

OC Jobs First Collaborative

January 24, 2025

Ish Herrera

The second agenda item is an action item regarding the Small Business Diversity Network's (SBDN) request for representation. SBDN has formally nominated Pepper Russell, who has been part of this initiative from the start, previously representing the Greater Irvine Chamber. With the Chamber discontinuing its participation, Pepper wishes to continue by affiliating with SBDN. Given SBDN's mission, staff felt this request merited discussion and action.

Pepper Russell

Thank you for the opportunity to represent the Small Business Diversity Network. In two years, we've grown to nearly 1,500 members across Orange County, including chambers and businesses. We support small and medium-sized businesses with resources, funding opportunities, and collaboration.

Jeffrey Ball

Thank you, Ish and Pepper. Good to see you both. I just wanted to share that SBDN is a valued partner in our Economic Development Coalition, and we fully support their inclusion in this group through Pepper's representation.

Linda DiMario

Hi, Pepper, good to see you in the new year. My question is for everyone's benefit: with a new organization joining at this time, are there any implications for the coalition as we move forward?

Jesse Ben-Ron

No, this is somewhat of an exception. Over the past two years, you've all done so much work that bringing someone in midstream is challenging, and we've tried to avoid it. The key reason here is that Pepper has been actively involved from the beginning, so there's no learning curve. She's simply representing a different organization, one that aligns with the mission. I want to emphasize that this is an exception and not something we intend to do regularly.

Linda DiMario

Was there a reason why they weren't included in the original HRTC?

Jesse Ben-Ron

It was primarily because we needed to balance the representation across all stakeholder groups, especially early on when it was still CERF. We wanted to avoid overpopulating the business category. That's why we carefully selected representatives for each category to the best of our ability. Additionally, SBDN had just been established at the time we were organizing everything.

April Barnes

I move to approve pepper Russell's addition with the Small Business Diversity Network.

Linda DiMario

I'll second it. Thank you.

Ish Herrera

To approve this request, please raise your hand or type "yes" in the chat. We'll allow a moment for votes. If you vote "no," type "no" or use the thumbs-up emoji as an alternative. No "no" votes or abstentions have come through. With that, the motion carries unanimously. Congratulations, Pepper!

Now we'll be reviewing the Notice for Funding Opportunities (NOFO), a key component of aligning with the state's economic priorities and ensuring equitable resource allocation. Thank you to everyone who participated in the two Catalyst NOFO draft surveys released by staff.

Jesse Ben-Ron

You have the full NOFO draft, which, despite efforts to keep it concise, is around 20 pages. It includes compliance and explanatory content, but I'll focus on key elements. Here's the funding breakdown: \$3 million is available for round one, with \$3 million each for rounds two and three. Of this, \$2.25 million aligns with state priorities, and \$750,000 is allocated to community and equity-focused projects. Scoring criteria include project impact (30 points), economic equity (30 points), work plan thoroughness (20 points), and experience (20 points), ensuring equity while supporting smaller organizations. Applications will be anonymized as much as possible and categorized as concept, accelerator, or last mile to ensure fair comparisons. Projects will be funded based on scoring until resources are exhausted, and optional in-person meetings may be held for reviews, with \$100 compensation for participants, pending approval. An online poll will follow to finalize decisions, with results reviewed at the March 28 collaborative meeting. Adjustments, such as partial funding to increase recipients, can be made if needed. For job-creating projects, the regional convener and sector investment coordinators will propose a preliminary list, shared with the collaborative by March 21 for feedback. The NOFO is set for release at the end of January, with proposer webinars to follow. Applications are due mid-March, after which submissions will be sorted and anonymized. Funding decisions will be finalized at the March 28 meeting, and recipients will be notified to begin contracting with Charitable Ventures. This process balances state priorities with collaborative values, ensuring fairness and transparency. Please review the NOFO and share any feedback or questions now or via email by Tuesday. Your input is critical to finalizing this process.

Garry Brown

Jesse, I think you've done a great job putting this thing together. My question comes with the timeline. I've done this stuff for a couple of decades, and it just seems like you're condensing a lot of things in the month of March.

Jesse Ben-Ron

Thank you, Gary, for the feedback. We've kept applications to 10 pages to simplify the review process, but if the volume or complexity becomes too much, we can adjust the timeline. The tradeoff would be overlapping rounds, but this ensures later awardees still have six to nine months for execution.

Iosefa Alofaituli

I noticed a separate body and process for evaluating community enhancement projects versus job-creating projects. What's the reasoning behind that, and how does the evaluation process for job-creating projects work? It's important to keep equity in mind, particularly regarding organization size. Bigger isn't always better, though larger organizations often present flashier numbers. Smaller organizations tend to go deeper rather than broader, focusing on intensive, high-touch work. There's a difference between someone attending a workshop versus receiving in-depth coaching or technical assistance. How can we ensure this nuance is reflected in the evaluation process?

