



THE CITY OF SAN DIEGO

SMALL BUSINESS ADVISORY BOARD (SBAB) ANNUAL COMMUNITY OUTREACH MEETING DRAFT MEETING MINUTES

October 15, 2010

Balboa Park Club/Santa Fe Room
2150 Pan American Road West
San Diego, CA 92101

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

CITY STAFF
Meredith Dibden-Brown, Office of Small Business Manager Alicia Gabriel, Storefront Improvement Program Manager Lisa Gordon, Small Business Ambassador & SBAB Liaison Alicia Martinez-Higgs, Community Development Specialist Suzanne Prevost, Office of Small Business Administrative Aide

OTHERS PRESENT
Nearly 70 people attended this meeting. See October 15, 2010 Attendance Sheet & Guest List

1. Welcome & Call to Order

- Dr. Ruben Garcia, Board Chairman, called the meeting to order at 8:50 a.m. and provided welcoming remarks, information on the Small Business Advisory Board, and highlighted the agenda and purpose of the Small Business Advisory Board's Annual Community Outreach Meeting.

2. Approval of Minutes

- **A motion was made by Warren Simon to approve the August 20, 2010 Minutes. There was a second by Jim Schneider. Yes 8, No 0, Absent 3.**

3. Opening Remarks by Mayor Jerry Sanders

- Mayor Jerry Sanders welcomed attendees and provided opening remarks regarding the critical importance of small businesses to the region's economy. He also highlighted the Small Business Enhancement Program that helps local merchant associations and business improvement districts; City's Small Local Business Enterprise Program that helps local small businesses pursue City contracts; City's efforts to provide smaller contracts to attract more small business participation; and the Mayor introduced Congresswoman Susan Davis who has been a "champion" of the small business community.
- Congresswoman Susan Davis appreciated the opportunity to attend and speak to small business owners who are a "cornerstone of the community." Congresswoman Davis shared that legislation recently signed by President Obama, the "Small Business Jobs Act," provides a \$30 billion lending fund for small businesses, and she underscored federal efforts to increase small business lending. She also discussed the importance of providing more small businesses with contracts at the federal and city levels; acknowledged the key role small businesses play in helping getting the economy and employment back on track; and encouraged attendees to take advantage of the great opportunity for learning at the meeting.

4. Debra Fischle-Faulk, City of San Diego, Small Local Business Enterprise Program

- Debra Fischle-Faulk provided a presentation on the City of San Diego's Small Local Business Enterprise Program. The program was launched in July 2010 to increase and foster effective broad-based competition from all segments of the contractor, consultant, and vendor community, and develop new capacity and competition of local small businesses on City contracts. The program ultimately provides preference points and bid discounts for certified local small businesses. Ms. Fischle-Faulk provided an overview of local and size requirements for businesses to qualify for the program including annual gross receipts for each category of business. Businesses can be certified as an Emerging Local Business Enterprise (ELBE) or Small Local Business Enterprise (SLBE) based on average annual gross receipts, and must be in existence for at least 12 months.
- Her presentation also included information on mandatory and voluntary subcontractor participation goals, consultant contracts, and how the program works for certified businesses on major public works contracts at \$1 million and above, and \$500,000 - under \$1 million. Minor construction projects from \$250,000-\$500,000 provide restricted competition only open to certified SLBEs and ELBEs, and construction projects at \$250,000 and below provide opportunities solely for ELBEs. Additional elements of the program include the Mentor Protégé Program and the Office of Small

Business Pilot program for small and disadvantaged businesses. As of October 15, 2010, 189 local small businesses are certified in the SLBE/ELBE program.

