



Economic Recovery Roundtable

Meeting Notes

Wednesday, September 15, 2021

9:00 a.m. – 11:00 a.m.

Meeting Information

Focus Area • Supporting Vibrant Downtowns: Helping Our Local Businesses Thrive into the Future

Agenda

- Roundtable Overview and Progress
- State's Focus on Small Businesses
- Current Initiatives by Board of Supervisors
- Small Business Survey Results
- Proposed Small Business Action Plan
- Breakout Discussions

Welcome and Introductions

Peggy Jensen, Deputy County Manager, San Mateo County

- Peggy Jensen welcomed the group to the third of four San Mateo County Economic Recovery roundtables.
- In this session, the group will hear from a variety of presenters that will touch on ways in which we can assist small businesses to help them thrive. The heart of today's session is the Proposed Small Business Action Plan, which will be shared with the group. Breakout sessions will allow for participants to share their thoughts and recommendations on the plan, which will then be given Recovery Group members helping to craft and perfect the plan. There is the potential to take this plan to the Board of Supervisors and also share it with others.

Agenda and Overview

Peggy Jensen, Deputy County Manager, San Mateo County

- Peggy Jensen provided an overview of the agenda for the session. This session is broken into six parts: Roundtable Overview and Progress, State's Focus on Small Businesses, Current Initiatives by Board of Supervisors, Small Business Survey Results, Proposed Small Business Action Plan, and breakout discussions.
 - The goal of these roundtables is to bring together a group of people to share information about new ideas, new approaches, and new ways to do things. With the help of participant feedback, plans can be made to help build San Mateo County back better. She reminded the group that the next and final roundtable is scheduled for September 29, from 9 a.m. to 11 a.m.
 - In April 2020, a group formed based on interested participants (anyone could join) to help figure out what the recovery approach should be for San Mateo County. That group helped to address

and identify important factors, with the most important being to stop the spread of COVID-19. The eight other factors identify how to build a better future for everyone in San Mateo County. These eight factors are (1) Food, Housing, and Basic Needs; (2) Business and Nonprofit Support; (3) Childcare; (4) Out-of-School Care; (5) Public and Active Transportation; (6) Mental Health; (7) Digital Divide; and (8) Workforce Development.

- Much has been accomplished over the past 18 months. San Mateo County has received nearly \$200 million in relief funding. More than 1,000 grants have been distributed to small businesses within the County, and more than 5,000 businesses have been assisted with permit relief. More than \$5 million was allocated by the board of supervisors to pay for environmental health permits for those 5,000 businesses.
- While there are many considerations for the economic future of San Mateo County, today the discussion will be focused on supporting vibrant downtowns. In the coming roundtable discussion, other factors will be discussed as it relates to San Mateo's economic future.

Review of Last Session

Peggy Jensen, Deputy County Manager, San Mateo County

- Peggy Jensen provided an overview of the events from the previous roundtable.
 - The first presentation was from Annelies Goger, a David Rubenstein Fellow from the Brookings Institution. She was able to provide the group with excellent information regarding the national workforce recovery.
 - This was followed by a panel conversation, moderated by Luther Jackson (Program Manager at NOVAworks), featuring two local experts: Gisele Darden (Project Manager and Educator, NOVAworks Customer) and Shanise Perry (Software Engineer, Npower Student). These panelists were able to answer participant questions while providing the group with a summary of their own experiences within the workforce throughout the pandemic.
 - Following the panel, a presentation from Kris Stadelman (Director of NOVAworks), Luther Jackson (Program Manager at NOVAworks), and Robert Bell (Managing Partner at Robert Bell and Associates) was given regarding the work that they had done with a collaborative group of workforce providers around developing a comprehensive worker journey.

State Support for Small Businesses

Tara Lynn Gray, Director of the California Office of the Small Business Advocate (Governor's Office of Business and Economic Development)

- Tara Lynn Gray thanked Peggy for the welcome and all the participants for being present in these conversations. Tara shared that the focus of her presentation will be around the work that her office is doing to support small businesses.
 - The California Office of the Small Business Advocate really acts as the voice for small businesses within the State. The office works to ensure that small businesses have access to all the resources that they may need, including capital, markets, support, funds and other critical resources.
- Today, California Office of the Small Business Advocate has the largest small business budget in its history. Through this budget, several programs are being funded.
 - California Small Business Technical Assistance Expansion Program

