

SMALL BUSINESS ADVISORY BOARD

Meeting Notice and Agenda

TUESDAY, January 23, 2024 **In-Person** Meeting, 8:30 a.m. – 10:00 a.m. Location: Civic Center Plaza, 14th Floor Conference Room – 1200 3rd Ave, San Diego, CA 92101

Chair: Austin Evans | Vice Chair: Natasha Salgado

Board Members: Ania Kaminska, Austin Evans, Brandon S. Johnson, Donna Deberry, Jason Paguio, Jenna Hanson, Natasha Salgado, Sarah Mattinson, Shane Beard, Sunny Lee, and Valery Belloso.

Staff Liaisons: Alex Southard and Sean Karafin.

Public Comment

Public Comment on an Agenda Item: If you wish to address the Board on an item for today's agenda, please complete and submit a speaker form before the Board hears the agenda item. You will be called at the time the item is heard.

Public Comment on Matters Not on the Agenda: You may address the Board on any matter not listed on today's agenda. Please complete and submit a speaker form. However, California's open meeting laws do not permit the Board to discuss or take any action on the matter at today's meeting. At its discretion, the Board may add the item to a future meeting agenda or refer the matter to staff or committee. Individuals' comments are limited to three minutes per speaker. At the discretion of the Chair, if a large number of people wish to speak on the same item, comments may be limited to a set period of time per item.

Item 1: Call to Order (Chair Evans)

Item 2: Action: Roll Call (Chair Evans)

Item 3: Action: Approval of October 24, 2023 Minutes (Chair Evans)

Item 4: Presentation from Julieta Gonzalez, Access, Inc.- Capacity Building Grant Program Recipient

Item 5: Discussion on City Contracting Opportunities

Item 6:	Action: Draft Advising Letter (Chair Evans)
Item 7:	Action: Approval of the Proposed 2024 Meeting Dates (Chair Evans)
Item 8:	Economic Development's Draft 5 Key Steps to Starting a Small Business Guide
Item 9:	Committee Report a. Development Services Department Technical Advisory (Board Member Beard)
Item 10:	Staff Report a. Economic Development Department (Liaison Southard)
Item 11:	Board Member Comments a. Suggested items for future meetings
Item 12:	Non-Agenda Public Comment
Item 13:	Adjournment

REQUESTS FOR ACCESSIBILITY MODIFICATIONS OR ACCOMMODATIONS

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Small Business Advisory Board

Proposed 2024 Meeting Calendar

Days: Every Fourth Tuesday

Times: 8:30 am - 10:00 am

Location: Civic Center Plaza, 14th Floor Conference Room – 1200 3rd Ave, San Diego, CA 92101

- January 23rd
- February 27th
- March 26th
- April 23rd
- May 28th (Memorial Day 27th)
- June 25th
- July 23rd
- August 27th
- September 24th
- October 22nd
- November/December combined for December 3rd

5 Key Steps to Starting a Small Business

This guide covers the basics and provides a starting point to help you turn your idea into a business. You may need to do additional research depending on your specific business type but included are numerous resources to help you navigate this process. Each step expands on specific resources and information to assist you with that section. So, what's the first step?

NOTE: We highly encourage you to visit this webpage for a list of organizations that provide technical assistance (the majority free of cost) and can help you with your business journey (see "Find Your Network")- <u>www.sandiego.gov/economic-development/resources/services</u>

- We have included links and information from government agencies and trusted community partners. This is not an exhaustive list but will serve as an essential resource.
- 1. **RESEARCH AND PLAN:** At the early stages, you will need to start with research and planning. It will be helpful to outline your business idea and build the foundation of your business plan. To ensure there is a demand for your product or service, market research can help you identify your ideal customer base and strategy. You can also find videos/tutorials online that provide additional tips. The Small Business Administration is one place you can go to that offers resources when conducting market research and creating a business plan- www.sba.gov/business-guide/plan-your-business

What do you want to do? Sell a product or service? Below are some examples:

- Turning a hobby/passion like baking into a business
- Creating a mobile business such as an ice cream vendor
- Opening a retail store selling clothes and shoes

The City of

- Starting a business from your home such as consulting services
- Becoming an independent contractor or someone who is self-employed*
 *For example, this could include a hairdresser, nail technician, ride share driver, or short-term rental host.