5. “Financing Your Business” Panel

- The “Financing Your Business” Panel featured Robert Lopez, Director of Lending for ACCION San Diego, Cheryl Sylvester, Senior Business Finance Officer for the City of San Diego, and Susan Lamping, Senior Community Loan Officer for CDC Small Business Finance.
- Robert Lopez presented information on ACCION San Diego’s micro loan program for existing and start-up businesses ranging from \$300-\$35,000, and ACCION’s continued efforts to serve the community and provide access to capital and technical assistance through a network of resource partners.
- Cheryl Sylvester shared the City of San Diego’s Small Business Loan Programs for expanding businesses. These revolving loan programs provide gap financing for new or rehabilitated buildings, fixed machinery and equipment, working capital, and soft costs. The two loan funds include the Small Business Micro Revolving Loan Fund (\$25,000-\$150,000) for businesses in the City of San Diego, and San Diego Regional Revolving Loan Fund (\$150,000-\$500,000) for businesses in the cities of San Diego and Chula Vista.
- Susan Lamping highlighted the various SBA loan programs and non-traditional loans offered through CDC Small Business Finance including the SBA 504 Commercial real estate loan program that helps business owners purchase buildings. CDC Small Business Finance is a private, nonprofit organization that helps make credit accessible to business owners who traditionally have not been able to qualify for conventional financing. In addition, the CDC works collaboratively with various private lending institutions and resource partners to package loans suitable for the diverse financing needs of small businesses.

6. “Small Business Success Stories” Panel

- The “Small Business Success Stories” Panel featured Lisa Altmann, Owner of “Viva Pops,” Sharon Anderberg, Owner of “Aero Auto Repair,” and Alex Galicia, Owner of “BPI Plumbing.”
- Lisa Altmann and Sharon Anderberg shared their small business success stories as a result of participating in the City’s Storefront Improvement Program. “Before” and “After” photos were displayed during their presentations to illustrate the dramatic difference and positive impact the Storefront Improvement Program has made on their businesses. As a result of the program, “Viva Pops” and “Aero Auto Repair” have significantly increased their business activity, awareness, customer base, and sales. Sharon Anderberg of Aero Auto Repair reported a 30% increase in sales as a result of participating in the Storefront Improvement Program.
- Alex Galicia highlighted the growth and success of BPI Plumbing as a result of participating in the City’s Small Business Development Pilot Program, Mentor Protégé Program, and Small Local Business Enterprise Program. Access to these free programs, information, technical assistance, and services has greatly benefitted his business, and has

generated greater business awareness, activity, sales, and success. In addition, BPI Plumbing was recently selected as a subcontractor on a City project.

7. “Supporting Your Business” Panel

- The “Supporting Your Business” Panel featured Trisha Ferrand, Senior Procurement Specialist for the San Diego Contracting Opportunities Center, Paul Hollenbach, Business Consultant for SCORE, and Ken Clark, Small Business Services Coordinator for the Small Business Development Center.
- Trisha Ferrand provided an overview of the variety of free technical assistance services offered by the San Diego Contracting Opportunities Center (also known as Procurement Technical Assistance Center) to assist small businesses in pursuing government contracts at the local, state, and federal levels through one-to-one counseling, workshops, and training. The Contracting Opportunities Center also offers an automated bid-matching service, on-site construction bid/plan room, certification assistance, and prime contractor/subcontractor matching services. Ms. Ferrand also promoted their upcoming November workshops: “How to Create a Great Capability Statement” and “Introduction to Government Contracting.”
- Paul Hollenbach highlighted information on SCORE, a Resource Partner of the U.S. Small Business Administration. SCORE provides free small business counseling throughout San Diego County via active and retired business men and women who volunteer to share their expertise with existing small businesses and start-ups. The San Diego SCORE Chapter is very active, and provided more than 12,000 counseling sessions and 144 workshops in 2009. SCORE also provides a broad range of low-cost entrepreneurial workshops and free access to a Business Library via their website.
- Ken Clark shared the Small Business Development & International Trade Center’s mission to provide existing and start-up small businesses with access to free technical assistance, business management assistance, financial analysis, and seminars and workshops on a variety of topics. Their one-to-one counseling using fee-based consultants in the community can help mentor entrepreneurs on business plans, cash flow management, market research, demographics, new product development, site location, advertising, and customer service. The Center also provides support to the City of San Diego’s Mentor Protégé Program. Mr. Clark also thanked the City of San Diego and Small Business Enhancement Grant Program Panel (Small Business Advisory Board) for their support and grant awarded to the Small Business Development & International Trade Center.

