

SPRING 2021

CONTRACTOR TOOLS

**A Periodic Newsletter From the City and County of
San Francisco Contractor Development Program**



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Port of San Francisco



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FROM THE PROGRAM ADMINISTRATOR

Happy and Healthy 2021 to You! Our Contractor Development Program (CDP) team hopes that you and your family stayed safe during 2020, and that 2021 will allow us to return to normalcy and toward building a better future. The past year called upon us all to find reserves of strength and ingenuity to endure. The CDP continues to provide a variety of support to our contractors to help ensure that you and your business are able to meet the challenges of the ever-changing economy.

During 2020, CDP hosted webinars addressing COVID-19 Safety Requirements, Cash Management and Financial Reporting and Strategic Financial Planning. We also sent out a number of email notifications to our LBE community throughout the year to inform you about COVID response resources, grant applications, vital information released by the City and County of San Francisco, and helpful webinars of interest hosted by other organizations. We have planned a number of informative webinars to help our contractors this year, including a Change Order webinar scheduled for February 2021.

We invite our LBEs to contact us for assistance with business development and encourage those of you who have not already done so to work in tandem with us to create a business development plan for your company. Although the pandemic means that we are still having to work virtually, our commitment to providing you with individualized support and guidance has never faltered. Throughout this new year, we will continue to be a resource for our local LBEs by also offering expert technical assistance, business development, surety bonding assistance, and project-specific contract financing for qualified San Francisco projects.

In our latest Contractor Tools e-zine, we speak with the Port of San Francisco's Contracts and Procurement Manager, Stephanie Tang, to gain insight on the Port's proactive response to COVID-19, as well as its continued outreach to LBEs. We learn about the City of San Francisco's innovative Contractor Accelerated Payment Program (CAPP) and how this helps small contractors participate in public works projects. We present inspiring profiles of three local contractors – Charles Jones, of YMM Construction, Raymond Horne of R&I Glassworks, and Triston Dion of Streamline Drywall – who have all benefited from enrolling in our free Contractor Development Program. Finally, we revisit former Program enrollee Alfonso Rhodes of AJS Painting Decorating & Waterproofing, who completely surprised our team by recently purchasing a billboard thanking the CDP and its administrator, Merriwether & Williams Insurance Services, for the ongoing support we've provided – talk about a showstopping honor!

Whether you are a brand-new business owner or have years of experience in the field, reach out to us – we are here for you! Contact us now to learn how our Contractor Development Program (CDP), Surety Bond Program and Contractor Accelerated Payment Program can help you build and grow your business. We look forward to hearing from you!

Warmly,

The City and County of San Francisco Contractor Development Program Team



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AGENCY SPOTLIGHT



Seawall Lot 344 was converted in just 45 days from a preliminary site map into a fully functional, socially distanced Shelter in Place lot for 120 RVs and travel trailers.

THE PORT OF SAN FRANCISCO: A COMMUNITY-ORIENTED COVID-19 RESPONSE

After spending the prior three years as Certification Manager for the local business enterprise (LBE) program for the City of San Francisco's Contract Monitoring Division, Stephanie Tang was excited to take on the role of Contracts and Procurement Manager for the Port of San Francisco earlier this year. Stephanie, who had worked for ten years as a union organizer, has long been committed to making a positive difference in the world. "I was particularly interested in how economic tools could be used to



empower and improve people’s lives,” reflects Stephanie, “and found that working on a local level provided me more opportunities to have a direct and beneficial impact.” With its many moving parts – creating and maintaining open spaces, renting out land and real estate, offering maritime and recreational services, overseeing multiple construction projects and proposing and implementing public policy, to name just a few – the Port offers a variety of ways to contribute. No one, however, could have predicted just how vital

a role the Port would take in helping to address some of the community’s most dire needs during the COVID-19 pandemic, which hit less than a month after Stephanie stepped into her new role there.

In March of 2020, a COVID-19 outbreak on a Grand Princess cruise ship anchored in the San Francisco Bay suddenly catapulted the Port into the frontlines of what quickly turned into a global pandemic, inducing the Port to mobilize

AGENCY SPOTLIGHT: THE PORT OF SAN FRANCISCO

quickly. “Our Executive Director, Elaine Forbes, was deployed as part of the City’s Emergency Operations Center, and from the beginning, she took a proactive stance in finding ways to leverage the Port’s resources in support of our community,” says Stephanie. Working with community groups and City agencies, Port staff identified key areas in which it could assist in relief efforts, including public health and food, housing and economic security. Piers 30 and 32 were turned into the City’s first high-capacity COVID-19 testing site. When 99 local food pantries closed because of the pandemic, Port staff collaborated with the San Francisco Giants and San Francisco-Marin Food Bank to provide a rent-free space in Lot A for an ongoing socially distanced food bank serving about 2,000 people every week. Originally developed for commercial purposes, Seawall Lot 344 was converted in just 45 days from a preliminary site map into a fully functional, socially distanced Shelter in Place lot for 120 RVs and travel trailers, with priority given to unsheltered residents of District 10. As Stephanie notes, “I am proud to say that the Port’s response has been to provide equitable assistance to those who have been hardest hit. All levels of our Port staff have rolled up their sleeves to be of service.” Two of the Port’s Navigation Centers have been providing shelter

for the City’s homeless population – and, in order to provide as safe an environment as possible, one center has been specifically designated for individuals who’ve already tested negative for the virus.