It is important you dedicate time to research and planning. Investing time in the beginning will help you in the long run. Getting connected with the right resources can get you a variety of free educational and training resources for starting, operating, and growing your business. For additional information, please see the resources below.

- California Office of the Small Business Advocate- <u>www.calosba.ca.gov/</u>
- San Diego & Imperial Small Business Development Center- <u>www.sdivsbdc.org/</u>
- San Diego Public Libraries- <u>www.sandiego.gov/public-library</u>
 - o Career development services- <u>www.sandiego.gov/public-library/job-start</u>
 - Database access- <u>www.sandiego.gov/public-library/elibrary</u>
 - Laptops and hotspots access- <u>www.sandiego.gov/sdaccess</u>
 - o Trademark and patent assistance- www.sandiego.gov/public-library/ptrc
- SCORE San Diego- www.score.org/sandiego
- U.S. Small Business Administration- <u>www.sba.gov/business-guide</u>

2. **IDENTIFY YOUR LOCATION:** After conducting some research and planning, the next step is to determine how to operate your business in your desired location. The Small Business Administration offers a guide when looking at business locations- <u>www.sba.gov/business-guide/launch-your-business/pick-your-business-location</u>

Where do you want to operate? Below are some examples:

- Opening a storefront or brick and mortar in your neighborhood
- Selling at local farmers markets or vending on sidewalks
- Work and operate from your home

Before you sign a lease or purchase a property, you should first check to see whether you are allowed to operate in the space as land use regulations may be restrictive to certain business types. Identifying your required permits, associated costs, and the processing times from relevant agencies will help with deciding the optimal timing to secure the space. Remember, location is key. Take your time when deciding where your location. For additional information, please see the resources below.

- Farmers Market- www.sdfarmbureau.org/farmers-market/
- Home Based Business (Home Occupation)- <u>www.sandiego.gov/sites/default/files/dsdib540.pdf</u>
- Microenterprise Home Kitchen Operations or Cottage Food Industrywww.sandiegocounty.gov/content/sdc/deh/fhd/food/homekitchenoperations.html
- Sidewalk Vending- <u>www.sandiego.gov/sidewalk-vending</u>
- Storefront or Brick & Mortar- Many Business Improvement District Associations track and share listings of available commercial spaces in their neighborhoodhttps://www.sandiego.gov/economic-development/about/bids
 - The Economic Development Department can assist with research of commercial properties and help with small business zoning and permitting questions. You can also work directly with the Development Services Department through their Small Business and Restaurant Assistance Program- <u>www.sandiego.gov/development-services/virtual-appointments</u>
- 3. FORMALIZE YOUR BUSINESS: Once you have identified your location and are ready to move forward, the next step is to formalize your business. We provide some of the essential pieces of information you need to get started.
 - Fictitious Business Name- If your business name does not include your legal last name with a one-word description, or you operate using a name other than the exact corporate name as stated in your Secretary of State filing, you will need to register a FBN with the County of San Diego. This is often referred to as having a DBA or "doing business as" (typically a minimal cost). www.sdarcc.gov/content/arcc/home/divisions/recorder-clerk/fictitious-business-name.html
 - **Legal Structure-** You are automatically considered to be the sole proprietor unless you register your business for another legal structure such as a limited partnership (LP), limited liability partnership (LLP), corporations, or limited liability companies. Comparing the legal and tax implications based on your situation is important to selecting the right legal structure for your

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Informational Guide

business. You can contact an attorney for guidance or connect with the San Diego Volunteer Lawyer Program who can assist with business entity formation. <u>www.sdvlp.org/microbusiness-nonprofit-support/</u>

- **Organize your Finances-** Managing cash flow, setting up an effective record-keeping system, and establishing an emergency fund are some tips to financial management. A business bank account can help keep your business and personal finances separate. You can contact your accountant for guidance. The California Department of Tax and Fee Administration has resources to help you navigate tax requirements. <u>www.cdtfa.ca.gov/</u>
- **Insurance-** Having the right insurance for your business helps protect you and your business assets. The Small Business Administration has further information on the different types of business insurance. <u>www.sba.gov/business-guide/launch-your-business/get-business-insurance</u>

Getting organized and formalizing your business helps create a strong foundation. Perhaps you are looking for funding for startup expenses like equipment or you may be looking into hiring employees and forming a team; you need to plan ahead and ensure all internal processes are in place. For additional information on formalizing your business including capital access, employer responsibilities and labor laws, and tax/legal assistance, please see the resources below.