Jesse Ben-Ron

During deliberations, it's important to ensure smaller organizations aren't disadvantaged, which is why we assigned the lowest point value to organizational capacity. This balance between depth and breadth is key for equity in community enhancement projects and warrants further discussion, possibly through an offline dialog. Regarding the process, the separation reflects the state's evolving direction. While the collaborative remains the primary body for implementation, the regional convener now holds more accountability for deploying funds and ensuring the activation plan aligns with state priorities. OCBC's increased authority comes with a commitment to consult and incorporate feedback, as seen in the NOFO's development process. This approach balances the collaborative's contributions with the state's shifting requirements.

Iosefa Alofaituli

It's a significant point and not something we should overlook. It does feel like a shift in power. Originally, this was built to give the people a say, but the optics now suggest that more authority rests with OCBC. I understand that with a large group and the state's priorities, certain adjustments are necessary, and I support this shift. However, I think it's important to maintain a balance so that the community and this group still provide meaningful checks and balances. This ensures that the power doesn't rest solely with OCBC, unless that's the intended outcome.

Jesse Ben-Ron

The shift reflects how the state has redefined the process. While we still gather proactive input during development and before awarding, the state now allows OCBC to make executive decisions. During the development of Regional Plan Part One and Part Two, the language was less clear, and our role was more about facilitating. I always pushed back when Ish credited OCBC for "leading" because we were simply bringing everyone together and incorporating emerging themes collaboratively. Now, the state's emphasis is on execution, positioning OCBC more as the executive. This isn't about excluding anyone, we remain open to calls, emails, and input from the collaborative, and we ensure all feedback is acknowledged and considered. However, with this shift in priorities and approach, OCBC is tasked with driving the process forward. I recognize how this may feel like a change, but it reflects the state's evolving expectations to focus on actionable outcomes.

Ish Herrera

In the chat, Ana Urzua asked if there's any material or communication that can be shared regarding the state's direction or authority. Ursula asks whether voting members on the collaborative can submit an application under this NOFO and, if so, whether they would need to recuse themselves when those projects are being considered.

Jesse Ben-Ron

In response to Ana's question, we can share all available written material on the state's direction and authority. While much has been conveyed verbally in our community of practice, there is written language on consulting and collaborating with the collaborative, which we believe we are following. In the first phase, the collaborative had significant influence, and we aligned with its themes and priorities. For Ursula, if you submit a project under this NOFO, you will not be able to vote on it. As staff, we'll track this on the back end, and any vote cast for your own project will result in your entire ballot being disqualified, which could affect votes for other projects as well. To ensure fairness, we'll clarify this in writing. However, you're welcome to vote on any other projects that are not your own.

Ish Herrera

I'll quickly add that Maria mentioned in the chat that the conflict of interest statement can be found on page 25 of the NOFO packet, referenced as Attachment B, for more details.

Toni Symonds

Here are two observations. In the first grant (planning phase), the state prioritized gathering community and stakeholder input, with ideas voted on for consensus and open to evolution. In the second grant (delivery phase), the focus shifts to implementing priorities from the first phase, emphasizing execution over new ideas to maintain consistency. Jesse previously shared a state document on this, which may be worth revisiting. For the NOFO packet, could we create a concise, multilingual flyer focused on technical assistance? Additionally, I noticed webinars are planned, but no office hours, can you confirm?

Jesse Ben-Ron

The webinar will cover high-level information, including an overview of the work that led to this point. After that, it will transition into office hours, where attendees can ask any questions they have. So there will be ample time for Q&A for anyone who participates.

Toni Symonds

It could be helpful to allow people to drop in and ask specific questions. Two useful models from other regions are: a traditional FAQ, where questions are submitted within a week of the NOFO release and written responses are shared, and a general webinar before the NOFO release to explain the broader context, with a recording available for future reference. Lastly, a single document summarizing all technical assistance would be valuable. I wanted to share these ideas for consideration.

Jesse Ben-Ron

Absolutely. To Ana's point, the community enhancement projects will involve all collaborative members casting their votes. We'll then present the top vote-getters for review, allowing the collaborative to confirm if this is how you want to allocate the \$750,000. For the other category, OCBC will present a recommended list of projects. While you'll have access to all applicants, this allows the collaborative to provide feedback. For instance, you might highlight a project that didn't make the cut but is impactful for specific reasons based on your experience. Alternatively, you might flag a project that looks good on paper but has known challenges or hasn't addressed past failures adequately. This distinction ensures a balanced and informed process.

Linda DiMario

I want to raise a red flag here. While I understand the points made by Toni, Iosefa, and Ana, we're in the home stretch, and it's vital to recognize the broader context. The state faces significant challenges from wildfires and budget implications, along with uncertainty from the new federal administration. Given our progress, alignment, and the work invested, it's crucial to move forward quickly. I fully support the timeline, as it reflects the urgency of this stage.