Working with community groups and City agencies, Port staff identified key areas in which it could assist in relief efforts, including public health and food, housing and economic security.

While the public health and socio-economic effects of COVID-19 combined with dire climate emergencies continue to ravage the country, Port of San Francisco staff are hard at work maintaining ongoing efforts, volunteering as disaster service workers, and brainstorming additional ways of providing community assistance. The Port has offered rent relief to many of its tenants and is working to establish a loan program with a generous forgiveness option for local business enterprises (LBEs) who are Port tenants or have a contract with the Port. While a core group of Port staff continues to work on-site for various projects and to connect with tenants in-person to help resolve issues, many interactions – including the Port’s contracting bid and selection processes – have been moved online to maintain social distancing while getting back on track with projects large and small. The Port was the first City Department to host a virtual mentor-protégée event through the Contract Monitoring Division to help participants understand the private developments,



Port of San Francisco staff are hard at work maintaining ongoing efforts, volunteering as disaster service workers.

engineering needs and Port's Seawall Resiliency project. The Port's 5-Year Strategic Plan (an overview of which was published in our [Summer 2019](#) issue) continues with the same goals, although with its budget hit hard by the pandemic and having to incorporate safety measures, the Port is having to make adjustments to timelines and tactics. As Stephanie explains, "We know that when the Port is working, local businesses and contractors are working, so we are making every effort to move forward safely and efficiently."

Late last year, the Port was advertising and doing outreach for an LBE-only micro set-aside. The Port posted a Heron Head's Park electrical improvement contract for necessary civil and electrical upgrades, as well as a FEMA-funded SFPD Marine Unit dock replacement project.

Additional opportunities will be forthcoming and the inclusion of LBEs remains a priority. Based on years of experience working to help certify small businesses, Stephanie encourages contractors experiencing any pandemic-related slowdown to take the opportunity to address the areas of their business that most need strengthening. "Now is a good time to tackle the aspects of running your business that are your least favorite – whether that is organizing and maintaining your company's financial records, improving certain skills, getting training in specific areas – such as estimating and bidding— or whatever else tends to get put on the back burner when you're busy. Using your time wisely now will prepare and position you to hit the ground running when new opportunities present themselves."



Click on the image above to view the Port of San Francisco's full video detailing their COVID-19 response.

For more information about the Port's various contracting opportunities, [visit their contracting webpage](#).

For more information about the City and County of San Francisco's Contractor Development Program, [visit the Program's webpage](#).

YMM JANITORIAL SERVICES

CREATING A SUCCESSFUL BUSINESS NICHE DURING COVID-19

With a friendly, outgoing personality combined with inexhaustible passion for what he does, Charles L. Jones has taken YMM Janitorial Services from humble beginnings to a versatile and successful company offering Janitorial Services, Construction Cleanup, and Power Washing.

“The notion of being able to make an income by providing comprehensive interior and exterior cleaning services occurred to me 47 years ago,” reflects Charles, “An older cousin and I were asked to clean my aunt’s house. I took care of everything on the outside, including the landscaping, and my cousin took care of everything on the inside. I got paid \$10 every two weeks back then – and to this day, I still clean my aunt’s house every two weeks.”

While Charles developed his professional cleaning skills early on and was able to secure a janitorial subcontract on a City contract four years ago, his biggest challenges came from not knowing how to efficiently run and manage a business. Then, while searching for business funding sources, he attended a Contracting Monitoring Division (CMD) seminar hosted by the City and County of San Francisco’s Contractor Development Program (CDP) and learned about the free training and assistance they offer to small contractors. Charles was excited to realize that his cleaning services could readily cross over into the construction and larger-scale public works arena but was initially intimidated by the City’s requirements. Enter Ingrid Merriwether, CEO of Merriwether & Williams Insurance Services (which administers the Contractor Development Program for the City and County of San Francisco) and CDP Manager, Jennifer Elmore. “They

showed a sincere interest and concern for me and my business which has been unwavering throughout my journey,” remarks Charles.

In December 2016, Program Manager Jennifer Elmore provided YMM Janitorial Services with a personalized business assessment and worked with Charles to create a strategic development plan – which, over the past three years, has included: developing a business plan and employee manual; creating an estimating template applicable to all construction projects; accurately estimating and monitoring labor and other job-related costs; creating a scope letter template; determining Prevailing Wage for YMM Janitorial’s various services; understanding how to use accounting systems and review financial information; reviewing and applying Project and Construction Management best practices; understanding contract terminology and requirements; obtaining OSHA 30 Safety Certification and developing related documents and protocols.

Encouraged by the CDP Staff to attend as many events, workshops and networking opportunities as possible in order to acquire additional knowledge and skills, Charles also sought guidance from the San Francisco Public Utilities Commission Contractor Assistance Center and the Renaissance Entrepreneurship Center, applied to and was accepted in the Clark Construction Strategic Partnership Program, and participated in a Green Certification Program, which later led to

Right: YMM crew completing sidewalk cleaning.



