



THE CITY OF SAN DIEGO

SMALL BUSINESS ADVISORY BOARD (SBAB) MEETING MINUTES

June 18, 2010

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

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

CITY STAFF
Meredith Dibden Brown, Office of Small Business Manager Debra Fischle-Faulk, Director of Administration Lisa Gordon, Small Business Ambassador Alicia Martinez-Higgs, Community Development Specialist Ricardo Ramos, Business Tax Manager

OTHERS PRESENT
See June 18, 2010 Attendance Sheet

1. Call to Order

- Dr. Ruben Garcia, Chairman called the meeting to order at 8:48 a.m.

2. Approval of Minutes

- **A motion was made by Bill Lynch to approve the February 19, 2010 Minutes. There was a second by Jim Schneider. Yes 7, No 0, Absent 2.**

3. Public Comment

- Ms. Josie Calderon, President of Mexican American Business Professionals Association, complimented the City of San Diego on the creation of the Small Local Business Enterprise program, but expressed concern over the annual gross income caps especially as it relates to construction and professional services. She feels that the income limitations/caps are too low and need to be reconsidered, and that more understanding of the income caps is needed in the community. Ms. Calderon stated that the raising of the caps could potentially include more small businesses.
- Ms. Lisa Gordon did indicate that Debra Fischle-Faulk, City of San Diego Director of Administration, and staff in charge of implementation of the Small Local Business Enterprise program will be attending the board meeting and Ms. Calderon could have an opportunity to discuss her specific concerns with Ms. Fischle-Faulk.
- Dr. Garcia then provided the opportunity for everyone in attendance to introduce themselves.

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 Committee: Warren Simon reported on the progress and success of presenting the Small Business Advisory Board's recommendations to the Citizens' Revenue Review & Economic Competitiveness Commission. He also thanked board members Faith Bautista and Jim Schneider for their participation and comments made during the presentation to better illustrate the Board's recommendations to the Commission.
- d. External Committee: No Report
- e. Economic Development Division/Office of Small Business -
 - Alicia reported on City Council's passage of the City Planning & Community Investment Department's FY 2011 Budget.
- f. Equal Opportunity Contracting/Purchasing
 - Debra Fischle-Faulk, Director of Administration, provided an update on the implementation of the City's Small Local Business Enterprise (ELBE/SLBE) Program that provides preference points and bid discounts to small and emerging local businesses when bidding on contracts. The program began July 1, 2010 and currently has 100 certified participants. Her report included information on the application response time, income caps, and efforts to include state microenterprises and disabled veterans business enterprises. Ms. Fischle-Faulk also provided a 2-page program description chart summarizing City contracting amounts, preference points, and bid discount information for public works construction, goods and

services, and consultant contracts. Ms. Fischle-Faulk responded to questions from board members.

- Lisa Gordon also provided an overview and update on the City's Small Business Development Pilot Study program which is a component of the Small Local Business Enterprise Program.
- No updates from Purchasing & Contracting at this time.
- Dr. Garcia complimented Ms. Fischle-Faulk and the City on the implementation of the Small Local Business Enterprise program and inclusion of disadvantaged veteran business enterprises.

5. Presentation on City of San Diego Business Tax

- Ricardo Ramos, City of San Diego Business Tax Manager, provided an update on the status of Business Tax collections since data sharing with the Franchise Tax Board. The update included information on business tax compliance efforts and revenue, allocation of Business Tax to the Small Business Enhancement Program, Business Improvement District fees, late penalties, and the business tax collections process. Mr. Ramos responded to various questions from board members.

6. SDG&E Smart Meters Presentation – Joyce Kelly, SDG&E

- Joyce Kelly, Smart Meter Project Manager for SDG&E, presented a PowerPoint presentation and handouts on SDG&E's plan to replace 1.4 million electric meters and upgrade 850,000 gas meters to the smart meters system by end of 2011 for residential and commercial customers. The new meters will make it easier for customers to use smart appliances, devices, and equipment to better manage energy use and reduce costs. Ms. Kelly responded to questions from SBAB members.

