CALED
Economic Development Leadership Since 1980
February 6, 2020

Gurbax Sahota
President & CEO
California Association for Local Economic Development
PRESENTERS

• Heather Gurewitz, Former Executive Director, Economic Development & Financing Corp.
• Shannon Mulhall, NIC, ADAC, CASp, Certified Americans with Disabilities Act Coordinator, City of Fresno
• Dan Holler, Town Manager, Town of Mammoth Lakes

Build & Support Your Rural Economy

• Rural Economic Development
  • Entrepreneurial Support & Financing Collaboration
  • Accessible Fresno Small Business Initiative
  • Affordable Housing
BUILD & SUPPORT YOUR RURAL ECONOMY: ENTREPRENEURIAL SUPPORT & FINANCING COLLABORATION

Heather Gurewitz,
Former Executive Director,
Economic Development & Financing Corp.

The Collaborative Approach
Mendocino Co. Business Demographics

Businesses by Size of Employment in Mendocino County, 2017

- 0-9: 82%
- 10-19: 6%
- 20-49: 6%
- 50-99: 2%
- 100-249: 1%

Total Employment by Size in Mendocino County, 2017

- 0-9: 27%
- 10-19: 18%
- 20-49: 25%
- 50-99: 15%
- 100-249: 14%

Challenges for Rural Business

- Necessity versus desire to run a business
- Higher costs and smaller markets
- Lack of “talent”
- Limited sources of financing
- The “scenic” effect
The LEEP Approach

- Coaching
- Capital
- Connections
- Culture
- Climate

Capital

- Business lending is all about risk
- Rural areas and economically distressed areas have inherently higher levels of risk
- Capital alone is not a solution; it only works in partnership with other strategies that limit risk.
BUILD & SUPPORT YOUR RURAL ECONOMY: ACCESSIBLE FRESNO SMALL BUSINESS INITIATIVE
Shannon M. Mulhall, NIC, ADAC, CASp
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DISCLAIMER

This presentation is solely for educational purposes and shall not be construed to be independent legal advice.
If you need legal advice, consult with a qualified attorney for any matters of legal significance to you.
WHY ARE WE HERE?

• 1 in 5 people have some kind of disability
• Access is a civil right
• Civil Rights violations = statutory damages
• Lawsuit-related costs exceed construction costs

2018 LAWSUIT STATISTICS

Statewide
• Total lawsuit filings = 4,221
• Alleged violations: 11,197

High Frequency Litigants
• 5 Law Firms = 79%
  • 1 Law Firm = 49%

Top Lawsuit Targets
• Sales/rental establishments (31%)
• Food or drinks establishments (28%)
• Service establishments (24%)
“WE’LL JUST WAIT TO GET A COMPLAINT…”

**Accessibility Lawsuit**

<table>
<thead>
<tr>
<th>No</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proactively Hire CASp ($2,000)**</td>
<td>Hire ADA Defense Lawyer* ($5,000 Retainer)</td>
</tr>
<tr>
<td>$2,000</td>
<td>Reactively Hire CASp ($2,000)**</td>
</tr>
<tr>
<td></td>
<td>Settle Case ($7,000-$12,000)*</td>
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**Amount paid by business BEFORE construction or barrier removal**

*Based on Central CA averages – costs may be higher in other regions
**Based on 4,000 square feet or less small business

PROACTIVE COMPLIANCE IS THE ONLY DEFENSE

Warning signs are not a compliance plan...
ACCESSIBLE FRESNO

Proactive programs to encourage businesses to take steps toward construction related accessibility compliance.

www.fresno.gov/AccessibleFresno

BUSINESS TRAINING & RESOURCES

• Partnerships for community training
• List of local lenders for CalCAP/ADA Financing low interest loans
• Informational brochures
• Inserts about CASp benefits
ASSUMPTIONS
People with Disabilities:
• Have money to spend
• Are not “out to get you”
• **Want to go to your business**

Businesses:
• Don’t know accessibility
• Don’t understand disability
• **Want to do the right thing**