CONTRACTOR SUCCESS STORIES: YMM JANITORIAL SERVICES

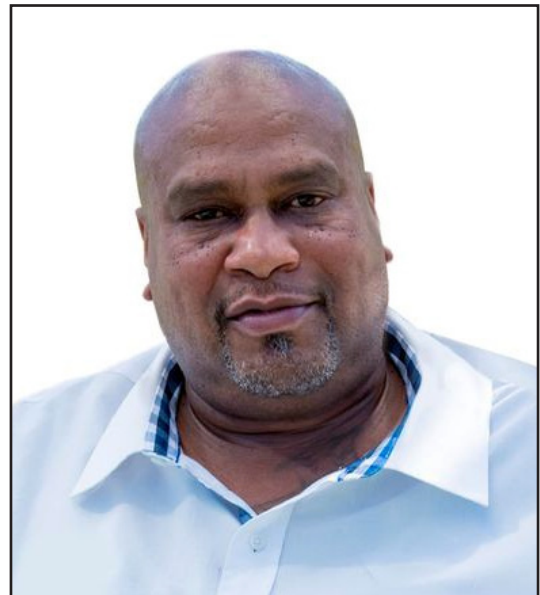
YMM Janitorial Services being acknowledged with an award from the State of California as a California Green Business.

“The customized business assessment and guidance, along with the training and technical support the Program provides has helped me develop vitally important business skills,” notes Charles, “including how to connect with the various City sectors, understand how they operate and what their needs are, how to develop a professional network, market my services, organize and maintain financial records, meet prevailing wage requirements, accurate job costing, and effective project and money management.” Throughout 2017, the Program helped YMM Janitorial Services uncover new business avenues and expand into Construction Clean-up. Charles took courses to earn his D-63 Construction Clean-up License for the State of California, then went for a D-38 License for Water & Sandblasting in order to add the power washing niche to the menu of services YMM Janitorial Services offers. “You can call me ‘Professor Jones’ now,” he states wryly, “I now have an understanding of running a business that I never had before.”

When the inevitable challenges have come along, the CDP staff have been a source of continued encouragement, including through the ongoing coronavirus pandemic. “When I feel down and unable to continue, the Program staff have helped me remain positive and motivated,” says Charles. CDP staff are also assisting in his current efforts to secure bonding. Because of Charles’ dedication to ongoing training and his ability to successfully market his company’s services, YMM Janitorial Services has been able to continue to bid on and secure contracts, expanding the business in a sustainable and strategic manner.

Since participating in the Contractor Development Program, YMM Janitorial Services has been awarded a number of

public works subcontracts: two with Plant Construction at San Francisco’s Pier 70; one with G&G Builders at the DPW Navigation Center; one with XL Construction at San Francisco International Airport; one at Park Tower and one at Chase Center, both with Clark Construction; and two “as-needed” contracts – one disinfecting buildings for CCSF Purchasing, and the other power washing City streets with DPW. As CDP Manager Jennifer Elmore points out, “YMM Janitorial Services was recently awarded a contract to disinfect government buildings during this COVID-19 crisis, thereby helping to ensure that the public and government employees have a safe working environment while simultaneously providing much-needed employment opportunities within the community.”



Charles L. Jones, Owner of YMM Janitorial Services

In mid-2020, Charles was busy hiring a crew of twenty to fulfill the building disinfection contract and was eager to bring on and retain employees from his own Bayview neighborhood in San Francisco. Since the pandemic began, YMM Janitorial Services has been protecting its crew by providing

Personal Protective Equipment (PPE), as well as cleaning all surfaces twice with CDC-recommended disinfection products. “I’m being diligent about learning how to best protect my crew and clients,” says Charles, “and I am working toward my goal to have YMM Janitorial Services become large enough to give back to my Bayview community. I want to be able to train and hire people from my community.”

In describing the plethora of opportunities that have YMM Janitorial Services booked for the next 2.5 years, Charles chokes up with tears of gratitude for everyone who has helped to make this possible, and in recognition of all the hard work he himself put in to make this a reality.

“YMM Janitorial Services is at the point now that people in the industry know me and reach out to request our services, because they know that we do not take short cuts – I love what I do and am dedicated to delivering the best. Our experience and professional reputation speaks for itself and helps promote our services.”



Before and after of YMM graffiti removal.

Visit [YMM Janitorial Services' website](#) for more information about their construction clean-up and COVID-19 disinfection services.

UNDERSTANDING THE CONTRACTOR ACCELERATED PAYMENT PROGRAM (CAPP)

The Contractor Accelerated Payment Program (CAPP) managed by Merriwether & Williams in cooperation with and on behalf of the City of San Francisco, is a contract-based loan program for Local Business Enterprises (LBEs). The program is organized around the principal of “Capacity Building” for small construction contractors to address whatever is needed to bring their firm to the next level of operational, financial, or organizational maturity so that they may more effectively advance their mission, vision, and core values into the future. The CAPP in conjunction with the Contractor Development Program (CDP) is not a one-time effort to improve an LBEs short term cash flow and effectiveness in completing a construction contract, but rather a continuous improvement strategy toward a sustainable and effective company.

