



City of San José
Small Business Advisory Task Force
March 30, 2020

SPECIAL VIRTUAL MEETING MINUTES & SUMMARY
Monday, March 30, 2020

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

Call to Order & Orders of the Day

PRESENT: Chair Hon.Chappie Jones, Vice Chair Dennis King, Carl Davis Jr., Mason Fong, Ken Kelly, Allie Lopez, Bettie Owen, Helen Wang

ABSENT: Nancy Avila

ASSOCIATE MEMBERS PRESENT:

Nga Nguyen, Annie Tsai

OTHERS PRESENT:

Miguel Galarza	Yerbe Buena Construction
Christopher Hickey	Public Works Department
Eddie Truong (Alternate)	The SVO
Dhez Woodworth	Office of Economic Development

Chair Hon. Chappie Jones convened the Small Business Advisory Task Force at 12:30 pm virtually via teleconference.

Public Comment

There was no public testimony or emails received.

Consent Calendar

There was no consent calendar.

New Business

- A. **Request for Input or Statement on Proposed Sick Leave Policy**
 1. [Memos & Submitted Letters Reviewed at 3/18 & 3/25 Rules Meeting](#)

- Vice Mayor Jones reviewed the proposed emergency paid sick leave policy memos from Mayor Liccardo and Council Members Arenas, Carrasco, and Esparza that will be considered by San Jose City Council on April 1, 2020 at a Special Council Meeting.
- It was noted that the federal government's Family First Coronavirus Response Act mandates all employers with fewer than 500 employees to provide paid sick leave for specific reasons due to COVID-19; employers with 50 or fewer employees may qualify for an exemption if the leave requirements would jeopardize the viability of the business as a going concern.
- The Federal Act will provide reimbursement to employers within three months as a federal tax credit.
- The City's proposed policy is intended to fill in gaps not provided by the Federal Act; it does not include exemptions for small businesses.
- Members determined to submit a letter to Mayor and City Council rerequesting an exemption for small businesses, based on the premise that small businesses do not have the cash flow to provide the proposed paid sick leave and it will likely force them to go out of business.

Action: Motion to submit letter made by Vice Chair King, seconded by Member Davis Jr., and motion carried unanimously (8:0:1 Absent: Avila).

- Chair Jones expressed concerns about the effect on small businesses and noted guiding principles to consider: 1) protect workers and ensure their safety and healthy, 2) protect businesses from financial distress
- Members shared the following comments/feedback:
 - Provide exemption to employers with 50 employees or less
 - Consider exemptions for non-profits
 - Considering the paycheck protection loan program, which provides cash loans immediately to employers and if employees are not laid-off, 100% of the loan will be forgiven), exempt employers who are not able to qualify for government loans
 - Mayor's Memo is viable
 - Construction businesses continue as essential
 - When considering number of employees, keep in mind that Restaurants may have several part-time employees; employees should be defined as FTE.
 - Err on side of caution to protect businesses; we are not sure if they will all be able to apply to received grants and loans
 - Clearly define exemptions
 - Continue to provide and give access to resources to our small businesses
 - Respect the diversity of our small businesses that make up over 50% of San Jose's businesses
- A subcommittee was formed to draft a letter conveying the Task Force's position on the proposed paid sick leave policy.
- The Subcommittee includes Eddie Truong, Dennis King, Carl Davis Jr, Ken Kelly, Miguel Galarza, and Annie Tsai.
- Subcommittee will share draft letter.

2. Review of Vice Mayor's Memo

Chair Jones noted that his memo is a joint memo with Council Members Foley and Khamis and cannot be shared until it is made public.

Recess

The meeting was recessed at 1:17 pm and scheduled to continue on March 31, 4:30 pm.

Action: Motion to recess and continue made by Vice Chair Dennis King and seconded by Member Allie Lopez. Motion carried unanimously (8:0:1 Absent: Avila).

Continuation of Meeting on March 31, 4:30 pm

Call to Order & Orders of the Day

PRESENT: Chair Hon.Chappie Jones, Vice Chair Dennis King, Carl Davis Jr. (5:00 pm), Mason Fong, Ken Kelly, Allie Lopez, Bettie Owen, Helen Wang (4:39 pm)

ABSENT: Nancy Avila

ASSOCIATE MEMBERS PRESENT:

Nga Nguyen, Annie Tsai

OTHERS PRESENT:

Miguel Galarza	Yerbe Buena Construction
James Duran	
Eddie Truong	The SVO
Dhez Woodworth	Office of Economic Development

Chair Hon. Chappie Jones convened the Small Business Advisory Task Force at 4:30 pm virtually via teleconference.

Public Comment

There was no public comment.

- Eddie Truong reviewed draft letter.
- Task Force Members provided suggested edits.
- Members agreed to submit letter.

Action: Motion to approve letter made by Member Kelly, seconded by Member Owen, and motion passed (5:0:2 Absent: Wang, Avila; with 2 abstentions: King, Davis Jr.)

Members continued to discuss effect of proposed paid sick leave policy.

Adjournment

Meeting was adjourend at 5:16 pm.

Action: Motion made by Vice Chair King, seconded by Member Lopez, and carried unanimously (8:0:1; Absent: Avila).



Hon. Chappie Jones, CHAIR

ATTEST:
ADVISORY TASK FORCE SECRETARY



RAANIA MOHSEN, DEPUTY CHIEF OF STAFF