7. Small Business Enhancement Program (SBEP) Application Process

- Lisa Gordon provided an overview of the changes, improvements, and updates made to the FY 2011 Small Business Enhancement Program Grant application in response to input and recommendations received from Small Business Advisory Board members based on last year's application process and SBEP panel experience.
 - Changes were made to the funding eligibility section to: potentially widen the pool of applicants; provide more opportunity for other non-profits that may not have applied in the past; help avoid duplication of funding requests for various funding mechanisms or grants offered by the City, and help ensure that a conflict of interest is not created between organizations applying for funds and board members participating on the panel.
 - Improvements and refinements were made, and sample responses were provided on the grant application to allow for more clear, substantive, and defined responses to support the Panel's efforts to review and evaluate the applications and better identify each organization's goals, objectives, and need for funding.
 - Language for the application deadline and agreement, scope, and budget deadline was strengthened throughout the application.

- SBEP Budget language was also clarified to help ensure funding request is applied to actual small business development activities (space rental for facilities is more clearly defined; and cost justification was also added).
- The application process and schedule remains the same, and application will be available and released to the public on Friday, July 2, 2010. Application deadline is Friday, July 30, 2010 by 5:00 p.m. at the Office of Small Business. There will be no exceptions to this deadline.
- Award announcements and letters will be sent to grant recipients on August 16, 2010.
- The panel will meet to review, discuss, and rank the applications the morning of Monday, August 9, 2010 at a time to be determined. Likely start time is 9:00 a.m. or 10:00 a.m.
- SBEP Award announcements will be made at the Small Business Advisory Board's August 20, 2010 meeting.
- The Board reviewed and discussed the SBEP application, and commented on panel participation:
 - Dr. Garcia expressed that if applicants fail to fill out a portion of the application, that it wouldn't disqualify them, however, it should have a "diminishing effect" on the review and ranking of an application by the panel.
 - Dr. Garcia also stressed the importance of ensuring that there is no conflict of interest between applicants and board members serving on the SBEP panel.
 - Ms. Chi Kim Tran wanted to ensure that language was included in the application to ensure applicants are aware that if applicants fail to submit required documents, their application would not be accepted. Ms. Lisa Gordon then stated that the following language was included on the application: "Failure to submit required materials will result in disqualification."
 - Mr. Jim Schneider stressed the importance of a fair and uniform application process, and Ms. Chi Kim Tran also reiterated the competitive process of the applications. Board members discussed that there should be clear language to make sure applicants are aware of the consequences if they fail to submit required documents or provide incomplete responses. As a result of the discussion, Lisa Gordon stated that specific language would be added to address incomplete responses and the "diminishing effect" it would have on the review and ranking of an application.
 - Ms. Michelle Gray and other Board members inquired about the technical assistance available to applicants should they have questions during the application period and prior to the deadline. Board members discussed that language should be strengthened to ensure that applicants are aware that technical assistance in completing their application is available through staff in the Office of Small Business. However, applicants should contact the Office of Small Business immediately and not wait till the deadline. Dr. Garcia also commented that there are now very clear examples and sample responses provided in this year's application which will be very helpful to applicants. Ms. Lisa Gordon stated that the language to contact the Office of Small Business for technical assistance will be modified to be more pronounced on the application.
 - Ms. Michelle Gray inquired as to whether any feedback is provided to applicants after ranking and review of their applications. Ms. Alicia Martinez-Higgs stated

that applicants do receive a letter explaining the results of their ranking, and the letter provides comments on why an applicant received a specific score.

- Board members remarked that they really appreciated the response to their feedback from last year's application process, and the new revisions, clarifications, and sample responses provided for the FY 2011 SBEP application process.
- The following SBAB members volunteered to serve on the FY 2011 SBEP Application Panel: Dr. Ruben Garcia, Michelle Gray, Jim Schneider, and Warren Simon. Scott Cummins may be able to participate, but needed to check his calendar. It was stated that Matthew Spencer, who was absent from the meeting but had expressed interest in participating on the panel, should be contacted and perhaps could serve, if needed. Lisa Gordon stated that she would follow up with Mr. Spencer on his potential participation.

8. BID Council Monthly Report

- Mr. Warren Simon reported that the BID Council is currently assisting micro district organizations to complete their requirements for the technical assistance micro district grants, and BID Council budgets were approved.

9. Next Meeting Date

- The next meeting is August 20, 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 10:11 a.m.