Capital Access:

The City of

- Accessity- <u>www.accessity.org/</u>
- Accion Opportunity Fund- <u>www.aofund.org/</u>
- California Capital Access Program- <u>www.treasurer.ca.gov/CPCFA/calcap/index.asp</u>
- CDC Small Business Finance- <u>www.cdcloans.com/</u>
- Civic Communities- <u>www.civiccommunities.com/capital-solutions/</u>
- International Rescue Committee- <u>www.irc-ceo.org/what-we-do/our-loan-products.html</u>
- Local Initiative Support Corporation- <u>www.lisc.org/san-diego/initiatives/economic-</u> <u>development/business/kiva/</u>
- Mission Drive Finance- <u>www.missiondrivenfinance.com/</u>
- REDF Impact Investing Fund- <u>www.redf.org/what-we-do/impact-lending/</u>
- Self-Help Federal Credit Union- <u>www.self-helpfcu.org/locations/locations-california/san-diego-branch</u>
- Small Business Administration- <u>www.sba.gov/funding-programs/loans</u>
- Small Business Finance Center- www.ibank.ca.gov/small-business/loan-guarantees/
- South County Economic Development Council South County- <u>www.southcountyedc.com/scedc-</u> loan-programs/

Employer Responsibilities and Labor Laws:

- Department of Industrial Relationswww.dir.ca.gov/smallbusiness/HiringAndAdministeringEmployees.htm
- Employment Development Department- <u>www.edd.ca.gov/</u>
- Minimum Wage Ordinance- <u>www.sandiego.gov/compliance/minimum-wage</u>

Tax / Legal Assistance:

- California Department of Tax and Fee Administration- <u>www.cdtfa.ca.gov/</u>
- California State Board of Equalization- <u>www.boe.ca.gov/</u>
- California Tax Information Center- <u>www.taxes.ca.gov/</u>

- California Western School of Law, Community Law Projectwww.cwsl.edu/experiential learning/clinics/community law project.html
- Internal Revenue Service- <u>www.irs.gov/</u>
 - Identification Tax Number- <u>www.irs.gov/individuals/individual-taxpayer-identification-</u> <u>number</u> (free to register)
 - Employer Identification Number- <u>www.irs.gov/businesses/small-businesses-self-</u> <u>employed/how-to-apply-for-an-ein</u> (free to register)
- San Diego County Treasurer-Tax Collector- <u>www.sdttc.com/</u>
- San Diego Volunteer Lawyer Program- <u>www.sdvlp.org/microbusiness-nonprofit-support/</u>
- University of San Diego, Legal Clinic- <u>www.sandiego.edu/law/free-legal-assistance/</u>

4. PERMITS AND LICENSES: Most businesses require specific permits and licenses to operate, depending on the industry and location. It is important to know what local, state, and federal regulations you need to follow to operate your business legally. The State of California has a tool called CalGold to help you figure out what permits and licenses you need for your specific business

type-<u>www.calgold.ca.gov/</u>

*North American Industry Classification System Code (NAICS)- The NAICS code is a number used to classify and categorize business types for statistical analysis across all industries. Knowing your NAICS code is helpful for a number of reasons, such as determining eligibility for contracting programs and applying for certain permits. The code is a self-assigned system, you select the code that best depicts your business activity. www.naics.com/search/

***Business Tax Certificate (BTC)-** A BTC is <u>required</u> for any business that operates within San Diego City limits more than six days in a calendar year. The cost can vary depending on several factors and typically starts at \$38. <u>www.sandiego.gov/treasurer/taxesfees/btax/btaxhow</u>

This program is managed and administered by the Office of the City Treasurer. If you have any questions, you can contact this department directly at 619-615-1500 or email btax@sandiego.gov. If you wish to apply in person, they are located at 1200 Third Ave., Suite 100, San Diego, CA 92101. You can contact them or visit their website for hours of operations.

The following are the most common permits for small businesses; however, this may vary depending on your business type.