- Fund a network of technical assistance providers across the State, along with the Capital Infusion Program
 - COVID-19 Relief Grant Program for Small Businesses
 - At \$4 billion, it is the largest small business grant program of its kind in the nation. The most recent allocation of \$1.5 billion is funding three rounds that are open right now.
 - Round 7: For those applications that were waitlisted from prior rounds. This round is closed to new applications.
 - Round 8: \$16 million allocation for nonprofit cultural institutions. This round is open until September 30 for applications.
 - Round 9: Open now and accepting new applications and providing aid to waitlisted applications. This round will close September 30.
 - The California Dream Fund
 - A one-time \$35 million grant program that will provide micro-grants up to \$10,000 to seed entrepreneurship and small business creation in California.
 - The California Venues Grant Program
 - A one-time \$150 million grant program, for eligible and independent live-event venues that have been affected by COVID-19. Grants may be awarded up to a maximum of \$250,000 or for 20% of the applicant's gross earned revenue in California for the 2019 taxable year. Eligibility is currently being developed for this program.
 - The California Micro Business COVID-19 Relief Grant
 - A one-time \$50 million grant program that will provide grants in the amount of \$2,500 to eligible micro-businesses in the state. This program is designed to hit the smallest of the small businesses, i.e., those learning less than \$50,000 a year and that have fewer than five employees.
 - Round 1 will be opening around mid-October and will be open to all counties.
 - The California Nonprofit Performing Arts Grant Program
 - A one-time \$50 million grant program that will provide grants up to \$75,000 to eligible nonprofit performing arts organizations. The grants will be awarded on a first-come, first-served basis. Eligibility is currently being developed for this program.
- The office is hoping to stimulate relationships in economic development and job creation in the tech and biotech industries through its Inclusive Innovation Hubs Program. The office is hoping to reach underserved geographic areas throughout California. More will follow in terms of eligibility and applications for this program.

Current Initiatives by Board of Supervisors

David Canepa, Supervisor, San Mateo County Board of Supervisors

- Supervisor David Canepa thanked Peggy for the warm welcome. David shared a short overview with the group around the work that he and his colleagues on the San Mateo County Board of Supervisors are doing in support of small businesses throughout the County since the pandemic started.
 - David explained with this work began early on within the Board of Supervisors to support small businesses. Small businesses are vital to San Mateo County and are frequented by many

- residents each and every day. However, not all small businesses had what they needed to thrive during the pandemic. Many small businesses also applied for Federal and State grants, but not everyone was able to secure one. For this reason, the Board of Supervisors took action. The Board distributed more than \$16.5 million in grants to more than 1,020 small businesses throughout the County and waived 1 year of environmental health fees for more than 5,400 small businesses.
- While five rounds of grants have been completed, this past August, the Board approved three new rounds of small business grants.
 - The first new round of grants is open to all businesses throughout the County with net annual income less than \$150,000 that were negatively affected by the pandemic and that have not received Federal, State, or local assistance in the past 12 months. The Board authorized \$2 million for 200 grants of \$10,000 each.
 - The second new round of grants opened August 27, offering grants ranging from \$2,500 to \$10,000 to micro-food businesses. Eligible businesses for this grant include commercial kitchens, cottage businesses selling homemade products (e.g., cookies, cupcakes, jams, etc.), food trucks, and other small food-related businesses.
 - The third round of new grants is for home kitchens. This past August, the Board established a permitting program for entrepreneurs wanting to operate a home kitchen. The Board also established a grant program for newly permitted home kitchen operators. This program will offer \$2,500 grants to the first 25 applicants that received a home kitchen permit from the Environmental Health Division.
 - David stressed that this work could not have been done without their community partners. While all of the partners have been outstanding in their efforts to help, David wanted to especially recognize SAMCEDA and the local Chambers of Commerce for their efforts in the grant process.

Small Business Survey Results

Danielle Lee, San Mateo County Recovery Initiative

- Danielle Lee shared the results from the Small Business Survey.
- Important background information regarding the survey:
 - In terms of the survey, there were 374 respondents. Broken down by the part of the County in which the respondents work in, there were 95 from the Coastside, 128 from the South, 59 from Central, and 92 from the South. The survey is still open, if any small business wishes to respond to it at this time.
- Key statistics from the survey:
 - Average of 4.4 employees per business
 - 3/4 of responding business owners live in San Mateo County
 - 44% of respondents were minority-owned businesses
 - 35% were women-owned businesses
 - 92% of respondents reported a loss of profits
 - Only 22% said they were totally confident their business will survive
- Gauged the percentage of businesses that received any funding or assistance:
 - 66% from the Paycheck Protection Program

- 26% from the Economic Disaster Injury Grant (Federal)
- 19% from the Economic Disaster Injury Loan (Federal)
- 17% from County Grants
- 16% received no funding or assistance
- 14% from the State of California Small Business Grants
- 10% from the Restaurant Revitalization Fund
- The Top 5 Commonly Cited Concerns:
 - 68% - Cost or availability of business materials, supplies, and products
 - 59% - Difficulty hiring or retaining employees
 - 52% - Lack of access to new capital
 - 44% - Unpaid loans from personal/retirement savings
 - 44% - Lack of time or money to advertise/promote business
- The Top 5 Requested Assistance:
 - 85% - Access to capital
 - 49% - Assistance with marketing and promotion
 - 39% - Assistance with utility bills
 - 39% - Assistance with finding and retaining employees
 - 39% - Access to technology and training
- Other key takeaways:
 - 56% report fully reopening, and 42% report limited operations
 - About half of businesses said they would be interested in a shop local loyalty app
 - Most business said their primary customers were people nearby
 - Most businesses rely on social media or their website to market themselves
 - 60% of businesses preferred email communications, 20% postal mail, and 14% phone calls or texts

