

**CITY OF SAN DIEGO  
SMALL BUSINESS ADVISORY BOARD  
MEETING MINUTES**

May 2, 2003

World Trade Center, Seminar Room  
1250 Sixth Avenue, 10<sup>th</sup> Floor  
San Diego, CA 92101

<b>BOARD MEMBERS PRESENT</b>	<b>BOARD MEMBERS ABSENT</b>
Badi Badiozamani George Chandler Kurt Chilcott Jesse Navarro Judy Preston Warren Simon Richard Sims Spencer Skeen	Scott Cummins James Hill Chi Tran

<b>CITY STAFF</b>
Steven Bal, Office of Small Business Kelly Broughton, Development Services Department Lynette Jones, Office of Small Business Jeff Kavar, Economic Development Division John Rivera, Public Safety and Neighborhood Services Consultant Stephen Russell, Councilmember Atkin's Office, District Three Marcia Samuels, Neighborhood Code Compliance Department Kevin Sullivan, Planning Department

<b>OTHERS PRESENT</b>
Ken Clark, Southwestern College, Small Business Devl. & International Trade Center James Conrad, Contracting Opportunities Center Craig Lucero, Seaway Rentals, Inc. Carla Vallone, Segway HT, LLC.

## **Introduction**

Mr. Chandler called the meeting to order at 8:15 a.m. The call to order determined that there was a quorum.

## **Approval of Minutes**

On page 3, under the fourth bullet of the Council/Committee Monthly Report, the sentence should read “The SBAB has taken a strong position in the past to keep the business tax certificate fee at \$34.00.” The minutes were voted upon and unanimously approved as amended.

## **Public Comment**

No public comment was provided.

## **Presentation on Segway Transportation Services: Craig Lucero, Seaway Rentals, Inc. and Carla Vallone, Segway Human Transporters (HT), LLC.**

Mr. Lucero and Ms. Vallone presented information on Segway HT:

- Governor Davis signed into law Senate Bill 1918, which allows California communities to regulate the use of personal mobile transportation devices, such as the Segway HT. The State law took effect on March 1, 2003.
- There currently are no laws in San Diego regulating the Segway HT.
- Segway HT is a battery-operated personal transportation device that uses natural body movement to control its motion. It comes equipped with three computerized keys that set speed and performance. The three speeds are 6 mph, 8 mph, and 12.5 mph. They have a range of 10 to 15 miles. The Segway HT is limited to sidewalk use. The Segway HT weighs 83 pounds, is 25 inches wide and 19 inches front to back.
- Seaway Rentals, Inc. is a Segway introduction company owned by Mr. Lucero. He anticipates operations in Mission Bay and Balboa Park. The Segway HT is available for purchase through Amazon.com.
- The disabled community has expressed some concerns with using the Segway on sidewalks. Mr. Lucero and Ms. Vallone have had discussions with the disabled community, including meeting with the Citizens Review Committee (CRC) and the Subcommittee for the Removal of Access Barriers (SCRAB) to address their concerns. SCRAB recommendations include having limitations such as a speed limit for Segway HT users. SCRAB recommendations will go to the CRC, and then to the LU&H Committee.
- Ms. Vallone stated there have been no injuries caused to pedestrians, but there have been injuries to Segway HT users. There is an orientation process involved prior to using the Segway HT.
- Members requested that any action to support the Segway HT be tabled until there is a relationship or interface with the small business community. The issue could then be brought forward with representatives from SCRAB and the CRC.

## **Business Improvement District Council Report: Warren Simon, Hillcrest Association**

Mr. Simon summarized the activities of the BID Council (BIDC):

- The BIDC has planted 175 trees to date with a goal of planting 450 trees by the end of the year.
- The Service Corps of Retired Executives (SCORE) is making available 500 tickets to Business Improvement Districts for their workshops for one year.
- A health benefits package is now available for BID office employees.
- Hillcrest, Gaslamp Quarter, and North Park Main Street BIDs are participating in the Mixed-Use Advisory Group that met on May 1, 2003. The MUAG is reviewing City ordinances related to noise and other mixed-use issues previously identified. It is anticipated the MUAG will make recommendations for revisions to the existing City noise ordinance and possibly recommend the creation of a mixed-use overlay zone.
- Mr. Chandler stated that the U.S. Small Business Administration (SBA) has received names of businesses from approximately 6 BIDs for recognition at the SBA Awards Luncheon, to be held on June 9, 2003 at the San Diego Marriott and Marina. They are hoping to receive more names by the deadline which is Friday, May 9, 2003.
- At the Awards Luncheon, Mr. Chilcott, President and CEO of CDC Small Business Finance Corporation will receive the Small Business Lender Award, sharing it with Bill Sommer of Bank of America. Ken Clark will receive the Financial Services Advocate of the Year Award.

## **Public Safety and Neighborhood Services Committee Report: John Rivera, Council District Five**

Mr. Rivera provided the following information:

- Councilmember Maienschein is supportive of the government-business relationship and the SBAB.
- PS&NS Committee thanked the SBAB for their efforts in attempting to address issues raised at the SBAB outreach meeting (held on February 7, 2003).
- Commented that the Fire Department is an example of a City department that has been able to improve their efficiency while reducing their costs, citing the use of technology.
- Councilmember Maienschein has been appointed to the Select Committee on Government Efficiency and Fiscal Reform. Mr. Rivera added that he will be serving as a consultant to that Committee as well.
- Development Services Department (DSD) has been identified as one of the City departments to be reviewed by the Select Committee on Government Efficiency and Fiscal Reform.
- Suggested that Mr. Russell take the lead on reporting to the SBAB and that the PS&NS report follow the Council's report.
- Mr. Chandler stated that DSD has provided excellent representation to the SBAB since the outreach meeting. The SBAB also has a task force that is addressing the issues.