LBEs enrolled in the CDP/CAPP are assessed for their initial capacity in the following areas:

1. Background and organizational strength
2. Understanding of contract terms, conditions and scope
3. Financial reporting and knowledge thereof
4. Project estimating and scheduling
5. Ability to project cash flow

LBEs are then assessed for their ability to:

1. Prepare contract payment applications
2. Maintain daily Field Activity Reports
3. Keep Job Cost Reports
4. Prepare and document Change Orders when needed.

Once the LBE can demonstrate sufficient preparedness in all areas of business acumen listed above, they are prequalified for participation in the CAPP. All of this can take place in a matter of weeks, not months.

CDP/CAPP End Game: Positive Economic Impact

Documented (tracked) achievement of the following is fundamental to the CDP/CAPP:

1. Attainment of public policy and/or goals for outreach and inclusion
2. Capacity building and workforce development, as documented by #3 and #4
3. Full-time employment in targeted new market economic development zones
4. Surrounding community economic impact



*John Miller, Project Manager,
Contractor Accelerated
Payment Program (CAPP)*

For more information about the Contractor Accelerated Payment Program (CAPP), please contact the San Francisco Contractor Development Program (CDP) at cdp@imwis.com or 415.986.3999

STREAMLINE DRYWALL, INC



Streamline Drywall crew working on San Francisco International Airport's (SFO's) C3C Project.

BRINGING MINDFULNESS, INCLUSIVITY AND PROACTIVE SOLUTIONS TO CONSTRUCTION

Raised in the trades, Streamline Drywall, Inc. owner Triston Dion recalls helping his dad “scrap out” houses at age eight, being excited about learning to use his “mind to create” and his “hands to build,” as well as what he gleaned from watching his father work in the drywall industry. “Throughout my childhood, I observed my pops making enough money to support our family while for the most part having a good time doing so.”

In addition to all the hands-on experience accumulated while growing up and after high school, Tristan enrolled in a Carpenter/Drywall Apprenticeship Program, attending quarterly training classes in Hayward and Mare Island, which provided him with lasting and valuable skills. He

spent over 15 years working for other drywall and construction companies, which honed his skills as an estimator and project manager on many multi-million-dollar contracts. Triston got his contractor’s license and founded his own drywall company, Streamline Drywall, Inc., in 2015. “I had been making a good living in the industry, but I had to take a leap of faith to build a company based on my own core principles and values. I started by boot-strapping smaller-scale jobs, slowly building up a residential portfolio before pursuing the union market I was trained in.”

In 2017, as Triston moved Streamline Drywall in the direction of commercial projects, he started researching the City of San Francisco’s 14B Local

CONTRACTOR SUCCESS STORIES: STREAMLINE DRYWALL, INC

Business Enterprise Ordinance, which was put in place to promote greater inclusion of local, small and underrepresented businesses in City contracts. "I gained a deep appreciation for the LBE programs and the courageous individuals who've put great energy and effort into trying to level the industry's playing field."

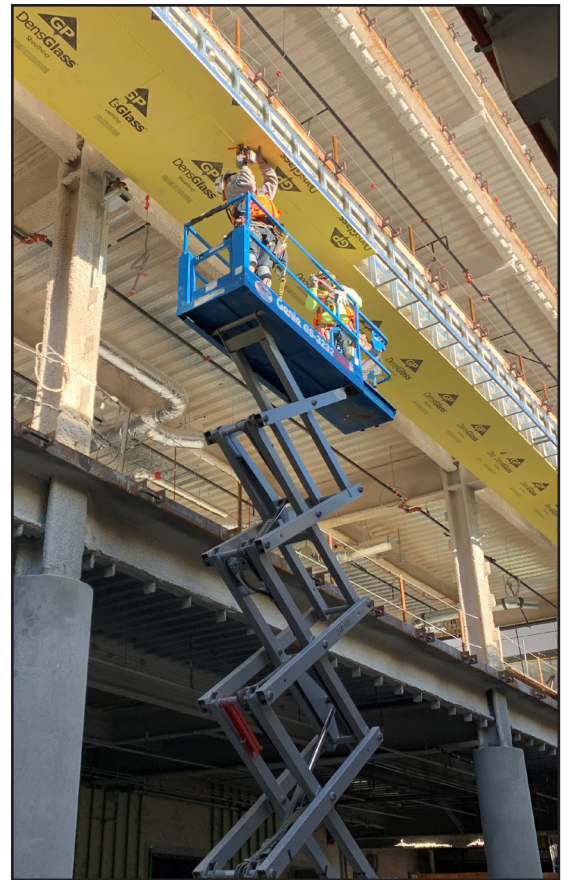
Once he learned about the City and County of San Francisco's Contractor Development Program (CDP), Triston reached out to the Program administrator, Merriwether & Williams Insurance Services (MWIS). "I contacted the CDP in hopes of receiving some support and guidance on the best steps to success," he shares, "and staff members Jennifer Elmore, Bernida Reagan and Jamal Oakley and others have been excellent resources and extremely supportive ever since. The CDP staff are genuine, transparent and caring."