Business Recovery and Resilience: Reaching Hard to Reach Businesses, One Business at a Time

Joe Fleming, Environmental Innovations

Johnny Darosa, Peninsula Chinese Business Association

- Joe thanked Danielle for the warm welcome, and both herself and Johnny introduced themselves to the group. The reason why they got involved in this work was because they knew that they could greatly help these small businesses. There are a number of parallels between pandemic control and climate change when it comes to business assistance, and this was a great opportunity for both organizations to learn and be more equipped to help small businesses in the future.
- Their work started with COVID safety protocols to keep small businesses safe and open. Many businesses were not up to standard with protocol and were in danger of being shut down. Most of these businesses were owned by minorities or those that did not speak English. For these reasons, the County was able to send out a crew of culturally appropriate people to help bring nearly all of these businesses up to standard. Trust is an incredibly important piece, and this team was able to build trust with these businesses so that they knew they were going to be taken care of and safe.

- In addition, without promising anything, they would often ask these business owners what they needed, and, when they could, they would bring those items to them. This included personal protective equipment, signage, Plexiglass, help with vaccine sign-ups, help with paperwork, etc.
- They would also assist and follow up with each business applying for relief funding to ensure that their applications were filled out properly
- In the past 10 months, they have made more than 4,500 visits to businesses, with some duplicates for different programs. Their teams went door to door every day to ensure that each business was doing well. At first, the business owners were skeptical, but they were able to build trust with them, and now they are friends with many of the owners.
- There was also a big interface for green business work, which led to a greater, more diverse group of green businesses within the program. There is so much importance in getting small businesses to become more resilient through more access to funding, technology, and other resources. This will then in turn make them stronger and result in more businesses being able to sign up sustainability and green programs.
- Small Business Resilience – Lessons Learned
 - Determine which services exist already for businesses (SBDCs, Tech, GBP, Chambers, etc.).
 - Identify gaps for small businesses: technology, bookkeeping, labor, finance, energy resilience and ability to operate without a storefront, etc.
 - Act as a clearinghouse linking businesses to resources, similar to a Green Business Program linking businesses to conversation resources.
 - Connect businesses with existing and “free” resources.
 - Provide 1:1 services for businesses that need it most from trusted community-based organizations.
 - Ensure staff and volunteers have business acumen and are culturally and linguistically appropriate.

North County Small Business and Entrepreneurship Center

Nell Selander, City of South San Francisco

- Nell thanked Danielle for the warm welcome. This initiative is in partnership with County to create the North County Small Business and Entrepreneurship Center. This is one of a number of initiatives that the City Council has funded over the past year and a half and is intended to be a part of a suite of services to offer.
 - The Renaissance Entrepreneurship Center was selected to help provide these services through a competitive RFQ. The County approached Nell and her colleagues during the process of choosing a provider and helped in terms of scope and contracting.
 - In its first year, Renaissance serviced more than 200 emerging and established businesses in North San Mateo County.
 - Services include intake, access to capital, technology training, networking, programs for women, pop-up events, business assessment, multi-session training classes, workshops, individual technical assistance, etc.
- North County Center partnerships and funding:
 - Initial seed funding
 - \$1 million over 2 years, City of South San Francisco

- \$200,000 for first year, County of San Mateo
 - Subsequent funding
 - \$1.1 million grant application to US EDA (accepted and in review)
 - \$10,000 Lane Partners (shared with co-located programming)
 - \$50,000 Genentech (shared with co-located programming)
- The City of South San Francisco has found a new location for the services of this program. It is a more than 6,000-square-foot vacant storefront in the downtown area. It is set to open in January 2022 and will be home to this program, JobTrain, and other community nonprofits. For now, they are still providing services both virtually and in person.
- One of the services that will be located at this new location is JobTrain. JobTrain provides workforce development services to the community. The City of South San Francisco selected JobTrain through a competitive RFQ as well.
 - Services include assessment, career coaching, work-readiness workshops, job development and placement, and rapid reemployment.