## **Council Monthly Report: Stephen Russell, Council District Three**

Mr. Russell reported on the following:

- The City Manager will provide his report on the Fiscal Year 2004 City Budget on May 5, 2003.
- Mr. Uberuaga will be providing a presentation to the SBAB on possible fee increases that affect businesses at the June 6, 2003 meeting. Mr. Russell will prepare budget information prior to the next meeting. He will work with Lynette Jones in having it submitted to SBAB members prior to the meeting. He will also obtain CD copies of the FY 2004 budget for members.
- Many City employees have suggested having mandatory unpaid furlough periods to mitigate the budget impact.
- The Council voted 8 – 1 to have the Metropolitan Transit Development Board (MTDB) regulate the Mini Cab (Short Ride Neighborhood Transportation (SRNT)) services in San Diego. Mini Cab Co. is one of the SRNT business owners. MTDB will create a separate category for the operation of SRNT vehicles.
- The owner of Mini Cab Co. informed Mr. Russell that the Council's decision would cause him to cease business operations, due to the associated costs involved. The challenge for Councilmember Atkins was the medallions issue, which takes years for cab drivers to obtain.
- Council expects new medallions to be issued on May 5, 2003. Two new cab companies are expected to be formed as a result.
- The San Diego County Taxpayers Association awarded a Golden Fleece to the City Heights Business Association. Councilmember Atkins received a Watchdog Award for her duty in taking quick action to correct the problems with the City Heights Business Association.
- Individuals who want to make reinvestments in City Heights have been identified. Funds have been sequestered for the City Heights Business Association.

## **Development Services Department Liaison Report: Kelly Broughton, Deputy Director of Land Development**

- Mr. Broughton stated that Ric Sims, SBAB and Scott Kessler, BIDC, were introduced as new members of the Technical Advisory Committee (TAC) at their recent meeting.
- Staff is looking at performance measures internally and will work through the TAC to develop measurables. SBAB recommended categories will be used to develop their measurables. A report will be presented to SBAB at the June 6, 2003 meeting.
- Terry Marshall and Ed Oliva have been conducting outreach to individual BIDs to collect data on small business issues and obstacles.
- Modifications to their public information bulletins are being made to address small business needs.
- Meetings have been set up with Lynette Jones, Office of Small Business (OSB), to meet with customers that have contacted her.

- Management has been sharing letters and other communications from customers with staff at their staff meetings, to sensitize them to customer service importance. The management team is focused on how they will meet the needs of customers. They want to be more responsive to every customer.
- DSD is continuing its work on the encroachment demonstration project. The last document was submitted on May 1, 2003. They suggested extending the project to 2 years. They look at it as a de facto code amendment. The program may go into the land development code so BIDs may not need to go through extensive permit processes in the future.
- Staff will be going to Council soon with their land development code update. Mr. Broughton hopes to have more specifics on it next month. Isam Hasenin has revised the process. They need to gain support for the process.
- Mr. Chilcott stated that DSD doesn't have the resources to help each customer walk through the process. He suggested DSD begin using intermediaries including the BIDs and Chambers of Commerce for educating the constituency to expand DSD's effectiveness. He cited the example of the Neighborhood Code Compliance Department's Volunteer Program as a successful model program.
- Mr. Broughton responded that they do not currently have a global training program. They are initiating a program with landscape architects.
- Mr. Sims remarked that DSD needs to rethink what they do, i.e., they need to think about having fewer employees and think more of process efficiency. Use better technology, CD Roms, etc., to enhance customer service, education, etc.
- Mr. Chandler stated that the Service Corps of Retired Executives (SCORE) is developing an E-Learning Program. SCORE uses 2 operators each day and they also provide online counseling to businesses.
- Mr. Badiozamani reiterated the need for DSD to make a commitment for cultural change, adding that a positive attitude is important.
- Mr. Simon suggested having bulletins on sidewalk cafes.
- Mr. Broughton stated that DSD welcomes the review by the Select Committee on Government Efficiency and Fiscal Reform for their fresh perspective and that he has a high appreciation for them.
- Mr. Sims stated that DSD needs to articulate their specific actions and when it will occur. They should also list some of their philosophical changes and include a transition statement. Mr. Sims said the report should identify "here's what we used to do, here's where we're at, here's where we'd like to be". Report should include time transition for progress reports. Service delivery improvements should be in the report.
- If there are any problems DSD should return to the SBAB and inform them. Based upon the information in the report, the SBAB may be able to provide DSD with a letter of support.
- Mr. Skeen suggested that DSD use quantifiable measures in their report.
- Mr. Broughton stated that they have approximately \$1.3 - \$1.8 million in deficit accounts. DSD is frustrated with the accounting system and they have been unsuccessful in their proposal to Financial Management for an online timecard system. DSD has been unable to adequately track expenses associated with individual projects.

**Office of Business Advocate Monthly Report: Lynette Jones, Office of Small Business**

Ms. Jones informed members of the progress of the Mixed Use Advisory Group:

- OSB has assumed responsibility for facilitating and coordinating these meetings. The MUAG was appointed by LU&H to assist DSD with identifying short-term and long-term strategies and a work plan to address mixed-use issues.
- Meeting was held on May 1, 2003 to review various city ordinances as relates to noise. Nineteen ordinances were distilled and summarized for the group's review. They are identifying best practices from these municipalities.
- The next meeting will include a review of the City's existing noise ordinance and discussion on best practices.
- Long-term strategies may include development of an overlay zone for mixed use communities.
- Mr. Chandler stated that when applying for SBA loans, regulations require that commercial property be separated from residential property. SBA loans are provided to business owners.

**New Business**

No new business to report.

**Adjournment**

The meeting was adjourned at 10:03 a.m.