8. Public Testimony and Additional Questions & Comments

- Jay Powell of the City Heights Community Development Corporation provides housing and jobs in livable neighborhoods through comprehensive programs serving the greater mid-city area. Many of their residents have or are interested in creating micro businesses, and Mr. Powell appreciated hearing about all the tremendous services

offered by panel participants at the meeting, and the great variety of resources available to the small business community. The City Heights CDC, who also helps residents become entrepreneurs, has utilized and benefitted from the services discussed by the panelists, and has included these services as part of their overall economic development strategy. Mr. Powell also shared some of the economic development goals and business-friendly programs being offered by the CDC including efforts to create jobs, and a business directory to promote local businesses and encourage people to hire locally and purchase goods from community businesses.

- Leah Thiss of BBBS Inc., an accounting company serving small businesses, expressed concern over lack of funding for small businesses in this economic climate and asked for help from all entities. Many small businesses that she has worked with have been in existence for many years yet are having difficulty getting funding through SBA and banking institutions, and finding funding in general. She was pleased to attend today's meeting and hear about ACCION San Diego and services available for non-traditional funding. She stated that more of this type of lending and information needs to get out to the community, and unfortunately many businesses are not qualifying for bank lending/SBA loans unless a business has excellent credit, references and resources. She also stated that the small businesses that have "weathered the economy" in the last three years really need funding and assistance to get "back on their feet." She will follow up with ACCION on their funding program and services.
- Dr. Justin Carlson, Owner and Chief Scientific Officer of Chemotrope, a biotech start-up, is planning to utilize some of the resources presented at today's meeting, and appreciated everyone's efforts in helping the small business community. Chemotrope is pleased to be involved with CONNECT's Springboard program. As there were incentives presented at the meeting for construction and other types of contracts, Dr. Carlson posed questions on the incentives provided for a growing, small, biotech company in contrast to a construction company. Chemotrope also has "virtual" biotech partners in Montana and Michigan and inquired about incentives to help their biotech business stay in San Diego, attract more business and perhaps bring people from Montana and Michigan to San Diego. He also encouraged people to learn more about CONNECT, and is seeking support to help companies achieve success with Department of Defense medical research grants and contracts.

9. Closing Remarks

- Dr. Garcia thanked the presenters, panelists, and everyone in attendance at the Small Business Advisory Board Community Outreach Meeting, and invited everyone to pick up fliers and visit the resource/agency tables as they departed. He also invited everyone to attend the next Small Business Advisory Board Meeting on December 17, 2010, and future meetings held at either the Balboa Park Club or the War Memorial Building, locations providing better access and ample free parking for the public's convenience.
- Board Member Michelle Gray strongly encouraged everyone to attend upcoming Small Business Advisory Board Meetings. She reflected upon the great speakers, agencies, and

information presented at the board meetings, and how much she has learned as a small business owner and board member.

- Board Member Chi Kim Tran also encouraged attendees to e-mail or call the Office of Small Business if they have any questions, comments, or small business issues for the board to address. Lisa Gordon, Small Business Ambassador and Staff Liaison for the Board provided her e-mail address for inquiries to the Board. Dr. Garcia also provided his contact information for Small Business Administration (SBA) or federal inquiries.

10. Next Meeting Date

- The next meeting is December 17, 2010 at 8:45 a.m. at the War Memorial Building/ Room 2 located at 3325 Zoo Drive, San Diego, CA 92101.

10. Meeting Adjournment

- The meeting was adjourned by Chairman Ruben Garcia without objection at 10:44 a.m.