

## City Council

Rich Tran, Mayor  
Bob Nuñez, Vice Mayor  
Karina R. Dominguez, Councilmember  
Carmen Montano, Councilmember  
Anthony Phan, Councilmember

## Members of the Subcommittee

Carmen Montano, Chair  
Karina R. Dominguez, Councilmember



## MEETING MINUTES

Minutes of: Small Business Assistance Subcommittee  
Date: Monday, April 6, 2020  
Time: 11:00 a.m. – 12:30 p.m.  
Location: Zoom/Dial-in Conference  
(in place of Milpitas City Hall, 455 East Calaveras Blvd.)

---

- I. Call to Order and Roll Call:** Chair Carmen Montano called the meeting to order at 11:05 a.m.
- Present: Chair Carmen Montano, Councilmember Karina R. Dominguez, Interim City Manager Steve McHarris, Assistant City Manager Ashwini Kantak, City Attorney Chris Diaz and Economic Development Director Alex Andrade
- II. Pledge of Allegiance:** Councilmember Dominguez led the Pledge of Allegiance.
- III. Approval of Agenda:** Councilmember Dominguez motioned to approve the agenda; Chair Carmen Montano seconded. Motion approved 2-0.
- IV. Approval of Minutes:** Approved minutes of 03/24/2020.
- V. Public Forum:**
- Mehmet Goceri (Great Mall Business Owner) - Request for rent relief for Great Mall tenants.
- Salih Inci (Sam's Kabobs & Gyros) - Request for rent relief for Great Mall tenants.
- Sri Saranu (Biryaniz) - Asked about federal loan programs and disbursement of funds to small businesses.
- VI. New Business:** Discussion topics listed below focus on COVID-19 responses and recovery actions.
1. Presentation by Dennis King, Executive Director of SBDC Silicon Valley/SBDC Hispanic Satellite and Hispanic Chamber of Commerce

Silicon Valley and Erica Wood, Executive Vice President of Community Impact, for the Silicon Valley Community Foundation.

- Dennis King presented an overview of SBDC's resources and business assistance associated with COVID-19 such as the Paycheck Protection Program (PPP) and SBA Economic Injury Disaster Loan (EIDL). He stated that small business owners need to apply for SBA EIDL and PPP programs as soon as possible to mitigate business expense issues such as paying rent (State of CA order only places moratorium on evictions until end of May).
- Councilmember Dominguez discussed "freezing" rents for small business owners for 3 months; many small business owners are afraid to approach their landlords for rent issues due to language or cultural issues.
- Dennis King stated that half of the business owners in Santa Clara County are immigrants and might not qualify for the SBA programs.
- Erica Wood stated that SV Community Foundation (SVCF) created the Small Business Relief Fund (SBRF) to address unique small business need and has partnered with Opportunity Fund, California's largest non-profit microlender (large presence in San Jose). Opportunity Fund offers guidance in both language and culturally-appropriate ways.
- Chair Montano asked how SVCF can assist small business in Milpitas and a discussion ensued about the City creating its own Small Business Loan Program and partnering with SVCF to administer the loan program (the City would provide funding directly to the SBRF). City Attorney Diaz stated that it would be both legally advantageous and expeditious to partner with a non-profit to develop a City Small Business Loan Program.
- Director Andrade asked if there is an administrative fee for the SBRF and Erica Wood answered that it would be 1%.
- Chair Montano proposed discussing for recommendation to City Council that a \$200,000 City-sponsored Small Business Loan Program be developed utilizing the services of SVCF and Opportunity Fund as a fiscal agent and administrator of the loan program, respectively. Councilmember Dominguez concurred.
- Councilmember Dominguez proposed recommending a rent freeze for 90 days to the City Council. Chair Montano asked that City Attorney Diaz first prepare a legal opinion of the matter before moving forward to the City Council and both Councilmember Dominguez and City Attorney Diaz concurred.

2. Status of the Office of Economic Development's response to COVID-

19 by Alex Andrade, Economic Development Director.

- Over 500 hours of staff time has been devoted to COVID-19 response since the beginning of the SIP.
- Economic Development is actively researching all available funding options for small business including federal SBA loans, state business loans, and non-governmental business loan and grant programs.
- Staff has been continuously updating information on COVID-19 assistance via the City's Economic Development website and Constant Contact messaging (three thus far).
- Restaurant Promotions Campaign has been developed with the Chamber of Commerce and the Lion's Club, reaching out to approximately 230 restaurants. Promotion will be on social media, the City website and the Milpitas Beat.
- Business Survey issued on April 4 and some preliminary findings discussed:
  - Majority of respondents (84 the first day, 115 thus far) have closed their businesses completely (approx. 55%).
  - Approximately 80% of business owners need funds for rent or mortgage, followed closely by labor and benefits (approx. 63%).
  - Revenue loss for majority of respondents (approx. 40% as of Monday morning 4/6) is over \$50K.
  - Majority of respondents (25/84) indicate funding needs of \$100K or more, some \$300k, some \$500K and one or two needs \$1M.
- Chair Montano reiterated the City's desire to assist small business as much as possible, acknowledging that the need is far greater than the City's capability.
- Economic Development continues to partner with SCORE, SV-SBDC and other organizations to provide expertise with business plans and other non-financial areas.
- Councilmember Dominguez requested to add language addressing predatory lenders and organizations to the subcommittee workplan.
- Councilmember Dominguez noted that several small businesses in Milpitas have been sued for ADA violations and wanted to explore the possibility of assisting with permit expenses. CM McHarris stated he is aware of the situation and has spoken to at least one of the business owners. Building officials have offered guidance; permit fee waivers would have to come from Council.

3. Consider name change of Economic Development Council Subcommittee:
  - Director Andrade suggested shortening the name to simply Business Relief Subcommittee or Business Assistance Subcommittee.
  - Proposed names are Small Business Relief Subcommittee or Small Business Assistance Subcommittee.

**VII. Other Business:** No other business was discussed.

**VIII. Next Meeting:** Next meeting tentatively scheduled for 4/15.

**IX. Adjournment:** Chair Montano adjourned the meeting at 12:57 PM.