



City of Emeryville

C A L I F O R N I A

MEMORANDUM

DATE: July 11, 2017

TO: Carolyn Lehr, City Manager

FROM: Charles S. Bryant, Community Development Director

SUBJECT: **Small Business Joint Study Session Review**

RECOMMENDATION

Staff recommends that the City Council review the compilation of comments made by members of the community at the joint meeting with the Planning Commission held on May 16, 2017 regarding small business needs, and discuss prioritization of items for further study and action and/or incorporation into the City's Economic Development Strategy.

BACKGROUND

On May 16, 2017, the City Council and Planning Commission held a joint study session to discuss small business needs with members of the community. Staff had engaged in a robust outreach campaign for the meeting and it was well attended. Nearly 80 people were in attendance, which exceeded staff's expectations.

Following a well-received networking lunch, the meeting began with a presentation of an Economic Profile of Emeryville. This provided economic context for small business in our area. City staff were then joined by members of the East Bay Economic Development Alliance (East Bay EDA) in providing an overview of available small business support programs including regional and state programs. The presentation spoke to small business needs in a competitive environment, best practices, and how to avoid duplication of efforts as well as the need to identify opportunities for leverage. Please see Attachments 1-2 for copies of the City/East Bay EDA PowerPoint and informational handouts.

The primary objective of the joint study session was to hear what local small business owners and the community had to say about small business needs. Consequently, the majority of the meeting was dedicated to a *Listening Session* to receive comments on small business needs without setting specific constraints on the types of topics addressed or solutions suggested. The meeting ended with a general recap of the types of comments that had been made and with a commitment for City staff to work with Council to review the comments at a later date and determine which needs the City could help address in a practical way. Please see Attachment 3 for a compilation of public comments recorded at the meeting.

DISCUSSION

At the advice of the Economic Development Advisory Committee (EDAC), the Joint Study Session meeting was held mid-day/mid-week in an effort to encourage small business owners to attend. Two separate mailings and notices were issued to encourage attendance, in addition to standard meeting postings and additional active outreach such as emails, phone calls and in-person invitations. While the meeting was well attended, staff did receive a few comments suggesting an evening meeting time. Staff responded to these concerns noting that this Joint Study Session recap would be held at the regular City Council evening time period to allow members of the Small Business community who could not attend the afternoon session to participate. Staff has sent email invitations to the July 11 City Council meeting to all attendees of the Joint Session who provided email contact information.

The Council's review of the public comments resulting from the *Listening Session* is intended to determine which small business needs the City may be able to address in a meaningful way. Some needs may not be within the City's purview, or the City may lack available resources to assist. Where these constraints exist, staff may be able to suggest opportunities to help connect local businesses to outside agency resources.

Listening Session Comments

A full listing of all recorded comments is attached (see Attachment 3). The general topical areas included:

- Assistance needed-site improvement incentives
- Assistance needed-service incentives
- City approaches that are working
- Operational costs
- Parking/traffic impacts on access to business
- Policies-Creation of policies affecting small business
- Policies-Specific current policies affecting small business
- Public Safety-related impacts on business
- Representation in City Leadership

As staff recorded comments during the *Listening Session*, we also noted when a comment was repeated in order to ascertain those items which had significant community consensus. The top five areas of comment related to:

1. Assistance needed-service incentives;
39 comments, including repeats.
2. Operational costs;
18 comments, including repeats.

3. Policies-Specific current policies affecting small business;
17 comments, including repeats.
4. Policies-Creation of policies affecting small business;
16 comments, including repeats.
5. Assistance needed-site improvement incentives;
13 comments, including repeats.

Of the primary consensus items, the following notes were repeated the highest number of times within the general topical areas:

1. Assistance needed-service incentives;

Networking Help Needed:

- More networking events
- Share information
- Stay connected
- Marketing
- Support each other's businesses
- Email blast when new business opens
- Communication tool

2. Operational costs;
The highest number of comments was split between two related items

Low Cost Housing and Rent increases

- Helps employees
- Need public education
- No existing rent controls

3. Policies-Specific current policies affecting small business;

Minimum Wage

- Average increase to employers' operational costs is + 50%
- It may not be possible to reverse recent increase but request is to stop second and additional tier increases
 - Freeze or delay increases for businesses with less than 50 employees
- Do another study as the previous one did not adequately anticipate the effects

4. Policies-Creation of policies affecting small business;

Policies

- Moratorium on Policies that negatively affect small businesses
- Public education regarding affects i.e. Customer Awareness Campaigns for new policies:
 - Minimum wage ordinance has already caused the costs of goods and services to go up significantly. This type of effect could be part of a study to anticipate cause/effect of policy proposals
- City support of single-payer health care option to decrease costs for small business owners
- Factor in costs of goods (capital costs for small businesses) when developing policies
- Consider small business revenue to City when making decisions that impact them
- Develop better definition for Small Business to use for studies
- Exempt small business from ongoing regulations (specifics not provided)

5. Assistance needed-site improvement incentives;

Bicycles

- How to get more bicycle racks

Note: other *Site Improvement* comments included requests for help with Development Impact Fees, creation of an updated Façade Grant program and directory signage for businesses located off of central thoroughfares.

Next Steps

Following review of this distillation of items heard at the Joint Session, staff is seeking confirmation and prioritization of items. Prioritization should consider those requests for assistance that are within the purview of municipal authority and currently available resources. At this time, we are requesting direction for further study and action as appropriate by the EDAC, Planning Commission, City Council, and staff.

FISCAL IMPACT

The costs associated with implementation of suggested programs will be analyzed at the time the specific strategies are brought forward for consideration.

STAFF COMMUNICATION WITH THE PUBLIC

The EDAC met on May 17, 2017, the day after the joint study session, and briefly discussed the study session, which several EDAC members had attended.

LEGAL CONSIDERATIONS

The City Attorney has reviewed and approved this report.

PREPARED BY: Emi Thériault, Community and Economic Development Coordinator II

REVIEWED BY: Chadrick Smalley, Economic Development and Housing Manager

**APPROVED AND FORWARDED TO THE
CITY COUNCIL OF THE CITY OF EMERYVILLE:**



Carolyn Lehr, City Manager

ATTACHMENTS

1. Small Business Joint Study Session Presentation
2. Informational Handouts
3. Small Business Joint Meeting-Recorded public comments