



THE CITY OF SAN DIEGO

## SMALL BUSINESS ADVISORY BOARD (SBAB) MEETING MINUTES

December 14, 2012

War Memorial Building – Room 3  
3325 Zoo Drive, San Diego, CA 92101

BOARD MEMBERS PRESENT	BOARD MEMBERS ABSENT
Catherine Arambula Edward Barbat Antonio Barbosa Patrick Edwards Joseph Fox Dr. Ruben Garcia Robert Glick Michelle Gray William Lynch	Gary Peterson (1 Vacant Seat)

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

OTHERS PRESENT
See December 14, 2012 Attendance Sheet

### 1. Call to Order & Introductions

- Dr. Ruben Garcia, Board Chairman called the meeting to order at 8:51 a.m.

### 2. Approval of Minutes

- **A motion was made by Bill Lynch to approve the October 19, 2012 Minutes. There was a second by Joseph Fox. Yes: 8, No: 0, Absent: 1, Vacant Seat: 1, Abstain: 1 - Patrick Edwards due to absence for October 19 meeting.**

### 3. Public Comment

- Bob Multz – Chairman of the Board, Elite Service Disabled Veteran Owned Business (SDVOB) Network, highlighted the critical importance and impact of veterans and veteran-owned businesses in the San Diego region which has led to the Network's

decision to hold their national conference in San Diego this year. Mr. Multz announced and invited everyone to attend the Elite SDVOB Network's "10<sup>th</sup> Annual National Convention of Service Disabled Veteran and Small Businesses" to be held August 21-23, 2013 at the Manchester Grand Hyatt in downtown San Diego. He provided "Save the Date" cards, and welcomed any input to improve what is currently planned for the conference that will highlight San Diego and support veterans in business.

#### **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: No Report
- f. Economic Development Division/Office of Small Business:
  - Small Business Ambassador Lisa Gordon-Hosch – The Office of Small Business is busy planning for the New Year and working with the new administration.
  - The Small Business Ambassador was very pleased with the attendance, participation, and outcome of the Board's Annual Community Outreach Meeting held October 2012.
- g. Equal Opportunity Contracting/Purchasing & Contracting:
  - Small Business Ambassador Lisa Gordon-Hosch - No updates at this time.

#### **5. Presentation on City of San Diego Business Expansion, Attraction, & Retention Program**

- Russ Gibbon, City of San Diego Business Development Manager, provided an overview of the City's Business Expansion, Attraction, and Retention (BEAR) Programs. The program provides tailored services predominantly for industrial and manufacturing type businesses (small and large) from micro-breweries to large corporations. The BEAR Team has assisted on a wide variety of projects throughout the City providing advance assistance, referrals, and comprehensive services to businesses seeking to expand or relocate their business. The BEAR Team assists throughout the permit process all the way to occupancy on topics including zoning, building permits, impact fees, costs, tax incentives, and sewer capacity.
- The BEAR Program helps create and/or retain middle income jobs, generate general fund tax revenue, promote development in older parts of the city (promote Enterprise Zone incentives), and works to retain businesses that might otherwise relocate outside of the City of San Diego. The advance due diligence services provided by the BEAR Team helps assist businesses during the decision-making process prior to signing a lease or purchasing a building. Types of businesses assisted include telecommunications, electronics, biotechnology, defense, and manufacturing.

- Chair Garcia inquired about the number of businesses that have been induced to leave San Diego and/or California, and whether they have relocated to specific cities or states: Mr. Gibbon responded that a lot of relocation outside of San Diego occurred during period of 2002-2007 when many of the electronics, semiconductor, circuit board, computer assembly, and television industries/businesses mostly relocated to Asia, Texas, Tennessee Virginia, Oregon, and a few other cities outside the City of San Diego. Then another wave of relocation occurred during 2009 due to changes within the industry, marketplace, technologies, regulations, and/or increased costs in labor, workers' compensation, energy costs, etc.
- Mr. Gibbon highlighted the Guaranteed Water for Industry Program: a public private partnership between businesses and the City that provides discounted reclaimed water and a guaranteed water supply during droughts to eligible industrial firms if located in the "optimized zone" of the City; and the Business Cooperation Program: incentive program providing cash rebates (\$0.25 per dollar on new tax revenue) to businesses for qualifying large equipment purchases – program helps prevent loss of sales and use tax revenue to City.
- Mr. Gibbon responded to questions from the Board regarding what the City is doing to address retention and businesses considering relocating away from the City: City efforts have included expansion of the Enterprise Zone into more industrial areas, offering tailored due diligence assistance through the permitting process, streamlining processes, promoting tax credit incentives, and providing timely cost estimates.

