City of Daly City
Small Business Commission Meeting
Meeting Minutes

Thursday, February 13, 2025 – 7:00 PM

Virtual Meeting:
https://www.youtube.com/watch?v=N2kap6WmwfE

Call to Order:
Commission Chair, Amro Radwan commenced the meeting at 7:00 PM.

Roll Call:
Present: Joseph Bautista, John Penacerrada, Amro Radwan
Absent: Charles Hill, Maria Carson

Pledge to the Flag:
All

Approval of Minutes:
Chair Commissioner Radwan asked Commissioners to review the December 12, 2024 Meeting Minutes. Vice Chair Penacerrada made a motion to approve the last meeting's minutes and Commissioner Bautista made a 2nd. The minutes were approved unanimously.

Presentation:
Will Schaub conducted a presentation on SIMERP – Self-Insured Medical Reimbursement Plan for small businesses to avail in Daly City. He discussed benefit offerings with the program and can serve as supplemental to employees' health coverage like providing accident, life insurance, dental, vision and pet insurance. It also helps mitigate worker compensation claims while reducing FICA payroll taxes at no cost to the company and without reducing employees'' take-home pay. This program is for businesses who have 2 employees or more, who have insurance and who do not have insurance. The program was founded in 2013 as part of the Affordable Care Act. They offer a no cost analysis for employers. Chair Radwan asked if this was full insurance and about providers. Schaub stated no and that the program was carrier agnostic. Chair Radwan also asked about eligibility and Schaub stated that employees cannot be on Medicaid, Medicare or any ACA subsidized programs. Commissioner Bautista asked if solo entrepreneurs could avail the program. Schaub stated sole proprietors cannot participate according to IRS rules. Vice Chair Penacerrada clarified if this was a non-taxable reimbursement and asked if it was "use it or lose it". Schaub stated once you're in, your enrolled for a year unless there is a qualifying event like birth of a child, marriage, etc.

Discussion:
Clerk Manio discussed the current Commercial Cannabis overlay and stated during the last Planning Commission's meeting to open the latest Zone 7 – Sullivan, the Chair of the Planning Commission stated that the Small Business Commission should have a say in Commercial Cannabis. She stated City administrators agreed and explained that the progression starts with the Small Business Commission, then their recommendations go the Cannabis Subcommittee which consists of Councilmember Theresa Proano and Mayor Dr. Rod Dau-Magbual. From there, recommendations go to the Planning Commission and then finally the full Council for approval. Clerk Manio presented a staff report on proposed new zones in the Bayshore District on Geneva Ave. and on Mission Street. She stated that making new zones is in line with our upcoming equity

program as it would provide more opportunities for cannabis businesses to open and expand geographical distribution of retailers. She stated the new proposed areas are up to their deliberation and they can decide what to present to the Subcommittee. Chair Radwan stated he watched the Council meetings where issues came up about zoning for alcohol and tobacco and asked about buffers with school zones. Manio says that the City follows State regulations with buffer zones. Commissioner Bautista reiterated his concerns about proximity to schools. Chair Radwan asked if the Commission can postpone the discussion to the next Commission meeting. He wanted to put more thought into it. Vice Chair Penacerrada asked if there were other concerns about the new zones. Clerk Manio clarified that this Commission serves as an advisory role and that in any of the steps to Council, there may be changes. Manio stated that these zones were previously proposed prior to her employment in the City and concerns from the public came up, but since retailers have opened, they were deemed unfounded concerns. Clerk Manio pointed out that these proposed zones also have the most cannabis arrests and stated that this was proposed through the lens of equity, and an attempt to righting the wrongs of the War on Drugs. Chair Radwan asked about taxes and if they're reinvested into the communities that have been affected.

Public Comment on this item:

Jon Herredia stated he is a native son of the Daly City, is an attorney in the cannabis space, and is a law professor at Golden Gate University. He is also a partner with a cannabis retailer who owns four retail businesses. He discussed his challenges with finding commercial space within the current cannabis zones as landlords are not willing to rent to retailers and that zones only allow one retailer; however, some retailers have held their permits and do not operate. He pointed out that these permit holders are not contributing to the local economy. He asked to increase the number of zones, permit more than one retailer per zone, and to put a horizon on the permit holders time to open. He stated the problem is not with the City but with their out of state shareholders who have issues. He asked to make room for "hometown guys" who can pay rent and taxes.

Chair Radwan appreciated his comments as they emphasized why the Commission should take more time to deliberate. Herredia stated that shot clocks are in other jurisdictions.

Reorganization:

Vice Chair Penacerrada renominated Chair Radwan to remain as Chair. Commissioner Bautista made a second on that motion. They unanimously voted for Radwan to remain Chair. Chair Radwan made a motion to renominate Vice Chair Penacerrada to remain the Vice Chair. Commissioner Bautista made a second to that motion. They voted unanimously for Penacerrada to remain the Vice Chair.

Announcements and Communications:

Chair Radwan wanted to honor Daly City businesses, proposing a program called "Daly City First" which gives the City's businesses preference with procurement. Vice Chair Penacerrada agreed stating that if there are contracts needed, they should be going to Daly City businesses first. Clerk Manio stated securing contracts with Daly City vendors is symbiotic as we generate tax revenue from our businesses.

Clerk Manio announced that the City along with Daly City Partnership is providing Financial and Digital Literacy workshops as part of an immigration grant received from the Governor's Office of Business and Economic Development.

Next Meeting:

Next regularly scheduled meeting scheduled for March 13, 2025, at 7 PM.

Public Comment:
Andrew Siri, a small business owner of Auto Sound Performance spoke about Public Works, Fire and Police have approximately spent $11 million on services and materials in 2024. He wasn't aware of any of that money being offered to Daly City businesses. He stated that he serves many municipalities including San Francisco, Pacifica, and Redwood City. He stated that Daly City has the same needs as these jurisdictions but do not hire him for services. He mentioned that bidding and procurement is not transparent and is unfair. He does not see the City publish their procurement needs and only hears of them when he is contacted directly. He stated that five of his employees are Daly City residents and it's tough to be competitive bid-wise as rent is high, payroll is high, and he can't compete with companies that are in cheaper areas like Fresno. He is asking for some kind of audit or reform to our procurement process and to give local business equal opportunities for these bids.

Adjournment:
Chair Radwan adjourned the meeting at 7:57 PM.