



THE CITY OF SAN DIEGO

**SMALL BUSINESS ADVISORY BOARD
MEETING MINUTES**

March 25, 2009

Civic Center Plaza
1200 Third Avenue, Fourteenth Floor Large Conference Room
San Diego, CA 92101

BOARD MEMBERS PRESENT	BOARD MEMBERS ABSENT
Edward Barbat Kurt Chilcott Scott Cummins Dr. Ruben Garcia Warren Simon Tom Woolway	Faith Bautista Michelle Gray Spencer Skeen Chi Tran

CITY STAFF
Meredith Dibden Brown, Office of Small Business Suzanne Prevost, Office of Small Business Debra Fischle-Faulk , City of San Diego-Administration Beryl Rayford, City of San Diego-Equal Opportunity Contracting (EOC)

OTHERS PRESENT
Gunnar Schalin – San Diego Contracting Opportunities Center Joni Low – Asian Business Association of San Diego Alex Galicia – BPI Plumbing Owner and Treasurer, Elite SDVOB Network

1. Call to Order

- The meeting was called to order at 8:53 a.m. A quorum was present at 9:00 a.m.

2. Approval of Minutes

- A motion was made by Scott Cummins to approve the February 25, 2009 Minutes. There was a second from Tom Woolway. Yes 6, No 0, Abstain 0.

3. Public Comment

- Public Comment started before quorum was present.
- Alex Galicia, owner of BPI Plumbing and member of the organization Elite Services Disabled Veteran's Owned Business (SDVOB) asked that when the Board reviews procurement policies for the City, they take a more direct look at the City procurement goals to service Disabled Veteran owned businesses. Commented that the new Stimulus Package might represent an opportune time to once again look at the policies. He referenced Council Member DeMaio's comment, from the SBAB meeting of February 25, 2009, that the procurement policies have not been reviewed since the 1960's.
- Gunnar Schalin of San Diego Contracting Opportunities Center gave an update on the City's Mentor Protégé Program. Gunnar reported there has been one graduation, Whiley Construction, and there are still five teams operating: Jose Pereira is teamed with Cox Construction; Roberts Electrical is teamed with Helix Electric; West Coast Air is teamed with I.E. Pacific; Bob Birch is with JR Filanc and A.B. Hashmi is teamed with Orion.
- Gunnar announced that next month, City of San Diego Mentor Protégé Program board representative Herb Lemmons will be visiting the Service Disabled Veterans network meeting, as an outreach, to see if they want to apply as Protégé's in the City's program. Gunnar commented the he and Herb Lemmons are on the Cal Mentor Board (Caltrans Mentor Protégé Board) which is looking at architect and engineering (A&E), professional services and consultants as compared with the City program's focus on construction.
- Gunnar brought copies of the San Diego Contracting Opportunity Center's Annual Report to handout and thanked the Board members for their support.
- Dr. Garcia commented to Alex Galicia that the SBAB certainly supports the SDVOB.

4. Administrative Items

- a. Board Administrative Items and/or Non-Agenda Comments - None
- b. Conflict of Interest Declarations - None
- c. Requests of Agenda Revisions (continuances, changes in order, etc.) Dr. Garcia noted the change in order – item #6 was presented before #2.
- d. Subcommittee Reports

- Internal: Dr Garcia noted that the report is deferred to Item 5.

- External: None

e. (1) Economic Development Division/Office of Small Business

- Meredith Dibden Brown reported that it is budget season and staff is getting items together for the budgets and agreements for all the assessment districts and taking them to City Council.

- OSB is working to fill Steve Bal's vacant position.

- For the Division as a whole, CDBG office took program information to Council to discuss recommendations along with the process. She commented that preliminary allocations for FY10 have been made and CDBG is holding workshops to provide information and assistance to the non profits that are being funded in the coming fiscal year.

e. (2) Development Services Department (DSD) – None

- Karen Bucey is on vacation.

5. Small Business Tax and Regulatory Relief for Small Businesses

- Dr. Garcia reported that the Internal Sub Committee held a meeting on March 19, 2009, at this location and those in attendance were myself, Edward Barbat, Scott Cummins via phone, Michelle Gray and Tom Woolway. City Staff present were Meredith Dibden Brown, Suzanne Prevost and Ricardo Ramos.

- Dr. Garcia referred to and read the Internal Sub Committee meeting minutes, Item 4's last paragraph is the proposal and recommends that the paragraph be inserted as part of the letter to Council Member DeMaio's but stated to leave it open for comment as this is a committee report. Dr. Garcia asked for comments from the Board Members.