By enrolling in the free program, Triston was able to get an individualized assessment of his company's strengths and areas for improvement, as well as guidance in gaining vital business-related technical and financial skills, understanding the City's guidelines and requirements for public works projects, and qualifying for Contractor Accelerated Payment Program (CAPP) funding. A contract-based loan program for Local Business Enterprises (LBEs), CAPP helps ensure that small construction contractors have the funding needed to grow their capacity in order to take on public works projects. "Because of our involvement in the CDP and CAPP, we now have a much better comprehension of contract procedures, including terms to be aware of, better familiarity with the multiple City programs, and a greater awareness about cash flow projections, mark-ups versus margins, and financing options available. Their instruction and guidance, along with that of our mentor, Victor R. Ortiz (a Lean Construction Institute Founding Member), has been nothing short of heaven-sent."

A commitment to excellence and proactive approach to finding solutions have been hallmarks of Streamline Drywall's success. The company's professional portfolio includes client testimonials praising Triston's estimating skills, the quality of their work, and how efficiently and quickly their team is able to adapt to multiple change requests during complex, large-scale projects. Streamline Drywall, Inc. offers everything from light-gauge metal stud framing and gypsum board to finish systems and exterior sheathing.



Triston Dion, CEO, Streamline Drywall, Inc.



SFO C3C International Airport project. Metal stud framing and gypsum board installation with Hensel Phelps and NGI.

Another aspect that sets Streamline Drywall apart from competitors is Triston's compassion for others facing life challenges and his passion for integrating mindfulness and wellness principles into everything his company does. After developing a program to help keep himself and his own employees happy and healthy, Triston worked collaboratively to create Streamline's "Rise" Wellness Training Program. The Rise program offers online instruction through guided lessons, videos, coaching and mentoring, with the specific goal of teaching and supporting at-risk youth, young adults and the broader community to adopt healthy physical, mental and professional habits while introducing them to the construction industry as a career option.

Streamline Drywall's continued professional accolades serve as a testament to the effectiveness of their innovative approach. As Triston explains, "Mindfulness and wellness is smart business. If you are running your company from an unhealthy, unbalanced and fear-based position, it leads to a toxic work environment with low employee morale, subpar performance and high turnover. However, if you provide a solid foundation that nourishes your team's well-being and improves their lives, this will in turn support and strengthen your company's stability, performance, well-being and long-term success." Rather than being stymied by the COVID-19 pandemic, Streamline Drywall's team have been applying their principles to fine-tune their ability to adapt to changing and challenging circumstances, both professionally and personally.

Having recently been awarded a significant contract with Nevell Group, Inc. and Hensel Phelps to help build out San Francisco International Airport's (SFO'S) Courtyard 3 Connector (C3C), Triston and his team are "excited to play a role in the transformation of an iconic project." They are particularly happy to participate in a grand vision for the future through SFO's 'Principles of R.E.A.C.H.' (Revenue Enhancement and Customer Hospitality).

For Triston, these opportunities represent the coming to fruition of his belief in, patience with and dedication to the process of building a transparent, ethical and holistic business model. "I truly believe that there are infinite opportunities within our industry. Our determined work ethic and experience in the drywall industry has kept our fire lit, and in the face of many hurdles we found ways to adapt and overcome. Key factors were trusting the process with patience and a positive outlook, realizing that our purpose was much larger than any challenges along the journey, and knowing that our success would ultimately allow us to help elevate others and pass our knowledge and training forward to future generations."

The combination of Streamline Drywall's long-term experience in the construction industry, high level of professionalism, and clarity of vision, mission and purpose have positioned the company for the kind of success that will have positive ripple effects within the Bay Area community. Triston and his team are already leveraging their existing platform to help guide others from the bitter dead-ends of disenfranchisement to the joys of personal and professional mindfulness, empowerment and well-being. Says Triston, "We've built our dreams into reality with faith that God is with us, in us and in all that we imagine and do. We work hard at gaining control of our thoughts, embodying gratitude in the present moment while working hard daily at doing our best to serve, delivering excellence, creating exponential value for our business partners and co-writing a story of success."

For more information, [visit Streamline Drywall's website](#) and their Rise Wellness Training Program page.

[Click here](#) to view an introductory video by CEO Tristan Dion.

PAYCHECK PROTECTION PROGRAM (PPP 2.0)

The economic fallout from COVID-19 has continued to wreak havoc with hundreds of thousands of small businesses shuttering their businesses. After months of Congressional wrangling, the recently passed 2021 Consolidated Appropriations Act provides \$284 Billion additional funding to support new Paycheck Protection Program (PPP) forgivable loans.

The new funding will allow small businesses that sustained significant revenue reductions in 2020 to apply for a second PPP loan. Additionally, first loans will be available to small businesses meeting the expanded qualifying criteria. The loan application window closes March 31, 2021. Small businesses that move quickly will be served first.

What are criteria and provisions for second-time borrowers?

Businesses that qualify for a PPP “Second Draw” loan can have no more than 300 employees, must show a 25% year over year decline in quarterly gross revenue in any of the four quarters of 2020, and have used 100% of their first PPP loan. Businesses, certain non-profit organizations, self-employed workers and independent contractors will qualify for second-draw loans.

If your business started in 2019, you’ll have to limit your year over year revenue decline analysis to just the full quarters your business existed during 2019. If your business was formed in 2020, you’ll have to compare Q2, Q3, and Q4 against 2020 Q1.

