



CITY OF HUGHSON
ECONOMIC DEVELOPMENT COMMITTEE MEETING
HUGHSON CITY HALL
7018 Pine Street, Hughson, CA

AGENDA
MONDAY, SEPTEMBER 24, 2018 - 5:30 P.M.

CALL TO ORDER:

ROLL CALL:

Mayor Jeramy Young
Councilmember George Carr
Councilmember Harold "Bud" Hill
Councilmember Mark Fontana (Alternate)
Business Member Marie Assali
Business Member Jim Duarte

Staff to be Present: Raul L. Mendez, City Manager

1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):

Members of the audience may address the City Council on any item of interest to the public pertaining to the City and may step to the podium, state their name and city of residence for the record (requirement of name and city of residence is optional) and make their presentation. Please limit presentations to five minutes. Since the City Council cannot take action on matters not on the agenda, unless the action is authorized by Section 54954.2 of the Government Code, items of concern, which are not urgent in nature can be resolved more expeditiously by completing and submitting to the City Clerk a "Citizen Request Form" which may be obtained from the City Clerk.

2. NEW BUSINESS:

- 2.1: Approval of Minutes of the August 27, 2018 EDC Regular Meeting.
- 2.2: Elite Medical Solutions – Hughson Business Incubation Center Application
- 2.3: Callahan's Brewing Co. Update
- 2.4: Update by Opportunity Stanislaus/Hughson SBDC.

2.5: Update on City’s Business Planning/Development/Attraction Efforts and Discussions.

3. EDC COMMENTS:

ADJOURNMENT:

WAIVER WARNING

If you challenge a decision/direction of the City Council in court, you may be limited to raising only those issues you or someone else raised at a public hearing(s) described in this Agenda, or in written correspondence delivered to the City of Hughson at or prior to, the public hearing(s).

RULES FOR ADDRESSING ECONOMIC DEVELOPMENT COMMITTEE

Members of the audience who wish to address the Economic Development Committee are requested to complete one of the forms located on the table at the entrance of the Council Chambers and submit it to the Committee. **Filling out the card is voluntary.**

AFFIDAVIT OF POSTING

**AMERICANS WITH DISABILITIES ACT/CALIFORNIA BROWN ACT
NOTIFICATION FOR THE CITY OF HUGHSON**

This Agenda shall be made available upon request in alternative formats to persons with a disability; as required by the Americans with Disabilities Act of 1990 (42 U.S.C. Section 12132) and the Ralph M. Brown Act (California Government Code Section 54954.2).

Disabled or Special needs Accommodation: In compliance with the Americans with Disabilities Act, persons requesting a disability related modification or accommodation in order to participate in the meeting and/or if you need assistance to attend or participate in a City Council meeting, please contact the City Clerk’s office at (209) 883-4054. Notification at least 48-hours prior to the meeting will assist the City Clerk in assuring that reasonable accommodations are made to provide accessibility to the meeting.

DATE: September 21, 2018 **TIME:** 5:30pm
NAME: Ashton Gose **TITLE:** Management Analyst

Notice Regarding Non-English Speakers:

Pursuant to California Constitution Article III, Section IV, establishing English as the official language for the State of California, and in accordance with California Code of Civil Procedures Section 185, which requires proceedings before any State Court to be in English, notice is hereby given that all proceedings before the City of Hughson City Council shall be in English and anyone wishing to address the Council is required to have a translator present who will take an oath to make an accurate translation from any language not English into the English language.

General Information: The Economic Development Committee meets in the Council Chambers on the fourth Monday of each month at 5:30 p.m., unless otherwise noticed.

EDC Agendas: The Economic Development Committee agenda is now available for public review at the City's website at www.hughson.org and City Clerk's Office, 7018 Pine Street, Hughson, California on the Friday, prior to the scheduled meeting. Copies and/or subscriptions can be purchased for a nominal fee through the City Clerk's Office.

Questions: Contact the City Clerk at (209) 883-4054



CITY OF HUGHSON
ECONOMIC DEVELOPMENT COMMITTEE MEETING
 HUGHSON CITY HALL
 7018 Pine Street, Hughson, CA

MINUTES
MONDAY, AUGUST 27, 2018 - 5:30 P.M.

