

**ANNUAL REPORT
JULY 2009 – JUNE 2010**



**PREPARED BY
PIMA COUNTY SMALL BUSINESS COMMISSION
JULY 2010**

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PIMA COUNTY SMALL BUSINESS COMMISSION

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District 4**

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Foothills Leasing
District 1**

**Ken Goodman, Vice Chair
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Lyra Done Realty
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Revolutionary Grounds
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**Edie Lake
Gasoline Alley
District 4**

**Pat Taviss
Pat Taviss Consulting
District 3**

**Lea Marquez-Peterson
TucsonBiz for Sale
At-Large**

COUNTY LIAISON

**Tom Moulton, Director
Pima County Economic Development and Tourism**



July, 2010

The Honorable Chairman and Members
Pima County Board of Supervisors
130 W. Congress Street
Tucson, AZ 85701

Re: Pima County Small Business Commission Annual Report

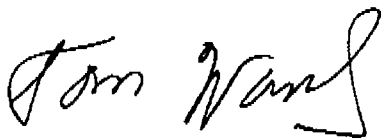
Dear Chairman Valadez and Members of the Board:

In accordance with Board Resolution No. 2009-260, it is my pleasure to transmit to you the 2009-2010 Annual Report of the Pima County Small Business Commission.

As I am sure you are aware from the various reports and memoranda the Commission and the County Administrator have provided you during the last fiscal year, you have a very hard-working, pro-active and dedicated Commission. This Annual Report briefly summarizes six accomplishments of the last year and five projects that the Commission will undertake during the 2010-2011 fiscal year.

The Commission is most appreciative of the support the Board and the Administration have provided during the last year. You may rest assured that the Commission will work hard during the coming year to represent the interests of small business in Pima County, and to provide the Board with the necessary information to help make Pima County a friendly environment for small business.

Yours sincerely,



Tom Ward, Chairman



REPORT DISTRIBUTION

The Honorable Chairman and Members,
Pima County Board of Supervisors

Clerk of the Board

C.H. Huckelberry, County Administrator

John Bernal, Deputy County Administrator for Public Works

Hank Atha, Deputy County Administrator for Community and Economic Development

Priscilla Cornelio, Director, Transportation Department

George Widugiris, Director, Procurement Department

Tom Moulton, Director, Economic Development and Tourism Department



BACKGROUND 2009-2010

The Pima County Small Business Commission was created by a Resolution of the Board of Supervisors on March 18, 2003 (Resolution No. 2003-52). The Resolution was amended on October 13, 2009 (Resolution No. 2009-260), at the request of the Commission, to allow for informational public hearings and the submission to the Board of an Annual Report. The Resolution calls for the Annual Report to briefly outline the activities of the past year and the projects for the coming year.

The purpose of the Commission is to facilitate communication between Pima County and small business; to evaluate County policies and regulations for their impact on small business; and to help maintain a healthy environment in which small businesses and their employees can prosper.

The Commission is composed of 11 members, two appointed by each County Supervisor and one at-large member appointed by the Commission. The Commission selects its own chair and vice chair.

Every Commissioner must be the owner or manager of a small business located in Pima County. The business must have no more than 100 employees.

The present Commission represents a broad spectrum of business activity including automotive and truck sales, leasing and repair; medical sales; real estate sales and development; restaurant operation; economic development, public policy and human resources consulting, as well as other small business ventures.

The Commission has had a very active year as the following list of accomplishments indicates.

ACCOMPLISHMENTS 2009-2010

1. Preparation of a 94-page report with nine findings and two recommendations concerning improvements in the County's procurement practices for professional services firms. The Commission was particularly interested in this subject since the vast majority of these firms – primarily architectural and engineering firms – are small businesses with thirty or less employees.

Since the Board of Supervisors originally requested the Commission to investigate this subject, it is gratified that the Board of Supervisors acted favorably on the Commission's recommendations for modifications to Board Policy D 29.1.