Second Draw loan amounts will be capped at \$2Million. Small businesses assigned to the industry NAICS code 72 (Accommodation and Food Services) will receive PPP second draw loans equal to 3.5X average monthly payroll costs to help these businesses combat onerous state and local restrictions.

Borrowers should be aware it is unclear whether or not the necessity requirement will be modified with the Second Draw Loans. The first PPP loans required all borrowers to certify that the “current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant” as of the date on which the PPP loan application was submitted. We expect to see specific guidance on the certifications required in the coming weeks.



What's different for first-time borrowers?

Most of the criteria and calculations for the original PPP program remain in place, e.g., must have fewer than 500 employees, loan is based on 2.5 months of payroll and benefits, loans are eligible for 100% forgiveness, loan cap is \$10Million. There are, however, many improvements for both First Draw and Second Draw borrowers.

What improvements are included in PPP 2.0?

As part of the new Act, all expenses used to qualify for forgiveness for PPP loans will be tax-deductible. Earlier, it was clear loan forgiveness was deemed to be non-taxable income, but now the expense deductibility makes the PPP loans fully tax-free. This also applies to the first round of PPP loans.

- PPP borrowers' are eligible for full forgiveness during a "Covered Period" of their choosing between 8 and 24 weeks. ***With up to a 24 week covered period, most borrowers will be able to qualify for full forgiveness based on payroll costs alone.***
- PPP borrowers borrowing less than \$150,000 will have streamlined loan forgiveness applications – forgiveness applications will be one page, with self-certifications (of need), with figures showing headcount retained, amount of loan spent on payroll costs and the total loan amount. More than 85% of the first round of PPP loans were under \$150,000.
- Loan amounts will again be based on 2.5 months of payroll and benefits expenses, but the borrower will be able to rely on 2019 payroll records or payroll records for the 12 months preceding the loan application as the basis for the loan calculation. As mentioned above, accommodation and food service businesses will be eligible for loans based on 3.5 months of payroll and benefits expenses.
- PPP allowable and forgivable expenses expand to include supplier costs on existing contracts and purchase orders, including the cost for perishable goods at any time, costs relating to worker protective equipment and adaptive costs, and technology operations expenditures. Our analysis and experience suggests, however, that most companies will qualify for full forgiveness based on payroll expenses alone.

HOW CAN WE HELP?

SCFOs (Strategic CFOs) became PPP subject matter experts in April 2020. Our group has worked to support clients in their efforts to secure these loans and have them forgiven. We have helped dozens of companies with their PPP loan and loan forgiveness applications. Reach out to get you and your company well positioned for PPP 2.0. Email contact@Strategic-CFOs.com or contact us at (925) 406-4680 for additional guidance.



R&I GLASSWORKS



AGA restroom mirrors installed by R&I Glassworks

TEAMWORK, QUALITY GLAZING AND SUSTAINABLE GROWTH

Husband and wife Raymond (Ray) and Irma Horne are the powerhouse owners of R&I Glassworks, Inc. With an innate work ethic and many years of experience in the field, Ray provides his skill and quality workmanship to all projects, while Irma – who has three degrees – is the backbone of the company, keeping everything running smoothly.

Ray grew up in a military family, living in many different places including Germany, San Francisco and Los Angeles. Into his thirties, Ray worked on and off in construction, then as a janitor, at UPS and even printing money for the Mint. In his mid-thirties, Ray was working as a laborer in a Southern California construction company

when the owner recognized his talent and hard work and – hearing that Ray was planning to move to Oakland – offered him work as a glazier's apprentice on a company project in San Francisco. The higher union wages appealed to Ray and by this point, he was married to Irma and ready to settle down in his career, which helped him stick out an apprenticeship where he was clearly at the bottom of a rigid pecking order.

When, after completing his apprenticeship, Ray continued to experience recurring discrimination, he eventually decided to go into business for himself. "Working in the construction field has some inherent insecurity built into it because there is no guarantee of additional work once

the project you're working on is completed," explains Ray, "So it can get very cut-throat and competitive, which is what prompted me to go work for myself instead." He went online to learn the requirements for obtaining his glazer's license and took the initiative to do so. "I got my license in 2012," he recalls, "but I carried it around in my wallet for a couple of years before deciding to put it to use." After an attorney friend put him in touch with the Contractors Assistance Center who in turn put him in touch with Renaissance Entrepreneurship Center in San Francisco (which provides a variety of no-cost and low-cost small business support services), Ray went on to get his business license and six months later, got certified as a Local Business Enterprise (LBE). It was at a prime outreach meeting that Ray connected with Merriwether & Williams Insurance Services staff and learned about The City and County of San Francisco's Contractor Development Program (CDP), which provided him with individualized technical support and helped R&I Glassworks secure the bonding necessary to pursue public works projects. Since then, they've also become certified as a Minority-Owned Local Business Enterprise (MLBE), a Disadvantaged Business Enterprise (DBE), a Small Business (SB) and are Department of Industrial Relations (DIR)-certified for payroll.

