



THE CITY OF SAN DIEGO

SMALL BUSINESS ADVISORY BOARD (SBAB) MEETING MINUTES

August 17, 2012

War Memorial Building – Room 2
3325 Zoo Drive, San Diego, CA 92101

BOARD MEMBERS PRESENT	BOARD MEMBERS ABSENT
Antonio Barbosa Edward Barbat Patrick Edwards Joseph Fox Robert Glick Michelle Gray William Lynch Gary Peterson Matthew Spencer	Dr. Ruben Garcia Catherine Arambula

CITY STAFF
Lisa Gordon, Small Business Ambassador & SBAB Liaison Alicia Martinez-Higgs, Community Development Specialist

OTHERS PRESENT
See August 17, 2012 Attendance Sheet

1. Call to Order & Introductions

- Michele Gray, Vice Chair of the Board called the meeting to order at 8:47 a.m.

2. Approval of Minutes

- A motion was made by Robert Glick to approve the June 15, 2012 Minutes. There was a second by Antonio Barbosa. Yes: 9, No: 0, Absent: 2.

3. Public Comment

- None

4. Administrative Items

- a. Board Administrative Items and/or Non-Agenda Comments – None
- b. Requests of Agenda Revisions (continuances, changes in order, etc.) – None
- c. Internal Committee: No Report
- d. External Committee: No Report
- e. Development Services Department Technical Advisory Committee – Representative(s) Report
 - Gary Peterson, SBAB Representative to the Development Services Department Technical Advisory Committee (TAC) reported that there is a current focus on City roads and trenching fees (fees related to the digging/cutting of trenches into City of San Diego streets); costs/fee increase associated with fixing trenches; determination of fees and responsibility of an entity (City water/sewer department, public utility company, building owner, etc.) for maintenance of that trench over time (extending to 15 years). The extension of the maintenance responsibility will ultimately help preserve roads over time. There are some concerns over the monitoring of the trenches and determining responsibility if/when multiple entities cut/dig over particular trenches over time.
 - Vice Chair Michele Gray asked about the current length of time for maintaining trenches. Mr. Peterson stated that it varies from three to five years depending on depth of trench. Shallow trench: 3 years/Deeper trench: 5 years.
- f. Economic Development Division/Office of Small Business:
 - Small Business Ambassador Lisa Gordon-Hosch – The Office of Small Business is not moving/relocating office. Economic Growth Services will be relocating to join the Office of Small Business on the 14th Floor in Civic Center Plaza.
- g. Equal Opportunity Contracting/Purchasing & Contracting:
 - Small Business Ambassador Lisa Gordon-Hosch - No updates at this time.

5. Presentation on City of San Diego Storefront Improvement Program

- Lisa Gordon-Hosch stated the purpose of providing the Storefront Improvement Program presentation is to offer assistance and information to the small business community, and make new Board members more aware of small business programs and services offered by the City of San Diego to strengthen their role as advocates.
- Alissa Gabriel, Storefront Improvement Program Manager, provided an overview of the Storefront Improvement Program (SIP) that is available to all storefront small businesses in the City of San Diego with 12 employees or less and a current business tax certificate. The program provides free design assistance from architects who create conceptual drawings of proposed changes and improvements to a storefront. The SIP provides a grant/construction “rebate” of 1/3 of the eligible improvement costs up to a maximum of \$5,000. Eligible storefront improvements include awnings, lighting, paint, signage, outdoor seating, and artwork. A refundable \$250 deposit is required, and design must be completed as rendered and approved before receiving grant/construction “rebate.” The deposit is returned and rebate is provided after completion of project.
- Ms. Gabriel also shared that program changes over the years were in the areas of moving

to an application process versus a contracting process with business owners, and the addition of a public art incentive where business owners can select from a list of artists provided by the City (provided in collaboration with the Commission for Arts and Culture) and receive ½ of project improvement costs up to a maximum of \$7,500 if artist is selected to provide artwork as part of the improvement project. One other change to the program is redevelopment funding is no longer available for SIP projects in redevelopment areas due to discontinuation of the City's Redevelopment Agency.

- Ms. Gabriel provided before and after photos/examples of past Storefront Improvement Program projects and project costs, and shared that on the average, between 15-20 storefront improvement projects are completed annually. She also provided information on the location of SIP projects by Council District and community planning areas since 2005. The majority of projects have occurred in Council Districts 2 and 3.
- Ms. Gabriel also reported that the amount of dollars leveraged through the SIP program since 2005 is over \$500,000 in incentive awards, about \$150,000 in matching redevelopment funds have been contributed, and more than \$3,559,500 of private dollars has been invested.
- Ms. Gabriel responded to questions from the Board and audience regarding obtaining permission from property/building owner to approve the conceptual design and participate in program (business owner is often leasing from the building/property owner). The applicant can be either the property owner or the business owner, but permission is required from building/property owner to participate in the program. She also responded to questions on number of employees defining a small business (12 or fewer employees), funding of the Storefront Improvement Program through Business Tax fees, outreach on the program, and businesses seeking loans through ACCION San Diego to help support participation in the program.
- Other Board discussion and questions included how architects are selected to participate in the SIP, whether there is interaction between program architects/designers and BID Design Committees, community design guidelines, and City signage requirements and guidelines.