## **6. Discussion on Economic Development & Tourism Support Grant Program**

- **Discussion on Economic Development & Tourism Support (EDTS) Grant Program** – Luis Ojeda, EDTS Program Manager, provided an overview of the program that aims to attract business, tourism, and economic development to the City. Mr. Ojeda shared that the City's special promotional program is funded through TOT, and allocates funding for non-profit entities that provide new business attraction, employment development, and tourism programs. Mr. Ojeda highlighted the application review process, funding amount, program schedule, and role of the EDTS volunteer panel which includes members of the Small Business Advisory Board. Up to five SBAB members can volunteer and participate as panelists.
- Board members Catherine Arambula, Edward Barbat, Robert Glick, Michelle Gray, and Bill Lynch volunteered to serve on the FY 2014 Economic Development Tourism Support Panel.

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

- Mr. Patrick Edwards expressed concern over not knowing how decisions are made at City Hall that affect the non-profit associations/BID associations. Over the years, decisions have been made without their input and Mr. Edwards is unsure about the "chain of command" and who to contact regarding these decisions or their concerns because of

having to deal with a variety of departments on certain issues (permitting, special events, economic development). Mr. Edwards requested that Mayor Filner attend the next SBAB meeting to discuss how he is structuring his staff and economic development, and other possible new departments that he is creating to address issues affecting the BID associations and small business communities within the BIDS.

- Mr. Edwards is particularly concerned with Prop. 26 and the increased costs and impacts it may have on special events permits that BID associations/non-profits have to obtain for festivals occurring in the districts. Mr. Edwards also stated that there is conflicting regulations and interpretations on-site at events by city, county, police and fire which is increasing costs for BID associations/non-profits for permits, and wants to know how Mayor Filner is going to address these issues.
- Mr. Edwards mentioned that the BID Council is monitoring possible changes to the banner program in District 2 (source of revenue for districts), and expressed concern over regulation of food trucks in BIDs and conflicting guidelines with brick and mortar businesses and the PROW program. A possible remedy that Mr. Edwards proposed is for the non-profit associations to create associate memberships to provide regulations/guidelines to help address this issue.
- The BID Council is also actively discussing bicycle purchases, bike sharing, and installation of new bike corrals in all BIDs. Mr. Edwards expressed concern about length of time to obtain permits and approvals for installation of bike corrals in neighborhoods. Mr. Edwards would like the Mayor to appoint staff to expedite the permit approval and installation process.

#### **8. Planning & Discussion on 2013 Small Business Topics/Initiatives and Meeting Schedule for 2013 Small Business Advisory Board Meetings – Action Item**

- Ms. Gordon-Hosch, Small Business Advisory Board Liaison, helped open the Board's discussion on a review of the Board's activities for 2012, and topics of interest for 2013 Small Business Advisory Board Meetings. Ms. Gordon provided "A Year in Review" handout of the Board's 2012 Meetings which included a summary of last year's schedule, topics, and highlights of the Board's activities, accomplishments, and panel participation.
- Ms. Gordon-Hosch also presented a Draft 2013 Small Business Advisory Board Meeting Schedule with dates and locations for the Board's review and consideration. Ms. Gordon-Hosch also provided a proposed draft of 2013 Meeting Topics listing: upcoming administrative tasks, presentations by SBEP grant recipients, and panel participation for the Board, and welcomed ideas on possible topics and guest speakers for 2013.
- **A motion was made by Bill Lynch to approve the Draft 2013 Meeting Schedule. There was a second by Edward Barbat. Yes 9, No 0, Absent 1, Vacant Seat: 1.**
- Board Discussion/Comments on Possible 2013 Topics: Board Member Michelle Gray suggested inviting the Mayor or Mayor's Chief of Staff later in the year to share views on

small business matters; Ms. Gordon-Hosch concurred that she would extend an invitation to Mayor Filner through the Mayor's Chief of Staff to come share their ideas, possible initiatives, and perspectives on the small business community. She also recommended that Mr. Edwards consider requesting a special meeting to discuss the specific issues under discussion by the BID Council and non-profits associations.

- Development Services Department Small Business Liaison Laila Iskandar offered to assist/troubleshoot on some of the permitting issues that Mr. Edwards mentioned during his BID Council Report, and she is currently working on matters regarding permits and streamlining processes related to PROW guidelines (restaurants/sidewalk cafes).
- Board member Gray recommended that City Council members/new council members be advised and/or reminded of the role of the SBAB and its willingness to advise and provide input. There was a general discussion regarding the advisory role of the Board. Ms. Gordon-Hosch stated that over the last two years, Council and other departments have taken a more direct hands-on approach to reviewing regulatory issues and small business matters especially as it relates to permit issues. Particularly, issues have been addressed through the Council's Economic Development Strategies Committee, Development Services Department, and the department's Technical Advisory Committee.
- Ms. Gordon-Hosch stated that she will explore opportunities to remind/promote the Small Business Advisory Board's role and readiness to serve, and also look into inviting the Council President/other council members.

## 9. Next Meeting Date

- **Next Meeting Date and Location – February 15, 2012** (2<sup>nd</sup> Friday) at the **War Memorial Building in Room 2** 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 Board Chair Garcia without objection at 10:12 a.m.