Once Ray and Irma got connected with local small business and contractor resources and started building relationships, their efforts really began to pan out, as the guidance they received helped them navigate through a number of potentially insurmountable barriers. "The biggest challenge for us was starting a business with no capital," notes Ray, "Business is capital-intensive. As an employee, you just know that Friday is payday, but as a business owner, you work projects for months without being paid and during that time, you have to pay for materials and supplies, union dues, taxes, insurance, workman's comp and your employees. So you have to learn to manage cash

flow and accurately bid your jobs so that you make a profit, otherwise you won't be able to stay in business. R & I Glassworks has been in business for five years now, and I just started paying myself this year."

Another process which Ray and Irma emphasize is critical for all small business owners is creating a support team to provide expertise in specific areas, such as understanding contract terms. As Ray shares, "Have a good attorney on retainer to avoid getting exploited. We've had one for the past four years and have a great relationship with our attorney, who reads through our contracts,



Mel-Leong Skylite

explaining terms and making us aware of potential pitfalls. Some general contractors will try to lowball you because they know you're a small contractor. If you are so excited to be offered a contract that you don't carefully read through all the terms to be able to renegotiate them if needed, you can end up being taken advantage of and losing a lot of money. You need to have people looking out for your interests."



Glass install on Mel-Leong Store Front

R&I Glassworks was contracted to install mirrors in the Harvey Milk Terminal at San Francisco International Airport and is currently working on a project at Ocean Beach and one in downtown San Francisco. In order to take on a significantly larger project at 9th & Howard Street in San Francisco, R&I Glassworks recently enrolled in the Contractors Accelerated Payment Program (CAPP), administered by Merriwether & Williams Insurance Services as part of the City and County of San Francisco's Contractor Development Program (CDP). The CAPP provides qualified LBEs with accelerated payments on construction projects awarded to them by the City of San Francisco, thereby providing a working capital facility. The CAPP provided R&I Glassworks with

funds to purchase the materials needed to begin the project and will help ensure that they have sufficient cash flow to successfully complete the project. "The benefit of having CAPP funding is that it allows our company to focus on our payroll without stressing because it frees up working capital. Additionally, because of our participation in the Program, we've learned to be transparent about our company finances, which is important when applying for business loans," says Ray, "CDP staff Jennifer Elmore and Carol Henry, Jamal, CAPP Manager John Miller, and Ingrid Merriwether [President and CEO of Merriwether & Williams Insurance Services] are the best – they've provided us with professional guidance, business consulting and encouragement every step of the way."

Being married for 20 years, starting their business together (Ray notes that the “R&I” in R&I Glassworks stands for “Ray and Irma”), and remaining successful business partners, Ray and Irma clearly have each other’s backs, work well together and are willing to put in the time and effort to overcome challenges. They have incorporated their core values into their lives and work – including being honest, reliable and treating others with the same kindness and respect with which they like to be treated. R&I Glassworks is proud to be a union-operated business, offering living wages to their employees, following health and safety guidelines (including quickly adopting COVID-19 preventative measures), and showing appreciation for their team and support network. They are also committed to sustainable business growth. “There can be a lot of pressure on businesses to grow as fast as they can,” reflects Ray, “but if you take on too much too fast, that can become a hamster wheel. So we’re happy to pace ourselves.”



Raymond and Irma Horne, owners of R&I Glassworks, Inc.

For more information about R&I Glassworks, [visit their website](#).

For more information about the Contractor Development Program and the Contractor Accelerated Payment Program, email cdp@imwis.com, call 415.986.3999 or [visit the Merriwether & Williams website](#).

CELEBRATING 20 YEARS OF SUCCESS: AJS PAINTING, DECORATING & WATERPROOFING



Exterior painting of Central Warehouse completed by AJS Painting, Decorating & Waterproofing.

Alphonso Rhodes began his career in the painting trade back in the 1980's. He worked for several years on other contractors' projects, then for 10 years as a General Foreman for the City of San Francisco Housing Authority, where he managed painting projects throughout the City. In 2001, when the City was downsizing and wanted to transfer him to another department, Alphonso instead decided to get his contractor license and start his own business, AJS Painting & Decorating.

A proud member of the Painters and Drywall Finishers Local Union No. 913 since 1984, Alphonso is also an active mentor and advocate within the Hunters Point and San Francisco contracting communities. He believes that the trades offer an important path to a fulfilling and financially viable career. "I know it for a fact because that has been my own experience," he shares, "I grew up in the projects and had to work to survive. I used to drink and party too much, but

learning a trade taught me to have pride in what I do and then going into business for myself made me step up even more, both personally and professionally. Everyone in the community knows the story of how I came up."

Alphonso has been working with the City and County of San Francisco's Contractor Development Program (CDP) since 2012, when the CDP first helped his company get bonded. In the 9 years since, AJS Painting & Decorating has gone from being awarded \$300,000 contracts to successfully completing multiple simultaneous contracts worth over \$1 Million each.

While becoming a prime contractor opened new opportunities, Alphonso's ongoing commitment to expanding his team's skills has also led to the company being able to provide fireproofing and waterproofing services, in addition to painting, wallcoverings and interior decorating. His team

has grown from a two-person crew to ten full-time employees, many of whom have been with the company for years.

Alphonso's definition of success has always included giving back by providing training, employment and professional guidance within his community. "Success is helping others advance along with me. I pay attention to what is going on around me and I mentor a lot of people. Other kids growing up in the ghetto need to know that working together, they can accomplish great things. That's why I also mentor my employees so that if they choose to do so, they can make it on their own. This business is bigger than me – I have real people depending on me."



