



THE CITY OF SAN DIEGO

**SMALL BUSINESS ADVISORY BOARD
MEETING MINUTES**

September 8, 2009

Civic Center Plaza
1200 Third Avenue, Suite 924 (9th Floor) Large Conference Room
San Diego, CA 92101

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

CITY STAFF
Meredith Dibden Brown, Office of Small Business Suzanne Prevost, Office of Small Business Alicia Martinez-Higgs, Office of Small Business Luis Ojeda, Office of Small Business

OTHERS PRESENT
Gunnar Schalin, Contracting Opportunities Center

1. Call to Order

- The meeting was called to order at 9:00 a.m.
- Dr. Garcia introduced the newly appointed SBAB members William Lynch, James Schneider and Matthew Spencer and announced the reappoint of Edward Barbat, Faith Bautista, and Tom Woolway.

2. Approval of Minutes

A motion was made by Michelle Gray to approve the June 24, 2009 Minutes. There was a second from Tom Woolway. Yes 6, No 0, Abstain 3.

3. Public Comment

None

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.) - None
- d. Subcommittee Reports
 1. Internal: None
 2. External: See Agenda item 7.
- e. City Staff Monthly Reports
 1. Economic Development Division/Office of Small Business – None
 2. Development Services Department (DSD) - None

5. EDTS – Economic Development and Tourism Support

- Luis Ojeda provided an update on the status of the program for FY2010 and an overview of the process. The panel recommended funding amounts for the various organizations which applied and conducted an appeal process for one organization. Unfortunately, the SBAB meeting at which the recommendations were to be reviewed did not have a quorum and therefore, due to timing issues, the panel recommendations for FY2010 were submitted directly to the City Council.
- For next year's process he would like five members to participate on the panel to review applications and make recommendations for consideration by the Board to then pass on to the City Council. He also indicated that he would distribute a copy of the application and guidelines to the SBAB members.
- Faith Bautista commented on the process and her concerns about conflict of interest issues and review criteria. She also reiterated the need for more small business members to participate on the review panel. Faith requested that a copy of her letter be distributed to the SBAB members.

6. FY2010 SBEP - Small Business Enhancement Program Citywide Grants

- Alicia Martinez-Higgs provided an overview of the panel review process for the FY2010 Citywide Small Business Enhancement Program Grants. Chi Tran, Michelle Grey, and Warren Simon participated on the panel and reviewed 13 applications from 11 organizations. Alicia distributed a spreadsheet of the scoring and funding recommendations. Due to carryover from a previous year's agreement which could not

be completed, the total amount of funding available was \$144,000. The panel recommended funding those applications receiving a rank of 2 or above at a certain percentage of the requested amount based on the rank. The percentages ranged between 25% and 90% of the amount requested. Some general observations made by the panel members included the need for more detail justifying the budgeted line items and the quantifiable outcomes. Staff concurred and proposed to amend the application for next year to require such budget detail and help elicit more detailed measurable outcomes.

- There was additional discussion regarding conflicts of interest and participation on review panels if associated with an organization. Meredith Dibden Brown indicated that it was her understanding that board members with a financial interest in a particular organization should recuse themselves from that vote. Those Board members serving in an unpaid volunteer or advisory capacity with a particular organization should declare the nature of the relationship prior to voting, but are permitted to take part in the vote. She noted that out of an abundance of caution, Chi Tran had recused herself from discussions and funding recommendations for a number of organizations where either she, or a colleague, were unpaid board members.
- A motion was made by James Schneider, to approve the FY2010 SBEP funding recommendations from the Panel. There was a second by Edward Barbat.
Yes 8, No 0, Abstain 1.

7. Small Local Business Enterprise (SLBE) Program

- Michele Gray discussed the memorandum from the External Sub-committee which supported the proposed Small Local Business Enterprise (SLBE) Program but did include some suggestions for the program including:
 - using the City of San Francisco's income standards for defining a small business;
 - using suggested criteria to determine when an SLBE firm permanently graduates from the program;
 - a modification to the Preferences applied on bids and proposals;
 - creating a special procedure within the bidding process for a certified micro-business;
 - adding language to the clause that supports the points assigned to the evaluation criteria for professional services contracts; and
 - using the existing guidelines outlined in SCOPE to define the documentation needed to justify a "Good Faith" effort.
- There was some discussion about the eligibility of businesses and which entity (parent or multiple "subsidiary" entities) would be evaluated to determine if the business was "small", i.e. how is the combined size evaluated for the purposed of this program?
- A motion was made by Scott Cummins to support the SLBE Program with the suggested modifications. There was a second by Michelle Gray.
Yes 9, No 0, Abstain 0.

8. Annual Small Business Community Outreach Meeting

- Meredith Dibden Brown explained that the originally proposed date of September 23, 2009 was not feasible. The SBAB August 2009 meeting could not be held since a quorum was not available and this had eaten into the time needed to plan for the Outreach meeting. It was proposed to hold the meeting at Liberty Station on October 28, 2009 and to include one or two guest speakers to cover topics of interest to small businesses in addition to allowing time for public testimony on small business issues. Possible topics include IRS time sensitive tax breaks and information; ARC loan program; diversity supplier opportunities (such as for SDG&E); and the proposed Small Local Business Enterprise program. Dr. Garcia would contact a banking representative on the ARC loan program and staff would contact other speakers and make arrangements. The Mayor's office would also be contacted to invite the Mayor to speak.
- If there is no objection, the Annual Small Business Community Outreach Meeting will be held on October 28, 2009 9:00 a.m.-11:00 a.m., at Liberty Station. Approved by General Consent.

9. BID Council Monthly Report

None

10. Next Meeting Date

- The next meeting date will be the Outreach Meeting on October 28, 2009.

11. Meeting Adjournment

- The meeting was adjourned by Chairman, Dr. Garcia without objection at 10:30 a.m.