CALL TO ORDER:

ROLL CALL:

Mayor Jeramy Young
 Councilmember George Carr - Absent
 Councilmember Harold "Bud" Hill
 Councilmember Mark Fontana (Alternate)
 Business Member Marie Assali
 Business Member Jim Duarte - Absent

Staff to be Present: Raul L. Mendez, City Manager

Others Present: Jim Homer, Hughson SBDC
 Raylene Kemp, Hughson Real Estate
 Ron and Kelly Callahan, Callahan Brewing Co.

1. PUBLIC BUSINESS FROM THE FLOOR (No Action Can Be Taken):

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2. NEW BUSINESS:

2.1: Approval of Minutes of the July 23, 2018 EDC Regular Meeting.

Motion by Business Member Assali, Seconded by Councilmember Hill (4-0)

2.2: Hughson Real Estate – Hughson Business Incubation Center Application

Jim Homer, Hughson SBDC Consultant, presented the application by Hughson Real Estate to the Hughson Business Incubation Center. After conducting the evaluation based on the program criteria, he indicated that Hughson Real Estate was qualified for entry. Raylene Kemp, Hughson Real Estate, shared her vision for establishing her new business locally and answered questions from the EDC. The City Manager indicated that the application would be presented to the Hughson City Council during the September 10, 2018 regular meeting.

2.3: Callahan's Brewing Co. Update and Funding Request

Ron Callahan, Callahan's Brewing Co. shared an update on his business venture. He shared that he had already establish it as an S-Corporation and he had secured approximately \$200,000 from investors so. He indicated that his discussions with the property owner at the preferred location for the business (former Rancho Market) had stalled due to not being able to agree to lease terms. Although disappointed, he would not be deterred and was exploring other locations in Hughson for the business. The City Manager indicated to the EDC that the City Council had not budgeted its annual allocation for the Business Incentive Program. He further indicated that based on Council direction, the funding for the program could be re-established for Fiscal Year 2018-2019. The Fiscal Year 2017-2018 allocation was \$25,000—which had gone unallocated.

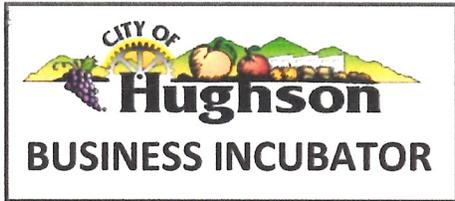
2.4: Update by Opportunity Stanislaus/Hughson SBDC.

Jim Homer, Hughson SBDC, provided an update of his activity in Hughson. He shared that he was working with the Hughson Chamber of Commerce in a business marketing breakfast event at the Hughson Unified School District on October 24, 2018 (8:00am – 10:00am).

2.5: Update on City's Business Planning/Development/Attraction Efforts and Discussions.

The City Manager shared an update on new businesses or owners that had commenced recently including Durango's Taqueria, Slick Fork Catering, and Rico's Pizza. He also shared that Don't Panic, It's Organic was making progress but was not yet ready to open its doors.

3. EDC COMMENTS:**ADJOURNMENT: 6:39pm**



Lease Application
For Office Space
7012 Pine Street
Hughson, CA 95326
(209) 883-4054

Thank you for your interest in the City of Hughson's Business Incubator. Please complete this application as thoroughly and as accurately as possible. Some questions may not be applicable to your business. City of Hughson staff will keep confidential all business information submitted in this application. Please note: city employees, city officials and or/family members cannot lease office space at the Hughson Business Incubator.

Application Checklist

- Business Plan Outline
- Resumes or bios of management team and owners (if not in business plan).
- Completed Application
- Most Recent Financial Statements (if existing business)

Understanding of Expectations

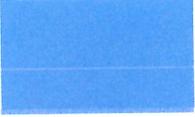
There are five key expectations that you must agree to prior to approval of lease. These expectations exist to ensure the Mission of the Hughson Business Incubator is being achieved and to ensure a greater level of success for businesses. Please initial next to each expectation to acknowledge understanding of all items.

- Expectation #1**
Commitment to develop marketing plan within the first 90 days of occupancy.
- Expectation #2**
Regular participation in Opportunity Stanislaus activities (at least three networking/educational events within first 6 months)
- Expectation #3**
Maintain a current Hughson business license
- Expectation #4**
Ability to meet financial obligations (six months of capitalization)
- Expectation #5**
Your business will launch within 6 to 18 months from lease entry and every effort will be made on your behalf to locate within the city limits of Hughson.