- Seller's Permit- Generally, most retail operations in California obtain this permit issued by the California Department of Tax and Fee Administration. It is required for any business that sells taxable products and some services, to collect and report the taxes to the State. Reporting is required monthly, quarterly or yearly depending on the amount of sales your business generates. www.cdtfa.ca.gov/taxes-and-fees/faqseller.htm (free to register)
- Environmental Health & Quality Forms and Applications- The County of San Diego requires certain forms for specific business activities. For example, businesses that sell or handle food products, operate a pool or spa, handle hazardous materials or medical waste, have underground storage tanks or use x-ray equipment must contact the County of San Diego Environmental Health office. www.sandiegocounty.gov/content/sdc/deh/doing_business/forms.html
- **Agriculture, Weights, and Measures-** Businesses that sell goods by weight or volume must register the devices with the County of San Diego. <u>www.sandiegocounty.gov/awm/</u>

- Short-Term Residential Occupancy (STRO)- The STRO Ordinance requires a license for all STRO of a dwelling unit, or part thereof, for less than one month within the City of San Diego. The application process is administered by the Office of the City Treasurer. www.sandiego.gov/treasurer/short-term-residential-occupancy
- **Police Permit-** Certain types of business activities are regulated by the San Diego Police Department. The application process is administered by the Office of the City Treasurer. You can visit their website for a list of the City's Police Regulated Businesses and information on permits and fees. <u>www.sandiego.gov/treasurer/taxesfees/pdpermits</u>
 - Cannabis businesses- <u>www.sandiego.gov/development-services/cannabis</u>
- Occupations and Professional Services Licenses- The California Department of Consumer Affairs administers more than 3.9 million licenses in more than 280 license types. <u>www.dca.ca.gov/</u>
 - General contractors license- <u>www.cslb.ca.gov/</u>
- San Diego Fire-Rescue Department Permits- Certain business activities may be subject to approval from the Fire-Rescue Department. Some permits include alarm systems, special events, and others. <u>www.sandiego.gov/fire/services/permits</u>
 - Use of hazardous materials- <u>www.sandiego.gov/fire/services/permits/hazmat</u>

Please note that this is not an exhaustive list, other permits may also be required. Be sure to track and process applicable permits/license in a timely manner. For additional information on common permits, please see the resources below.

- Alcoholic Beverage Outlets- <u>www.sandiego.gov/development-services/forms-</u> <u>publications/information-bulletins/143</u>
- Barbering and Cosmetology- <u>www.barbercosmo.ca.gov/</u>
- Child Care Businesses- <u>www.sandiego.gov/child-youth-success/early-learning</u>
- Food Trucks- <u>www.sandiegocounty.gov/content/sdc/deh/fhd/mobilefood.html</u> and <u>www.sandiego.gov/development-services/permits/mobile-food-truck-permit</u>
- Home Kitchen Operations-<u>www.sandiegocounty.gov/content/sdc/deh/fhd/food/homekitchenoperations.html</u>
- Sidewalk Vending- <u>www.sandiego.gov/sidewalk-vending</u>

5. LAUNCH YOUR BUSINESS! You have completed steps 1-4 and now you're ready to launch your business! Take advantage of marketing your business through free social media platforms. Expand your knowledge of business skillsets and stay updated with relevant laws. Consider joining a business group or trade association that can help you market your business. We encourage you to connect with a network of entrepreneurs, whether it's neighborhood-based or industry-based.

Business Promotion: An important factor that will help contribute to a successful launch and sustainable success is promoting and branding your product/service. From creating a website and social media accounts to crafting a marketing strategy and analyzing your business' performance, small businesses can leverage resources that are often free and accessible.

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Business Education: Getting educated in all aspects of effectively running a business is crucial. From HR and administrative management to finance and customer service, growing your knowledge and refining your skillsets can ultimately contribute to better business success. Not only should you expand your business education as you begin your business, but also throughout your business journey.

Building a Network: Having a strong network and support system is key. Bringing people together who can relate to your experience draws a sense of community and support. Do not forget, word of mouth is still one of the strongest forms of marketing and your peers might help promote your business to others. Visit this webpage to view a list of organizations including business association, chambers, and community-based organizations (see "Find Your Network")www.sandiego.gov/economic-development/resources/services

For support with business promotion, education, and more, the following organizations offer learning opportunities. You can also contact your local community organization to find out if they are offering trainings or workshops.

