

Meeting Minutes

Meeting of the San Marcos Economic Development Corporation

WEDNESDAY, OCTOBER 16, 2013 | 8 TO 9:30 AM
San Marcos City Hall, San Marcos Room 1 Civic
Center Drive, San Marcos, CA 92069

1. CALL TO ORDER: Communications and Economic Development Program Manager Jenny Windle called the meeting to order at 8:05 am.

SMEDC Board members in attendance include: C. Williams, M. Sanella, P. Schulederberg, P. Khouri, C. Zahl, J. Diaz, V. Graham, D. Grant, A. Iravani, and K. Effinger.

2. ORAL COMMUNICATIONS:

None

3. APPROVAL OF MINUTES. Consider and approve minutes from the July 16, 2013 meeting of the San Marcos Economic Development Corporation (SMEDC) Executive Committee.

Mike Sanella entertained a motion. Victor Graham motioned to approve the minutes and Charles Zahl seconded the motion. Minutes were approved.

4. TREASURER'S REPORT. Note and file report from SMEDC Treasurer.

Treasurer Peter Schulederberg reviewed the report for the board members. The primary reoccurring expense for SMEDC is the "Constant Contact" member notification program at \$30 per month.

Current Account Balance: \$6,854.59; Savings Account: \$100.00—bank is beginning to assess fees on the savings account

Ms. Windle inquired to the cost of maintaining the website. While board members did not provide exact maintenance costs, there was indication that the fee is nominal. Mr. Sanella identified himself as the administrator and holder of the website credentials. Ms. Windle informed board members that the City possess the functionality and capacity to migrate SMEDC contacts and push out notifications.

Discussion: Constant Contact—does the group want to maintain the account? The answer will likely be determined by the new function of SMEDC. There is an obligation to maintain communication for members so long as the group still has members.

5. UPDATE ON TRANSITION FROM CORPORATION TO ADVISORY COMMISSION. Consider report on transition and pending items to address.

Provided by Ms. Windle: There has been a collaborative effort with the City Attorney to determine required steps for dissolution. The group must locate approved bylaws and all outstanding tax

returns must be resolved. P. Khoury can locate the financial records and provide to Ms. Windle. The group may need an accountant to file the appropriate returns and bring the group current with returns. SMEDC dissolution cannot take place until past business is resolved. Board approval will be required to move forward and consider hiring an accountant to resolve outstanding filings.

Dissolution also requires a full member vote. Looking to do a mail-in vote and will draft a cover letter to the members. Once the vote and reconciliation of the tax records occurs, the group can move forward with dissolution.

Discussion: requirements for state and federal tax return filings; group needs to determine the new role of SMEDC and its members. C. Williams posed that the City's economic development plan will really assist in defining the group's role; the group is in a transition mode and must evaluate what historical programs should move forward from the group. J. Windle indicated the group will be the primary policy advising body rather than the implementers of policy. C. Zahl indicated the group should meet with the City Manager's Office to integrate efforts, determine how SMEDC will work with the City—it still is incumbent upon SMEDC to define how they will actively pursue economic development. C. Williams—should the group develop recommendations for items to be included in the City's economic development plan as the group does not feel it currently has an impact.

Motion by P. Khoury for Ms. Windle to hire an accountant not to exceed \$1,500 and after obtaining quotes; Sanella seconded; all in favor and motion passes unanimously; no oppos.

6. REPORT ON NORTH COUNTY REGIONAL BRANDING INITIATIVE. Note and file status report on San Marcos' participation in regional initiative.

Provided by Ms. Windle: Thank you for those of you who participated. The North Star consultants conducted an "insights" phase that included date collection and a site-visit. San Marcos reviewed all City programs and projects along with a tour of the area. One-on-one meetings were held with diverse stakeholders along with focus groups.

Mr. Zahl met with the North Star consultants to discuss the SoCal EDD and the accelerator/incubator program. Mr. Williams also met with the consultants to discuss macro-level North County information. Meetings provided an opportunity to explain SMEDC's role within the framework of North County.

Two Focus Groups: 1) regional education and development focus group and 2) SMEDC focus group: much of the discussion centered around "why is it called North County" when it only included the 5 corridor cities. Overall, there was consensus that the focus groups and one-on-one meetings were too short.

North Star Next Steps: Develop branding platform, creative work and implementation of branding effort. The creative committee will be a small group (Ms. Windle, Chris Cochran (Stone Brewery), Christina Vincent and one other marketing gentleman).