All interior painting of Central Warehouse completed by AJS Painting, Decorating & Waterproofing.

After initially spending time mastering the growing company's business management and financial record-keeping, Alphonso was delighted to be able to focus extra time in the field again. Seeing his father's long-term success inspired Alphonso's son to get into the business as well and he is currently working on a renovation of the City of San Francisco's Crime Lab. "This project really shows the quality of our work," notes Alphonso, "My son is knocking it out and it looks so good. I joke that we're trying to get into the 'Hall of Paint' instead of the 'Hall of Fame.'" Having a professional and enthusiastic attitude, being reliable, and paying close attention to quality and detail has garnered his company a lot of respect in the field, as well as repeat business. "My crew members care – they take their family to see many of the finished jobs because they feel so good about their work."

Some of the other aspects of running a business which Alphonso has mastered include staying one step ahead of his competition and effectively marketing his company. "From San Francisco to Oakland, I know every other small and large company in my trade. I know what they can and cannot do and I have made sure that my company stands out based on our services, capacity, quality of workmanship and



The employees of AJS Painting, Decorating & Waterproofing.

CONTRACTOR SUCCESS STORIES: AJS PAINTING, DECORATING & WATERPROOFING

reliability. I have built relationships with my clients that are based on trust. I also make sure that my company is visible in the community – I provide my crew with company shirts, hats and blazers and have the company logo on all our vehicles. My employees go out in the field with the understanding that they are responsible for representing the company well.” As the company owner, Alphonso has the same expectations of himself as he does of his team. “I consider myself an employee of the company and I am so happy to work for this company. So, I get up in the morning and give it my all every day.”

When the pandemic hit, Alphonso quickly created a COVID-19 safety plan for his crew and kept his company moving forward with the 7 months of contracted projects they already had. New projects have continued to come in since. “The bigger firms with 150 or more employees have had a harder time adjusting and have been more impacted by the pandemic,” he explains, “I was able to quickly train my entire crew on the new safety measures. Having a smaller, experienced crew of local employees gives

me more flexibility while still providing plenty of team members to complete large-scale projects.”

Recently, in celebration of the company’s 20th year in business, Alphonso surprised the CDP staff by posting a thank-you message on a commercial billboard near the Bay Bridge toll plaza heading from Oakland to San Francisco. “I couldn’t have made it this far without the help of Merriwether & Williams Insurance Services and the City of San Francisco’s Contractor Development Program.”

Alphonso’s appreciation and gratitude for his own success, his dedication to his trade, and his eagerness to help others succeed has made him a role model for many, including other business owners. “I’m so excited to have been working for myself for 20 years. You’ve got to get out there and make things happen! My son tells me, ‘Dad, whatever you’re doing, just keep doing it, because it works.’ I’m very energized – I feel like I just started because I am still hungry for the next opportunity.”



To learn more about AJS Painting, Decorating & Waterproofing [visit the company website](#).

Alphonso Rhodes, billboard message to CDP staff

BAY AREA COVID-19 RESOURCES

SF Relief for Small Business: Loans and grants
[Visit website >](#)

The Community First Bill Relief Program: May help you lower your monthly utility bills by up to 20% for the next six months. [Visit website >](#)

The Community Assistance Program (CAP): Helps single-family residential customers pay their water and sewer bills, with eligible customers receiving a 15% discount on water and a 35% discount on sewer service charges. [Visit website >](#)

Additional Assistance with Utility Costs: A list of other programs that help with utility costs. [Visit website >](#)

San Francisco Office of Economic and Workforce Development: Neighborhood Access Points provide workforce services to assist jobseekers, small businesses, local organizations and employees impacted by COVID-19. Information on grants, loans and relief programs. For example, you can view a list of Financial and other Resources available for Small Business Owners. [Visit website >](#)

Job Training and Mentorships: CityBuild offers construction industry training and employment networking services. Sign up for the Construction Training Program or Women's Mentorship Program. [Visit website >](#)

SFPUC Contractors Assistance: The Contractors Assistance Center (The Center) is a free resource for professional service firms, construction companies, vendors, and suppliers to help establish or grow their business. [Visit website >](#)

Community Services: Rental assistance, legal help, and other resources. [Visit website >](#)

San Francisco Human Services Agency - HSA Essential Services & Contacts: Quick links to critical HSA services including CalFresh, CalWORKs, and Medi-Cal. [Visit website >](#)

LGBTQ Resources: [Visit website >](#)

Community Health Resource Center: [Visit website >](#)

Emergency Child Care for Essential Workers: [Visit website >](#)

Support for families of children with disabilities: [Visit website >](#)

Bay Area Food Banks compiled list: [Visit website >](#)

San Francisco – Marin Food Bank and Pop Up Pantries: [Visit website >](#)

Healthy foods during COVID: [Visit website >](#)

Free and Affordable Food through CCSF and affiliates: [Visit website >](#)

SF GOV Official COVID-19 Information Page: Official source from City of San Francisco for information on COVID-19 and official responses and resources from city departments. [Visit website >](#)

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Vintage postcard of San Francisco Conservatory of Flowers, Public Domain