Luis Sarmiento

Regarding the fund allocation, thank you, Jesse, for explaining the \$2.25 million for job-creating projects and \$750,000 for community enhancement projects. Community members noted that many key issues, like housing, fall under the smaller funding pot. While I understand aligning with the state's direction, I suggest discussing whether we could slightly increase the allocation for community enhancement projects. Second, the NOFO emphasizes benefiting disinvested communities in its descriptions, but this impact is only reflected in the 30-point economic equity category in the scoring. To give it greater weight, I propose including this benefit in the project impact category as well, ensuring stronger prioritization of projects that serve disinvested communities.

Jesse Ben-Ron

Luis, could you draft language for the NOFO and suggest how to integrate these ideas across categories in the application? My goal is to ensure equity and impact are equally weighted. For example, a project serving a heavily disinvested community but helping only five people must be balanced against one helping 100 people, all from disinvested communities. It is about determining the greatest need and how much funding to allocate per individual or community. I have tied impact to scale, such as helping 100 people, 200 people, or a neighborhood, and equity to ensuring beneficiaries or neighborhoods fall within the appropriate census tracts. If this is unclear, I am open to revising the language. For job-creating projects, equity aligns with economic equity, while for environmental or housing projects, it focuses on disinvested communities.

Ish Herrera

There was a question for Luis in the chat about clarifying what is meant by larger pool.

Luis Sarmiento

In the current draft of the NOFO, \$2.25 million is allocated to job creation projects, while a much smaller amount, \$750,000 is designated for community enhancement projects. The job creation category includes areas like tech, manufacturing, healthcare, childcare, education, and construction, though it's important to note this is all pre-development work. Meanwhile, the community enhancement category, which includes projects like housing, community land trusts, and alternative land stewardship, focuses on broader quality-of-life improvements but operates with a smaller funding pool. My suggestion is whether we might consider adjusting these allocations to make the two funding pots more comparable in size. Would the group be open to exploring this idea?

Ish Herrera

I'll now turn it over to Dr. Walrod and his research team to provide an overview of the activation plan, which is due to the state on January 31, making it an urgent priority. As a quick reminder, you all

decided to focus on tourism and outdoor recreation for the first activation plan. This focus was informed by the survey circulated by Maria in December, which gathered additional data to guide this decision.

Dr. Wallace Walrod

This slide ties well to the previous discussion and grounds us in the process. The state's blueprint, expected in early March, may be discussed at our March 28 meeting. As Ish mentioned, the collaborative prioritized tourism and outdoor recreation for the first activation plan. The state categorizes sectors into "strengthen," "accelerate," "bet," and "anchor." Tourism falls under "strengthen," reflecting established competitive positions but leveling growth, while "accelerate" includes semiconductors and med tech with high growth potential. Future RFPs will likely focus on "accelerate" and "bet" sectors. The tourism activation plan draft is due to the state by January 31, with four additional plans due by June 30, 2025. These can adapt to changing circumstances, like the wildfires affecting LA County. Input from surveys, regional plans, outreach, and Brookings Institution reviews have shaped the plan. We've also consulted with local DMOs and are monitoring Visit California's upcoming regional plans. Feedback is encouraged via email by 5 p.m. next Tuesday, though earlier input is appreciated.

Toni Symonds

There may be too many activities outlined for this industry, especially with four more activation plans to develop. The sector investment coordinator's role is to facilitate, not act as a direct trainer, focusing on connecting partners, identifying resources, and problem-solving. Key responsibilities often fall to established organizations, with the coordinator filling gaps rather than duplicating efforts. Some draft proposals resemble projects instead of tasks, which should focus on specific activities leading to outcomes. Refining this distinction is essential for clarity and feasibility.

Dr. Wallace Walrod

If you could provide your feedback in writing, Toni, that would be very helpful. The way we approached this was to outline activities that could fall under Catalyst while keeping in mind the broader context of Orange County. We've included philanthropy at the table and referenced significant investments detailed in the activation plan, such as the \$7 billion from OC Vibe and Disneyland Forward. Some of these activities could potentially be supported by those entities as well. Our goal was to reflect the level of activity in what is arguably one of the most significant sectors in Orange County. We welcome any additional input or recommendations you can share in writing.

Ish Herrera

Dr. Walrod and the team have a deadline of January 31 to submit the activation plan. Your comments and suggestions are strongly encouraged and needed as soon as possible to support that effort. Maria will be sending out a communication with next steps as we prepare for the NOFO release. Please reach out to her or Jesse with any questions. The final deadline for NOFO review feedback from this group is Tuesday, January 28, by 5 p.m. As a quick reminder, the next collaborative meeting is scheduled for March. Maria, could you remind us of the exact date?

Maria Linares

The next meeting is Friday, March 28 at 9am.