



THE CITY OF SAN DIEGO

SMALL BUSINESS ADVISORY BOARD (SBAB) MEETING MINUTES

April 16, 2010

Civic Center Plaza
1200 Third Avenue, Suite 1400 (14th Floor) Large Conference Room
San Diego, CA 92101

BOARD MEMBERS PRESENT	BOARD MEMBERS ABSENT
Scott Cummins James Schneider Warren Simon Matthew Spencer Chi Tran Tom Woolway	Edward Barbat Faith Bautista Dr. Ruben Garcia Michelle Gray William Lynch

CITY STAFF
Meredith Dibden Brown, Office of Small Business Rosa Elena Enriquez, Business Finance Officer/CPCI Lisa Gordon, Small Business Ambassador Alicia Martinez-Higgs, Community Development Specialist Ross Matteson, City Attorney's Office Michael Neumeyer, City Attorney's Office Suzanne Prevost, Office of Small Business Administrative Aide Cheryl Sylvester, Senior Business Finance Officer/CPCI Adam Wander, City Attorney's Office

OTHERS PRESENT
See April 16, 2010 Attendance Sheet

1. Call to Order

- Warren Simon, Vice Chairman called the meeting to order at 9:25 a.m.

2. Approval of Minutes

- A motion was made by Tom Woolway to approve the February 19, 2010 Minutes. There was a second from Scott Cummins. Yes 6, No 0, Absent 5.

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: Warren Simon expressed that recommendations drafted by the Internal Subcommittee meeting would be discussed during Agenda Item #7.
- d. External: No Report
- e. Economic Development Division/Office of Small Business -
 - Meredith Dibden Brown mentioned that as a follow up to a request by the Board (Warren Simon) to have an update on the status of Business Tax collections since data sharing with Franchise Tax Board, Ricardo Ramos, Business Tax Manager will be providing an update at the June 18, 2010 Small Business Advisory Board Meeting.
 - Meredith Dibden-Brown also announced that Economic Development Tourism Support grant process is underway and will move directly from review panel to Council after the appeals process is completed.
- f. Equal Opportunity Contracting/Purchasing – Lisa Gordon mentioned that Debra Fischle-Faulk will plan to attend the June 18, 2010 SBAB Meeting to provide an update on the implementation of the Small Local Business Enterprise (SLBE) Program. No updates from Purchasing & Contracting at this time.

5. Presentation on the Brown Act

- Deputy City Attorney Michael Neumeyer provided a PowerPoint presentation and handout on the Brown Act and answered questions from SBAB members and staff. The presentation included information on the purpose of the Brown Act, entities subject to the Brown Act, general requirements of public and open meetings, board communications, agenda requirements, public access, public comment and Brown Act violations. A question was raised regarding whether secret voting/ballots were permitted by the Board. Deputy City Attorney Adam Wander stated that secret ballots were not permitted, and that he would provide the actual language and verification to the Board as soon as possible.

6. Business Finance – Presentation by Cheryl Sylvester, City of San Diego

- Cheryl Sylvester, Senior Business Finance Officer, presented a PowerPoint presentation and handout on the City’s Revolving Loan Funds Program which includes the San Diego Regional Revolving Loan Fund for the cities of San Diego and Chula Vista, and the Small Business Micro Revolving Loan Fund for the City of San Diego. Both loan programs aim to improve economically distressed areas, create jobs and retain employment that might be lost without funding of business, and offer financial assistance to expanding businesses. Revolving Loan funds can supplement private financing of new or rehabilitated buildings, fixed machinery and equipment, working capital and soft costs. The presentation included information on eligible use of funds, equity, interest rates, loan amounts and terms, and financing structure. Ms. Sylvester also responded to questions from SBAB members.