- The San Diego & Imperial SBDC (Small Business Development Center) offers on-demand trainings covering diverse topics for all stages of a business. <u>www.sdivsbdc.org/on-demand-training/</u>
- SCORE San Diego (Service Corps of Retired Executives) offers a variety of learning opportunities including workshops, mentorship, and networking events. <u>www.score.org/sandiego/local-workshops</u>

Is your business established and ready to take the next step in growth? Visit our website to explore incentives and expansion opportunities.

The Economic Development Department is here to assist you! If you have questions or feel stuck with any of these steps, don't hesitate to visit <u>www.sandiego.gov/economic-development</u>, contact us via phone at (619) 236-6700, or email us at <u>sdbusiness@sandiego.gov</u> and we can help you find the answer.



SMALL BUSINESS ADVISORY BOARD

Meeting Minutes

TUESDAY, October 24, 2023 8:30 a.m. – 10:00 a.m. Location: Civic Center Plaza, 14th Floor Conference Room – 1200 3rd Ave, San Diego, CA 92101

Chair: Austin Evans | Vice Chair: Natasha Salgado

Board Members: Ania Kaminska, Austin Evans, Brandon S. Johnson, Donna Deberry, Jason Paguio, Natasha Salgado, Sarah Mattinson, and Shane Beard.

Staff Liaisons: Alex Southard and Sean Karafin.

Item 1: Call to Order (Chair Evans)

• Meeting was called to order at 8:41 a.m.

Item 2: Action: Roll Call (Chair Evans)

- In Attendance: Ania Kaminska, Austin Evans, Brandon S. Johnson, Donna Deberry, Jason Paguio, and Sarah Mattinson.
- City Staff: Sean Karafin, Alex Southard, Viridiana Quintana, Angelica Paulino, Zaba Rashan, and Christian Silva.
- Members of the Public: Daniel Fitzgerald and two business owners.

Item 3: Action: Approval of September 26, 2023 Minutes (Chair Evans)

- With a motion by Sarah Mattinson and a second by Donna Deberry, the board voted to approve the September 26, 2023 minutes.
 - Yes: Ania Kaminska, Austin Evans, Brandon S. Johnson, Donna Deberry, Jason Paguio, and Sarah Mattinson.
 - Abstain: None.
 - Absent: Natasha Salgado and Shane Beard.

Item 4: Presentation from Daniel Fitzgerald, San Diego & Imperial Small Business Development Center (SBDC) Network- Information on the Small Business Procurement Capacity Building Training

- Daniel Fitzgerald presented on the SBDC's Procurement Capacity Building Training.
- Information was provided regarding the goal/purpose of the training and its impact.

- 20 diverse companies participated.
- Program completed in June of 2023 and participating companies received a \$2,500 grant to help with their commercial liability.
- More information available on the SBDC's contracting trainings on their website- <u>www.sdivsbdc.org/on-demand-training-government-contracting/</u>
- Conversation followed.

Item 5: Presentation from Christian Silva, Purchasing & Contracting Department- Update on the Disparity Study

- Christian Silva presented on the City's Equal Opportunity Contracting.
- Information was provided regarding the Disparity Study and the changes that have occurred since it was conducted.
 - Small Local Business Enterprise-

www.sandiego.gov/eoc/programs/slbe

- Disparity Study completed in 2020 which sets the foundation of where the City is and where they could be.
- Starting July 2024, Purchasing & Contracting is implementing aspirational goal of 31%.
- Established a Disparity Study Committee of external and internal stakeholders
- More information available on the website- <u>www.sandiego.gov/eoc/disparity-</u> <u>study</u>
 - Executive Summary in Chapter 9 (findings and implementation)
- Conversation followed.

Item 6: Action: Draft Advising Letter (Chair Evans)

- o Austin Evans, Chair, Small Business Advisory Board
- o Natasha Salgado, Vice Chair, Small Business Advisory Board
- Item 7: Committee Report
 - Development Services Department Technical Advisory (Board Member Beard)
 - None.

Item 8: Staff Report

- Economic Development Department (Liaison Southard)
- Appointments and reappointments are going to Council soon.
 - 3 new appointments for the board.
- EDD is hosting a Business Walk along El Cajon Blvd. on October 26th.
- Item 9: Board Member Comments
 - None.

Item 10: Non-Agenda Public Comment

• None.

Item 11: Adjournment

• The meeting was adjourned at 9:58 a.m.

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