6. Small Business Enhancement Program (SBEP) Grant Awards

- **City of San Diego Small Business Enhancement Program – Lisa Gordon-Hosch** Small Business Ambassador, announced the seven FY 2013 Small Business Enhancement Program grant recipients and funding amounts. Nine applications were received, and a total of \$120,100 was available and allocated for the FY 2013 Small Business Enhancement Program (SBEP) grant. Ms. Gordon-Hosch also provided an overview of the programs and services to be provided by each organization through this grant funding. The following local non-profit organizations were awarded the following amounts:
 - Able-Disabled Advocacy, Inc. - \$7,300
 - ACCION San Diego - \$24,000
 - New Media Rights Program at California Western School of Law - \$18,200
 - San Diego Contracting Opportunities Center - \$24,000
 - San Diego Regional Minority Supplier Development Council - \$7,200
 - Small Business Consulting Center/San Diego State University Foundation - \$19,700

- Union of Pan Asian Communities (UPAC) - \$19,700
- Ms. Gordon-Hosch also expressed appreciation for the Board members that served on the FY 2013 SBEP Panel, and their thoughtful consideration and ranking of each application. Board members Catherine Arambula, Antonio Barbosa, Joseph Fox, Gary Peterson and Matthew Spencer served on the FY 2013 SBEP Panel.

7. BID Council Report – Report on Current Activities – Patrick Edwards

- Mr. Patrick Edwards reported that the BID Council had their annual leadership summit which included a presentation on Prop 26 - state referendum enacted requiring 2/3 vote on taxes, fees, or funds of those affected, and requires distinction of direct benefits versus general benefits. Prop 26 affects business improvement districts that are governed by business assessments, but does not affect property based assessment districts.
- The BID Council is currently discussing the impact of the legislation on BIDs as six of the City's BIDS are property based districts, and the rest are business based districts. According to Mr. Edwards, the legislation going forward affects any new districts that would be formed and is causing concern/challenges due to interpretation of direct benefit versus general benefit. The formation of a new district would require a 2/3 vote instead of previous 50% plus one vote, and the expensing of assessment monies would have to be proportioned which would require BIDs to track and separate a percentage of assessment monies from percentage of non-assessment monies to ensure that funding is accurately accounted for. Mr. Edwards stated that this makes it challenging for BIDs to function in this manner, and further clarification is needed in defining an assessment versus a tax or fee. The BID Council is continuing to work on clarifying this in order to help with future district communications.
- The BID Council is also following discussion on possible changes in requirements for City special event permits which would impact the type of festivals and special events held by BIDS (special events are a primary source of non-assessment funding for BIDs). The BID Council is also discussing the creation of more "bike-friendly" business districts and supports future installation of new bike corrals in BIDs.

8. Discussion on Annual Small Business Advisory Board Community Outreach Event – Action Item

- Ms. Gordon-Hosch, Small Business Advisory Board Liaison, helped open the Board's discussion on the upcoming Small Business Advisory Board's Annual Community Outreach Event to be held on October 19, 2012 at the War Memorial Building Auditorium. She provided an overview of the purpose and format of the Annual Community Outreach Meeting, and highlighted the topics, panels, speakers, and presentations from last year's event (event agenda provided). She then requested the Board's ideas, input, and suggestions for this year's outreach event.
- The Board discussed the following ideas on speakers and topics:
 - Consider possible topics/speakers from past outreach events: Waste/Recycling-Environmental Services; Taxes - IRS Ombudsperson; Social Media/Marketing; Financing options/Loans for small businesses - ACCION San Diego

- City Development Services/Applying for Permits/Resources available to help small businesses through the process; City’s Small Business Revolving Loan Programs
- Other topics suggested by Board members included:
 - Storefront Improvement Program; Energy programs for businesses, rebates, and incentives, solar alternative - SDG&E; Handling HR/personnel issues, legal requirements/regulations
- Possibly coordinate with SBEP grant recipients (7 organizations) to invite their contacts/clients to the event to boost attendance
- Ensure speaking/presentation time is limited to 10 minutes each as much as possible
- Ms. Gordon-Hosch also provided a list of ideas, topics, and potential agenda items for the Board’s consideration including: “What’s hot/What’s not” – Spotlight/Trends in the food and beverage industry with a headliner speaker such as a celebrity chef; Information/Resources for Home-based businesses that use commercial kitchens and are on-location food industry businesses (County Environmental Health/Food & Beverage Association could be invited to present); Women in Business Panel featuring a variety of topics (Could be HR/Personnel, Financing, Marketing as topics) for small businesses; Spotlight on City programs and services presentation: City’s New Purchasing & Contracting Department Director could discuss bidding and contracting opportunities/process, supplier diversity, and benefit for suppliers to be certified in the Small Local Business Enterprise Program.
- Ms. Gordon-Hosch also provided details on the time, location, room/space, parking at the War Memorial Building for this event.

9. Next Meeting Date

- **Next Meeting Date and Location – December 14, 2012** (2nd Friday) at the **War Memorial Building in Room 3** located at 3325 Zoo Drive, San Diego, CA 92101 <http://www.sandiego.gov/park-and-recreation/parks/balboa/warmemorial.shtml#>

Directions/Parking:

- The War Memorial Building is located at the north end of Balboa Park at Park Boulevard and Zoo Drive, across from Roosevelt Middle School. Take Hwy 163 South to Park Blvd Exit. Turn left at Park Blvd., then continue to Zoo Drive. Make a left/go west on Zoo Drive. Building will be on your left. Street parking available on Zoo Drive, Park Blvd., or in the north end of the Zoo’s parking lot.

10. Meeting Adjournment

- The meeting was adjourned by Vice Chair Michelle Gray without objection at 9:58 a.m.