Choose Local San Mateo County (App)

Don Cecil, SAMCEDA

- Don thanked Danielle for the introduction. Don introduced the Choose Local San Mateo County app, which will encourage consumers to shop at and support small businesses within the County. The idea is to level the playing field and provide local small businesses with the same access to people's phones and the same loyalty programs as larger corporations.
 - Users will be able to find and shop at local small businesses near them. They will also earn loyalty points as they shop.
 - It helps to expose local businesses to the people around them. This helps users find new businesses to shop at, and, in turn, helps businesses gain and retain new customers.
 - The app also highlights different events that users can go to, which inspires a sense of community.
- Right now, the app is in a pilot phase. San Mateo County is the first ever County to use this app (only cities have done it so far).
 - There are seven pilot cities/areas at the moment: Daly City, Half Moon Bay/Coastside, Millbrae, North Fair Oaks, Redwood City, San Carlos, San Mateo, and South City
 - More than 200 are businesses enrolled, with a goal of 350.
 - Marketing materials are being translated into Spanish, Chinese, and Tagalog.
 - The implementation group includes city staff, chamber of commerce or business group partner, Office of County Manager, and SAMCEDA
- The goal is to run the Pilot City soft launch in October, with the official launch soon after. They want to expand beyond the pilot cities before the holiday shopping season, if possible. Their current marketing plan includes media events, press notifications, social media, partner-agency promotion, paid marketing, and partnerships with public and private employers to drive user downloads and participation.
- If you are a business that would like to participate in the app in the future, please email chooselocalsmc@colu.com

Small Business Development Center (SBDC)

Amanda Anthony, Renaissance Entrepreneurship Center

- Amanda thanked Danielle for the introduction. The Renaissance Entrepreneurship Center is a nonprofit that works to launch and grow small businesses. It has offices in East Palo Alto, South San Francisco, and the new office in the Small Business Development Center (SBDC).
- The Renaissance Entrepreneurship Center has been very successful in serving those enterprises with 1–20 people, or microenterprises. It has traditionally served those with lower access to the labor market.
 - 78% women
 - 78% people of color
 - 88% lower to mid income
 - 40% immigrants
- They always try to meet people where they are by providing workshops and classes, 1-1 coaching, networking, vendor opportunities, and connections to capital. They are looking to expand their services to businesses ranging from 20 to 500 employees.
- The SBDC allows them to focus on scaling small businesses. They achieve this by providing more programming and individualized coaching and by ensuring that they have great partnerships to help make this happen. They will also be creating more incubator programs for key high-need industries. They also want to support small business resiliency through building relationships and trust with small business owners. Beyond this, they want to ensure that they are providing businesses with access to capital.

Proposed Small Business Action Plan

Danielle Lee, San Mateo County Recovery Initiative

- Danielle Lee introduced the plan to the group.
 - Proposed Action Item #1: Door-to-Door Engagement
 - Continue culturally and linguistically appropriate door-to-door business engagement to engage hard-to-reach small businesses. Expand to include resiliency consultants and small business advocates to support small businesses in strategic planning and economic resilience for the future.
 - Proposed Action Item #2: Expand Regional Centers
 - Expand Small Business and Entrepreneurship Center model countywide with additional locations to support small businesses. Evaluate inclusion of workforce services and incubators at Small Business and Entrepreneurship Centers as these expand.
 - Proposed Action Item #3: Expand *Choose Local* Pilot
 - Depending on the success of the pilot, expand *Choose Local* beyond pilot cities to support small businesses with marketing and promotion and to drive customers to local businesses.
 - Proposed Action Item #4: Explore Lending Opportunities for Small Businesses
 - Explore small business financing and lending opportunities through community banks and credit unions, economic development administration, community

development financial institutions, CAMEO (micro business network), etc. This is a top priority for small businesses to access new capital.

- Proposed Action Item #5: Develop Small Business Pathways Within Workforce Development
 - Explore small business-based career pathways within workforce development initiatives.
- Proposed Action Item #6: Partnerships, Collaboration, and Resources
 - Strengthen existing and new partnerships, seek new collaborations, and coordinate new resources such as the SBDC.
- Proposed Action Item #7: Continued Coordination and Convening
 - Continue ongoing recovery initiative role of convening, coordinating, and partnering, including through expansion of pilot efforts to support small business and workforce recovery.

Breakout Discussion

Danielle Lee, San Mateo County Recovery Initiative

- The group was placed into breakout discussions to answer the following set of questions:
 - What are your impressions of the proposed action plan? Which action items are you most excited about?
 - What are you interested in working on or supporting? What other organizations could help support this work?
 - Are there needs that are not being addressed? What are the gaps?

Closing

Danielle Lee, San Mateo County Recovery Initiative

- Danielle Lee offered closing remarks and thanked each presenter for their time, and also thanked the participants for sharing their ideas. As a reminder, all of the meeting materials are posted at smcrecovery.org.
- The next and final Economic Roundtable meeting will be held this month and will focus on the following topic:
 - September 29: Fostering Economic Resilience
 - ◆ This meeting will run from 9 a.m. to 11 a.m.