7. Citizens’ Revenue Review & Economic Competitiveness Commission (CRRECC)

- Warren Simon provided a summary of the meeting and discussion that took place at the March 8 and April 9, 2010 meetings of the Internal Subcommittee of the Small Business Advisory Board in response to the Citizens’ Revenue Review & Economic Competitiveness Commission’s request to gather recommendations that would increase economic opportunities or reduce expenses for businesses. Mr. Simon then presented a draft of two recommendations proposed by the Internal Subcommittee for the full Board’s consideration:
 - Recommendation #1: The Small Business Advisory Board strongly recommends that the City of San Diego implement a Business Tax Amnesty program similar to the amnesty proposal previously submitted by Councilmember Carl DeMaio.
 - Recommendation #2: The Small Business Advisory Board recommends that the City of San Diego’s Development Services department review the historic review process to create a more expedited process for specific projects that do not change the historic character (value or nature) of a building.
- A general discussion on the purpose of providing the recommendations transpired and how the two recommendations would create a more business-friendly climate for San Diego. And, there was clarification on the intent of the Board’s Business Tax Amnesty proposal which would waive late fees, penalties, and interest.
- Meredith Dibden-Brown suggested a few edits to Recommendation #1 to help clarify the Board’s intent to base the recommendation on the April 9, 2009 SBAB letter provided to Councilmember Carl DeMaio. SBAB members concurred and modified Recommendation #1 to: The Small Business Advisory Board strongly recommends that the City of San Diego implement a Business Tax Amnesty program similar to the amnesty proposal previously suggested by the Small Business Advisory Board as outlined in the April 9, 2009 letter submitted to Councilmember Carl DeMaio.
- **A motion was made by Chi Tran to approve the final draft of the two recommendations to present to the Citizens’ Revenue Review and Economic Competitiveness Commission. There was a second by Matthew Spencer. Yes 6, No 0, Absent 5.**

- After the vote, Mr. Jim Schneider and other Board members concurred how important the amnesty proposal was in getting small businesses back on to the tax rolls. Fees and penalties can grow exponentially and can hinder the willingness of people to pay their Business Tax. An amnesty proposal that waives late penalties, fees, and interest will help get people back into the tax rolls and will be the base going forward.

8. SBEP Application Process

- Alicia Martinez-Higgs discussed an earlier request to receive Board input on the new FY 2011 Small Business Enhancement Program Grant Application specifically looking at the questions to ensure we are receiving the appropriate amount of information and are asking specific enough questions to support panelists in the decision making process. Ms. Martinez-Higgs provided a copy of the FY2010 Application to all board members in attendance and reiterated that the program is intended to be a very easy process. She requested Board input on the application by May 14, 2010, and plan to provide a new FY 2011 boiler plate agreement to the department attorney in May. Input by board members can be submitted to Alicia via e-mail. She noted that it took quite a few months for one applicant to provide required documents after reward during the 2010 grant process, but going forward the 30-day deadline after reward will be enforced for all applicants.
- A general board discussion transpired on policy questions about who is eligible to apply and whether other restrictions should be stated in the application based on questions and concerns raised during the last grant process including restricting organizations that are also applying for EDTS grants; restricting SBAB members from participating on the panel if an organization they represent is applying for funds; and other potential conflicts of interest. There was more Board discussion on the SBEP process as compared to the formal EDTS Grant process, and how the SBEP Grant process is for a much smaller funding amount and is intended to be a simpler process. A final draft of the SBEP application will be placed on the agenda for the Board's consideration at the June meeting to discuss questions, issues, and recommendations, and panelists will be identified thereafter. Ms. Martinez-Higgs mentioned that a meeting with selected SBAB Panelists could be scheduled, if needed, prior to the actual panel review of the applications.

9. SBAB Meeting Locations

- Lisa Gordon presented the dates and locations for all of the remaining 2010 SBAB meetings, per the Board's previous request that meetings be held at locations that provide more accessible and free parking to the public. Meetings will be held at either the Balboa Park Club in the Santa Fe Room or the War Memorial Building in Room 2 for the remainder of 2010. Lisa mentioned that she will send an e-mail to all Board members with the meeting dates and locations for the remainder of 2010.

10. BID Council Monthly Report

- Warren Simon reported that the BID Council is currently very busy with the budget hearing process and BID progress reports. They are trying to help the BIDs finish the micro district grant process to ensure projects are completed by end of the current fiscal year.

11. Next Meeting Date

- The next meeting is June 18, 2010 at 8:45 a.m. at the Balboa Park Club in the Santa Fe Room located at 2150 Pan American Road West.

12. Meeting Adjournment

- The meeting was adjourned by Vice Chairman Warren Simon without objection at 10:28 a.m.