Elite Medical Solutions

Business plan presentation



Business Concept

- Providing the best quality medical training available in today's market. Our company has some of the most qualified and experienced instructors in the industry with years of experience. We provide every certification and training needed to meet OSHA standards for CPR, CPR/First-Aid, and AED. We also offer State EMSA compliant Pediatric Childcare CPR/First-aid/AED courses. We also offer almost every certification needed for all healthcare providers from dental professionals, to nurses, to EMT/paramedics, respiratory therapists and physicians.

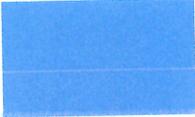


To grow to multiple training centers
providing the best experience and
training possible to all fields and
professions



Market Summary

- The demand is continuing to grow for needed medical certifications on a bi annual cycle for osha and healthcare professionals. The state is also adding all high school students as a graduation requirements to have cpr/first aid which will add tens of thousands of new clients to our market.
- We are able to provide better pricing, more flexible classes, and more add on certifications that any of our competitors. We also have professional staff that are much more qualified and experienced in both the industry and in teaching the courses. That combined with the services we offer make us a one stop shop for every clients needs in this area.



Opportunities

- Many business and professionals have trouble maintaining so many certifications due to the schedules of their work and we are able to work around these issues most have to assist them in maintaining their certifications whether its traveling to them or holding irregularly scheduled last second classes to keep them running we are able to handle that with our schedule and flexibility.
- No other business or training provider can offer as many services or certifications as we can. We've spent years achieving every certification available to be able to offer this to our clients and sets us apart from other locations.
- This location and opportunity will give us the ability to stay in town instead of needing to do business elsewhere at conference center locations in surrounding cities to facilitate classes.



Competition

- Our competition is overpriced with under qualified instructors and they can't offer as many courses or as flexible of a schedule.
- Our excellent customer service, competitive pricing, and flexibility has already help our business acquire several large clients.



Goals and Objectives

- Have 3 training center locations and an EMT & Paramedic program established within the next 3 years
- Have an established location within the City of Hughson in 1 year
- Offer free community cpr and first aid training
- Be a pillar and advocate in the community



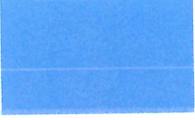
The Team

- Owner & Lead Instructor: Matt Venema
- Firefighter/Paramedic with over 14 years experience
- Previous small business owner
- Lead instructor for multiple other businesses and training centers
- 12 years of professional instructing experience
- Manager & Instructor: Danielle Venema
- Respiratory Therapist with 5 years experience
- BLS, CPR/First Aid, PALS, and ACLS instructor



Financial Plan

- Our business model is very simple and effective. We have an extremely low overhead operating cost, and very high profit margins for all services/sales we provide.
- The business is and will continue to operate debt free with no other financial obligations, distractions, or stressors needed to be met
- The plan is to start small and grow from this location. By first solidifying our business, all profits will be reinvested into the business to continue to have plenty of capital for growth, longevity, and any and all opportunities that may arise.
- Year one expected profit \$50,000 after opening this location
- Year two \$200,000
- Year three \$500,000



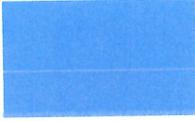
Risks and Rewards

- All major financial risks have been addressed by operating from a debt-free standpoint and growing the business organically. With any and all services we offer having such a high profit margin and low cost, we have very minimal room for business loss other than basic operating cost. All transactions will be profitable, which leaves no real risk involved in the operation while not carrying any debt or liabilities.
- The community will have a need that will be fulfilled for in-demand occupations, job growth, and overall public safety & wellness.



Business Accomplishments

- Website with top software, technology, and search engine optimization formula to be the top listing in all internet searches for our specific courses.
- Business line with extensions and options to handle all call traffic
- Social media accounts & presence
- Logo/DBA
- Current LLC filed with state
- Business partnership with industry experts that will offer guidance, and assistance. These partners operate multiple similar training centers and profit in the upwards of 7 figures annually and have been operating for over 20 years.



Financials

- First business transaction and start March 2018
- Start up costs and business investments \$6,500.
- Current revenue over \$8,000 with no marketing, location, and extremely limited availability during this time. Essentially just word of mouth until now.
- Monthly operating expense \$370 with this location included
- Current capital \$4,000