



## **City of San José Small Business Advisory Task Force**

### **VIRTUAL MEETING MINUTES & SUMMARY Thursday, March 11, 2021**

Consistent with the California Governor's Executive Order No. N-29-20, Resolution No. 79450 from the City of San José and the Santa Clara County Health Officer's March 16, 2020 Shelter in Place Order, the Task Force meeting was not physically open to the public and Members participated via teleconference from remote locations.

Members of the Public were noticed to submit comments during or before meeting via zoom or email to [raania.mohsen@sanjoseca.gov](mailto:raania.mohsen@sanjoseca.gov)

#### **Call to Order & Order of the Day**

**PRESENT:** Chair Chappie Jones, Vice Chair Dennis King, Members Allie Lopez, Nga Nguyen, Bettie Owen, Ken Kelley, Helen Wang (arrived at 4:04 p.m.)

**ABSENT:** Carl Davis Jr.

**ASSOCIATE MEMBERS PRESENT:** Eddie Truong

#### **OTHERS PRESENT:**

Bob Linscheid	Interime CEO, The Silicon Valley Organization
Lennies Gutiérrez	Comcast
Christopher Hickey	Office of Quality Assurance, City of San Jose
Sandra Freitas	Public Works Department, City of San Jose
David Gomez	Chief of Staff, District 1, City of San Jose
Nasrine Lakabi	Council Aide, District 1, City of San Jose
Grace Kolander	Policy and Legislative Aide, District 1, City of San Jose

#### **Public Comment**

- Thousands of meals have been served by the City of San Jose to residents in need of food assistance; is there a way to distribute these meals through the assistance and engagement of our small businesses? What can the City Council do about that?

#### **Consent Calendar**

**ACTION:** Motion to approve Consent Calendar and Minutes of February 11, 2021. Motion made by Vice Chair Dennis King and seconded by Member Ken Kelly. Motion passed unanimously (7:0:1. Absent: Davis Jr.).

## New Business

### A. Spring 2021 Construction Academy & Mentorship Opportunity for Contractors (Sandra Freitas)

- Sandra Freitas shared an update on the upcoming 2021 Spring construction contracting seminar series.
- Some lessons have been learned and improvements have been made since the 2020 Fall training program include:
  - Incorporating frequently asked questions (FAQ's) about the program
  - Ability to track down/ download chats that are taking place during the seminar and development of questions and answers to inquiries about the program
  - Distribution of survey to participants, especially to those that attend one seminar and drop out of the program.
- Staff has revised the main message and goal for the program: to streamline the process.
- Training provides contractors with knowledge of how to streamline the process to avoid pitfalls in construction contracting with the City.
- Targeted audience includes general, electrical, mechanical, concrete, and paving contractors.
- Established a new email marketing account where we are able to track email activity with constituents who are interested in the program.
- Developed media kit which launched March 12, with the Mayor's office, Vice Mayors' office, and council district offices and other partners.
- Overall the Construction Academy gives contractors the opportunity to bid on public works projects, and encourages contractors to network with city staff, and inquire about upcoming construction contracting seminars.
- Opportunity events this year will take place Wednesday, April 21.
  - Organized two sessions (virtual).
  - Session A: 9-10 am
  - Session B: 4-5 pm
- Seminar series is a 6-week program comprised of six sessions.
- The seminar series is scheduled for May 5- June 9.
  - Will include recognition events for participants.
  - Will meet every Wednesday (virtually) from 4:30-7 pm
- The registration deadlines for the opportunity event is April 19 and the seminar series is April 30.
- Questions/Comments from Task Force Members include:
  - There are no requirements to enroll.
  - What were to happen if someone were to miss one session? *We give them the opportunity to make one session up but they would need to attend the rest.*

- Vice Mayor Jones made the suggestion to look into partnering with an organization such as SVO to have them identify some of their members who are contractors to fulfill a mentorship role.
- If there are people coming to the classes in hopes of starting their own businesses, there is great interest in taking a mentorship role in order to help them out.
- Does a contractor receive preference in bidding process upon successful completion?
  - Local and small business preference for minor public contracts.
    - If any contractor is located in Santa Clara County and has 35 employees can get up to 10% preference on their bid.
  - Completing the seminar series and passing the test fulfills the requirements and would lead to waving a requirement in the pre-qualification program.
  - A pre-qualification program means that two projects need to have been completed with 2 projects with government entities.

#### **B. Local Hire & Potential Disparity Study Update (Christopher Hickey)**

- Local hire and local business apprenticeship utilization program has been Priority #1 for council since 2015.
- Local hire can be seen in two different ways: businesses and employees.
- Run into three major issues when looking at local hire policy and all three are constitutional issues:
  - Privilege and immunity clause.
  - Commerce clause.
  - Equal protection clause.
- This translates as, “the City of San Jose cannot say or mandate that employers hire local employees.”
  - Essentially, an employer can hire any employee they would like to as long as they are eligible to work in the United States.
- With a local hire program, we may require them to reside within the geographical region during the construction.
- We are starting to see fewer local apprenticeships in our program.
- What does this mean?
  - It gives us two opportunities
    - Start addressing local workforce who are not employed.
    - Increase apprenticeship utilization.
- California labor code requires 1 out of every 5 hours to be performed by apprentices on public works construction projects.
  - The City can mandate that we increase that to 2 out of every 5 hours.

- Major issue if choose to do this because apprenticeship programs that are certified by California are held to the same legal standards as the City is.
- Would like additional funding to either be added to or to guarantee the funding and transfer funding to public works to oversee the program.
- Disparity study: takes a look at all the information, and historical data and how the City has conducted business over the course of five years.
  - During five-year period, they calculate who received contracts, payments, what kind of business/contractor they were.
  - Information that is also included: gender, race, ethnicity, etc.
  - Go out into the City and determine what we should be seeing based on population and total businesses, businesses that are female owned or minority owned.
- Disparity study would allow us to look at our procurement process and see if we are distributing opportunities and work and city money appropriately and consistently.
- Would have to do a disparity study in the City of San Jose to add any preferences for race, gender, ethnicity, etc.
- Will take about \$450,000 in order to carry out disparity study.

#### **C. Comcast Rise Grant Program for Small Businesses (Lennies Gutiérrez)**

- Lennies provided overview of Comcast's Rise Grant program, which is a combination of comcast assets coming together.
- It will help small and medium sized businesses, more specifically minority owned.
- There are different opportunities through marketing consultation, media inventory, technology makeover, etc.
- R-I-S-E = Representation, Investment, Strength and Empowerment
  - There is a consultation aspect included in the grant
  - Advertising could include a commercial that could help a small business
  - Do you have the right speed for your business? Comcast would come and do an assessment to help service that better.
- In order to qualify, 51% of ownership has to be BiPoc (Black, Latino, Indigenous, etc) and independently owned, registered in the US, and located within footprint.

#### **D. SVO Introduction & Opportunity for Further Collaboration (Bob Linscheid)**

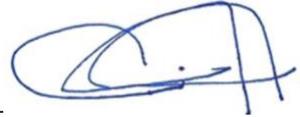
- Bob Linscheid, the interim CEO of the Silicon Valley Organization, attended to express interest in being of value and assistance in any way that could help aid small businesses.
- Members expressed their appreciation.

#### **Announcements**

- California Grant program round five is open for new participants and only open for a week starting March 25.

**Adjournment**

Meeting was adjourned at 5:18 pm.



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HON. CHAPPIE JONES, CHAIR

ATTEST:

ADVISORY TASK FORCE SECRETARY



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RAANIA MOHSEN, DEPUTY CHIEF OF STAFF