbox was referenced multiple times during the report.
 2. Watsonville Coast Produce has rejoined at the Board-level. There are approximately 10 new targets that the Committee is trying to recruit.
 3. A few upcoming events/programs: 11/12 - post-election briefing; 12/5 - 5th Annual Forecast for the State and Local Economy (Erik Davidson, Wells Fargo Private Bank, will be the keynote speaker)
 4. Committee has begun discussions about nominating officers and committee chairs for 2015. This will come back to the Board in November.
 5. **Directors accepted the report.**
4. Infrastructure & Transportation
 1. Committee continues to closely follow developments with a potential 2016 transportation sales tax measure. The group recently met with RTC staff to discuss their plans and how SCCBC can play a role. There will be an “advisory committee” forming in the near future. The RTC indicated that SCCBC should have representation on that committee. **A motion was made to allow SCCBC to participate. It was seconded, and passed unanimously. This participation does not necessarily indicate that SCCBC fully supports the tax measure.**
 2. Update on the PG&E Santa Cruz 115kV Reinforcement Project was given. There will be a 1-to-2 page information handout distributed soon by PG&E. It was requested that this information be disseminated to the entire membership.
 3. Committee plans to engage a few more public officials before the end of 2014. The first will be new SC Metro CEO Alex Clifford to discuss the current and future vision of his organization and how their plans will impact the business community.



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4. It was mentioned that a detailed “work plan” was made available to directors prior to the meeting through Dropbox.

5. The Board accepted the Committee’s report.

5. Government Affairs & Economic Development

1. Update on the County’s Economic Vitality Strategy was given. County staff is in the process of incorporating feedback given during the public review period. A revised version of the document will be made available in early October. The Committee will review the revised Strategy and provide comments as appropriate. Whatever comments are made will be reported back to the Board.

2. Committee continues to stay engaged in the process behind the County’s Sustainable Santa Cruz County Plan. SCCBC has met with County officials to discuss our thoughts on the document, and to offer suggestions about improvements/additions that should be made. Our primary focus is on sustainable planning for the future, which includes higher density in the urban core, more mixed-use development, necessary transportation infrastructure improvements and a defined set of private investment incentives. The Plan will be going before the County Planning Commission on 9/24 and before the Board of Supervisors on 10/28. The Committee plans to provide formal comments a few times during this process.

3. Proposed changes to the County’s affordable housing policy has caught the attention of the Committee. During our recent meetings with County staff, we have been stressing the need for incentivizing market-rate and affordable housing development. The County is proposing a new fee structure intended to generate revenue to support their affordable housing program. We have concerns that this new fee structure will only de incentivize the construction of new housing in our County. Discussion ensued about the importance of housing for our local economy. **A motion was made and seconded to add “housing” as SCCBC’s fourth “focus area.” The motion was unanimously passed.** This topic will be discussed at our October Board meeting.

4. Committee reported that they decided not to engage with candidates running for local office. The thought is that we need to focus on policy issues and allow the local chambers to tackle the city council races.

5. The Board accepted the report.

3. Presentation of Santa Cruz Works

Bud Colligan, CEO, South Swell Ventures; Bob Cagle, CEO, ProductOps

Cagle lead the presentation. He discussed the purpose behind SC Works and their plans for the future. They saw a need to create a consortium of local tech companies to better support retention and recruitment of local tech companies. Right now, their focus is strictly on supporting the industry, though future plans could include a number of community-based activities. They currently have approximately 30 members, but are looking to expand that number significantly in



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the near future. Directors asked how SCCBC can be supportive or how we should engage with the group...Cagle said that at this point he wanted to simply make sure SCCBC was aware of Works and that there will certainly be opportunities to collaborate in the future.

Cagle walked the Board through the Works website. He answered questions about some of the information. He concluded by thanking the group and saying that he looks forward to providing updates as Works continues to evolve.

4. Presentation of the Monterey Bay Economic Partnership

Bud Colligan; Mary Ann Leffel, President, Monterey County Business Council

Leffel and Colligan talked about the reasoning behind the establishment of MBEP; a one-stop shop for promoting the economic strengths of our region. Rather than relying on individual cities/counties promoting the economic benefits of the Monterey Bay, this initiative aims to pull all of the resources together in an effort to have a greater impact. Currently, MBEP is only a website, though there are roughly 20 contributing members to the organization. Colligan is signed on to serve as co-chair of the board and is currently in the process of constructing the board's composition. After filling the board seats, MBEP will move into the next phase of staffing and establishing a future strategic work plan. Much of MBEP's work will start and end with their website. Colligan and Leffel see MBEP as promoting the region's economic strengths and advocating throughout the region for economic prosperity.

Colligan and Leffel asked that SCCBC become a participating member of MBEP. Questions were raised as to what the financial contribution would be and how much time would it take from SCCBC staff. Colligan said \$1,000 and the time commitment is completely up to SCCBC. He said he wants to make sure that SCCBC gets out of MBEP what it wants to get out. He wants there to be organizational and community value.

The Board thanked Colligan and Leffel and said that they will discuss SCCBC's direct involvement at their October Board meeting.

5. Announcements/comments

1. The City of Santa Cruz will be hosting an "ideas fair" related to the WSAC work on October 16th from 11:00 - 9:00 PM. This fair will allow community members to present ideas for solving the City's water issues. The fair is one component of the outreach efforts of the City in this process.
2. Our next Board meeting will be Thursday, October 16th @ Plantronics (345 Encinal, Santa Cruz)

6. The meeting was adjourned at 9:15 AM.