7. REPORT ON SAN MARCOS ECONOMIC DEVELOPMENT PLAN. Note and file status of report on San Marcos' development of economic development plan.

Submitted by Ms. Windle: The plan has been drafted, reviewed by the City Manager, and is awaiting the City Manager's final feedback and approval. Once approved, the draft will be presented to

SMEDC for review, input and final recommendations. Mr. Williams suggested the draft be disbursed to SMEDC as soon as possible so that the group can review and submit feedback prior to the next quarterly meeting.

Ms. Khoury asked what the current process is for bringing in new business. Ms. Windle noted that currently, the City does not actively market to businesses. Mr. Williams responded and indicated businesses looking to locate in the region will send site-selectors to survey sites and approach a desired city with requirements; SMEDC group (thus far) is contacted when the business experiences challenges with the City. Ms. Windle said one of the items in the Economic Development plan is to address this very process, which will be a huge component of the plan itself; the other piece is that the City, internally has gone through so many changes and trying to iron out who is doing what (i.e. economic development, property services, etc.).

Question (K. Effinger): What kind of firewalls does the City put into place to ensure that the City is not giving itself unfair advantage in attracting developers/new business, etc... Ms. Windle responded that the City adheres to all rules and regulations required by any other developer; all proceedings are also public record unlike business.

SMEDC Board acknowledges that Ms. Windle, the City's ED Manager needs to be included in all City discussions related to economic development, business retention and attraction (i.e. vacant Lowe's Building). Ms. Windle informed the Board that currently the RPS Director, Deputy City Manager, Planning Director and City Manager are the primary participants in City economic development discussions. The Board adamantly recommends Jenny be involved, work collaboratively and be able to report back to SMEDC on all of the City's economic development activities. SMEDC Board formally recommends that Ms. Windle be included in all economic development related City discussions.

TASK: Jenny submit draft economic development plan to SMEDC board for review

Consideration: group can meet more than quarterly for working session.

8. BUSINESS RETENTION VISIT REPORT. Receive report on business retention visit(s) conducted since last Commission meeting and provide feedback on future visits.

Report provided by Ms. Windle: Mayor Desmond visited Avista Technologies who employs approximately 30 full-time employees and manufactures membranes used in the desalination project. Avista works with everyone from Proctor & Gamble to Intel and was established by three individuals who built their business plan at Cal State San Marcos. The company has been thriving ever since.

Ms. Windle will be at an economic development conference next week. The Mayor, City Manager and Councilmember Jabara will attend the next event business retention visit.

Mr. Williams: we need to be able to take the information from these business retention visits so that the SMEDC can market San Marcos.

Mr. Zahl: received positive feedback from participating business who have indicated that they truly appreciate active outreach from the City.

TASK: Jenny to submit briefings to SMEDC on these visits; develop follow up survey that provides tangible information.

9. MEMBER COMMENTARY

- Mr. Sanella: Overall, SMEDC Board needs to improve communicating individual and group economic development efforts and activities that are taking place.
- Mr. Schulederberg: It is essential that the Board defines their role clearly and documents responsibilities as a policy advisory body.
- Mr. Effinger: acknowledges this is a time of transition for SMEDC and the City, which brings a level of frustration but opportunity—some related to loss of redevelopment
- Ms. Windle: Will start reporting to the group her City-level efforts.
- Mr. Zahl: I believe with new General Plan we created a new industrial zone had been established to include certain percentage retail in industrial areas—Ms. Windle will follow up and confirm.
- Mr. Williams: this group should advise the City on how the City can make policy changes to facilitate industry cluster success in the area and capitalize on market opportunities
- Is there a report that SMEDC can receive that highlights new projects coming into the City?
 - Ms. Windle indicated that yes, a quarterly development update report that can be provided.
- A general discussion on mixed used concept using the example of the brewery industry highlighted the importance of facilitating industry development and streamlining City processes. Education must also be incorporated to support industries; there is increased demand for businesses to located in mixed-use areas.
 - Recommendation: Support mixed-use development and include limited retail use within industry zones
 - TASK: Ms. Windle to follow up on this item and provide clear direction to broker community about zone changes

10. ADJOURNMENT. The next meeting of the San Marcos Economic Development Corporation is scheduled for Wednesday, January 15, 2014 from 8 to 9:30 am in the San Marcos Room at San Marcos City Hall, Second Floor, 1 Civic Center Drive, San Marcos, CA 92069.