- Kurt supports the recommendation. Additional comments were to include more clarification as discussed and noted in the Internal Sub Committee Meeting.

- There was discussion on the original notice that went out from the Business Tax Office. This was the notice of violation which was the example that the Council Member showed in his presentation. Meredith stated a letter went out under her signature highlighting assistance and stating to please call or email us if you feel this does not apply to you.

- Kurt asked Meredith if we adequately mitigated the less than friendly customer service aspect of concern raised by this issue. Meredith stated she would have liked for the letter that went out to have been softer but the Mayor's office came back with the final language that went into letter.

- Gunnar Schalin asked if the Board would accept a comment on the subject. He was acknowledged by Dr. Garcia. His comment pertained to the language on page 2, third paragraph, using the terms small business and large business. He suggested removing the terms small and large because by defining small and large business here and in light of Debra's and Beryl's presentation small businesses have difficulty when they are defined small in one way, in one place and small in another place.

- Meredith commented that Small Business Enhancement Programs is set up and predicated on small business meaning 12 or fewer employees and that is also the way the Business Tax system is set up.
- Dr. Garcia commented that Gunnar's point is well taken and thanked him for the input.
- Dr. Garcia called of a motion.
- **Warren moved that the Internal Sub Committee's meeting recommendation be accepted and put into a letter. There was a second by Edward Barbat. Yes 6, No 0, Abstain 0.**

6. Small Local Business Enterprise (SLBE) Program

- Debra Fischle Faulk, Director of Administration for the City of San Diego, introduced herself and Beryl Rayford of Equal Opportunity Contracting (EOC) Program Manager. Debra distributed handouts and gave a presentation, on a program that the City is considering, SLBE Program. Debra reviewed the SLBE handout with the Board members and guests. She commented that she is presenting the program to many groups and is looking to the SBAB for feedback and recommendations prior to presenting a proposal to the City Council through their Rules Committee.
- Debra reported that the City is moving forward with \$1.3 million dollars worth of deferred maintenance. They will be sending out a notice to a number of organizations giving them information on the types of trades they are looking for, types of projects and encouraging people to become certified as minority businesses, disadvantaged businesses and disabled veterans. There will be an event with Engineering & Capital Projects where Prime contractors and subcontractors can meet so there is an opportunity to work together on the larger projects. Some of the smaller projects are going to be a sheltered contract type where the contractors need to sign up for the minor construction program.
- Debra and Beryl attended the Rules Committee meeting and provided an update on EOC. One of the items requested was to provide an update on the potential of implementing a local small business program preference. After researching and having a consultant on board, the consultant put together a comprehensive program. Debra gave an overview of the program and asked if the Board supports implementing a SLBE Program and if so, what percentage should be looked at because some analysis of the costs, impacts and how it works with other programs is already in place.
- Beryl distributed handouts and gave a presentation on the outreach strategy for the program, including three scheduled meetings with contractors throughout the San Diego County area. The purpose is to gain support and input for the program and to be sure that the product will serve community and be sustainable.
- Dr. Garcia offered from the SBA side to send out large email regarding the program.
- A question and answer period took place from the board members and guests, along with general discussion. Debra offered to give a presentation to group meetings to help roll out the program.
- Beryl noted that EOC is in the MOU process with Asian Business Association to provide technical assistance to a lot of companies, as well as with the Council for Supplier Diversity.
- Comment on what action should be taken regarding the presentation by Debra and Beryl today since they had asked for feedback. It was determined that the External Sub

Committee should meet and outline a recommendation on this matter to be brought to the next board meeting.

7. BID Council Monthly Report – Warren Simon

- Warren reported that the job announcement and description for a new Executive Director has been placed on Craig’s List and applications are due on or before March 31st. The committee will meet and review the applications and decide whether or not they need to advertise for the position again. He continues to volunteer at the BID Council and announced the next BID meeting is March 26, 2009 at 7:30 a.m. The location is at the Executive Complex 1010 2nd Avenue lower level boardroom.

8. SBA Recovery Plan Update

- Dr. Garcia distributed a handout “SBA News Release” and mentioned some of the highlights, for example, the 90% guarantee and the business stabilization loan is new. The new programs to be released May 1st. He detailed some of the tax incentives credits and other program highlights.

9. Non Agenda Comments

- Dr. Garcia attended the Life Celebration for George Chandler and thanked those that attended and extended condolences to the family.

10. Next Meeting Date

- The next meeting will be held on April 22, 2009.

11. Meeting Adjournment

- The meeting was adjourned at 9:42 a.m.