2. Changes in the Development Services Department's recommendations for fee increases. While no small business likes to see fee increases, the Commission felt that the proposed increases were justified in order for the department to provide the necessary services to its clientele. However, the Commission recommended that building permit fee increases go into effect at the authorized date of the increases rather than at the earlier date of the building permit application. The Development Services Department accepted this recommendation which was subsequently approved by the Board of Supervisors.
3. The Development Services Department recommended extending the life of various permits in order to give developers a wider window in which to complete designs, prepare specifications, confirm financing, etc. This time extension was strongly supported by the Commission since many of the firms affected – particularly in the architectural and engineering professions, and the construction trades – are small businesses. Subsequently, the Board of Supervisors approved the Department's recommendation.
4. The Commission played a significant role in the relocation of the federal government's Small Business Administration (SBA) Small Business Development Center (SBDC) when it was in danger of leaving Pima County after the loss of its host sponsor, Pima County Community College.

In federal fiscal year 2009, the SBDC created more than 450 private sector jobs, helped to start 39 new companies and generated more than \$15 million in business financing in Pima County.

The Commission first approached TREO, but to no avail. After working with the Arizona SBA's site selection committee – on which the Commission chairman served – an agreement was reached with the Microbusiness Advancement Center of Tucson in December 2009 and the SBDC was relocated to that facility in January 2010.

5. In April, the Commission awarded its first "Small Business Organization of the Year" Award in a ceremony at the April 13, 2010 Board of Supervisors meeting. The Award went to the Microbusiness Advancement Center which helped to create more than 500 jobs in 2009, and assisted in raising \$9 million in private investment capital. The Award was designed and built by students in the J-TED program at Flowing Wells High School.
6. In 2006, the Commission supported the ballot referendum that created the Joint Technical Education District (J-TED) in Pima County. Since that time, the Commission has had an abiding interest in seeing that J-TED succeed because J-TED graduates are a prime source of employees for small business. In fact, the Commission's Vice Chairman serves as chair of J-TED's Business and Industry Committee.

In 2009 and 2010, the State Legislature considered changing the formula for funding J-TED. Since the contemplated change would have seriously reduced J-TED's funding, the Commission undertook an educational campaign to persuade all the members of the Legislature to abandon the proposed formula change. The Commission was successful in its efforts.

PROJECTS 2010-2011

1. The administration of the Commission's ad hoc Committee to Review State Procurement Statutes (CRSPS). This Committee was authorized by the Board of Supervisors on June 15, 2010. The ad hoc Committee will be composed of five members of the Small Business Commission and four members of the professional services community appointed by the Commission, including two members from local firms headquartered in Pima County and two members from national firms, with local offices.

The Committee will prepare recommendations for legislative action at the 2012 Legislative Session. The recommendations will respond to the Commission's Findings in its March 23, 2010 Report as well as other concerns that might arise during its work. The Commission will hold one or more public hearings to learn the sentiments of the professional services community with regard to the ad hoc Committee's recommendations.

The final report will be made to the Board of Supervisors in October 2011 so that the Board can send the recommendations to the Legislature in January 2012, if it so desires.

2. Convene a forum composed of representatives from all the chambers of commerce in Pima County – and other organizations tasked with the responsibility or aiding small business -- to discuss the means by which they can mutually promote the interests of small business.
3. Consider means by which the Commission can help small business involved in the construction industry. Of particular interest will be financing mechanisms for this industry which has a 49% unemployment rate in Pima County.
4. Investigate the role the Commission can play in helping Pima County's tourism industry, particularly the hospitality segment. As an adjunct to this investigation, the Commission will look at assisting film production in Pima County which is both a tourist attraction and a small business job generator.
5. Preparation for the Commission's "Small Business of The Year Award" for 2011. Since the 2010 Award went to a small business organization, the 2011 Award will be going to a for-profit business.