FIVE STEPS FOR BUSINESS ACCESSIBILITY

1. Get a CASp Inspection
2. Include Accessibility in Business Plan
3. Check Lease Agreements
4. Create Accessibility Maintenance Program & File
5. Utilize Tax Benefits and Financial Resources
CERTIFIED ACCESS SPECIALIST (CASp)

- Certified by the State of California
- Knowledge of construction-related accessibility standards
- Inspects for compliance issues

CASp INSPECTION INCLUDES

- Inspection Report
- Disability Access Inspection Certificate
- Foundation for compliance schedule
ACCESSIBLE FRESNO

Provides businesses with **FREE**
CASp inspection services.

BUSINESS ELIGIBILITY

- Small for-profit business in City of Fresno
- Current Business Tax Certificate
- Place of Public Accommodation
- Not involved in accessibility litigation
- No outstanding code violations on record
- Public Use area under 4,000 sq. ft.
HOW ACCESSIBLE FRESNO WORKS

- RFQ & selection of CASp Consultants
- City contracts with CASp firms
- Small Business submits application to participate
  
  - Program administrator confirms eligibility
  - CASp firm works directly with business
  - Payment to CASp firm upon completion

CALIFORNIA GOVERNMENT CODE SECTION 4467, DISABILITY ACCESS & EDUCATION
SB 1186 (2012)

- January 1, 2013 – December 31, 2018
- City/County collected $1 with each business license or equivalent
  - 30% to Division of the State Architect
  - 70% retained by City/County
CALIFORNIA GOVERNMENT CODE SECTION 4467
DISABILITY ACCESS & EDUCATION
AB 1379 (2017)

January 1, 2018 – December 31, 2023
• City/County collects $4 with each business license OR application for a building permit
  • 10% to Division of the State Architect
  • 90% retained by City

January 1, 2024 - indefinitely
• Reverts back to $1 with 30-70 split

DISABILITY ACCESS & EDUCATION
“CASp CERTIFICATION & TRAINING FUND”

• May ONLY be used for:
  • Increasing CASp training and certification
  • Programs to facilitate compliance with construction related accessibility
  • 5% Maximum administrative
  • “The highest priority shall be given to the training and retention of certified access specialists to meet the needs of the public in the jurisdiction”

• Annual reporting to DSA is required
FINANCIAL ASSISTANCE

• CalCAP Small Business Loan
  • $50K for small business loans to ADA improvements (including CASp inspections)

• IRS tax credits & deductions (Tax code § 44 & 190)
  • Up to 50% of the eligible access expenditures in a year

FIVE STEPS FOR BUSINESS ACCESSIBILITY

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BUSINESS THINKING SHIFT:

Accessibility is not an “added expense.”
It is a cost of doing business.

BUILD & SUPPORT YOUR RURAL ECONOMY:
AFFORDABLE HOUSING

Dan Holler
Town Manager
Town of Mammoth Lakes
• Rural Economic Development
  • Leverage Existing Assets
    • We are Snow Farmers
    • Local Events and Producers
    • Base Funding – Provided
    • Creative Ideas
    • Summer and Shoulder Season Growth

• Rural Economic Development
  • Digital 395
    • A GIGABIT Community
    • Challenge with deploying the asset
    • Marketing the value
    • Shared Workspace
    • Remote Workforce development
    • Work – Play Opportunity
• Workforce challenge in a Tourism Based Economy
  • Constrained Land Base
  • High development costs
  • High value as “2nd” home opportunity (STR)
  • Lower end of wage scale for hospitality work

• Housing Challenge
  • Market Based Solutions – Not happening
  • Town Purchased 25 acres in center of Town
  • Community based planning for 400 - 450 units
  • Next steps – Environmental
  • Phase 1 Gap funding – Town commitment $7.5M
  • Remaining Total Gap – Estimate - $40+ Million ??
• Where are we going?
  • Grow revenue potential on smaller footprint
  • Requires quality Experience – Workforce
  • New investment in Amenities/Activities
  • New investment in the destination (Outdoors)
  • Leverage Technology Assets
  • Funding ???

Questions?