

# **CPCFA WEBINAR**

**July 14, 2016**

## **CALIFORNIA AMERICANS WITH DISABILITIES ACT SMALL BUSINESS CAPITAL ACCESS LOAN PROGRAM: PROPOSED REGULATIONS WEBINAR**

>> HELLO. I'M JANA E DAVIS. I WOULD LIKE TO WELCOME YOU TODAY TO OUR PUBLIC WORKSHOP FOR THE CALIFORNIA AMERICANS WITH DISABILITIES ACT FINANCING PROGRAM. WE ARE GOING TO BE LOOKING AT PROPOSALS TODAY.

YOU WILL ALL BE ON MUTE. IF YOU HAVE QUESTIONS, YOU CAN SEND IN YOUR QUESTIONS OR COMMENTS AS WE ARE GOING THROUGH THE WEBINAR. WE DO HAVE TIME AT THE END OF THE WEBINAR TO TAKE THOSE QUESTIONS. IF THERE'S SOMETHING TECHNOLOGICAL -- YOU ARE NOT GETTING SOMETHING IN THIS WEBINAR-- SEND AN E-MAIL OR TEXT IN

THE BOX FOR COMMENTS, AND WE WILL ANSWER THOSE QUESTIONS AS WE CAN AS WELL.

WITH ME IS BIANCA SMITH AND JASON BRADLEY. THEY ARE BOTH WORKING ON DEVELOPING THIS PROGRAM. WE WOULD LIKE TO INTRODUCE YOU TO PUBLIC ACCESSIBILITY AND COMPLYING WITH THE AMERICANS WITH DISABILITIES ACT TODAY.

OUR FOCUS IS ON THE PROPOSED REGULATIONS THAT WE PLAN TO TAKE TO OUR BOARD NEXT MONTH IN PREPARATION FOR FILING WITH THE OFFICE OF ADMINISTRATIVE LAW. HOPEFULLY, THE PROGRAM WILL BE UP AND RUNNING IN EARLY SEPTEMBER.

IN DEVELOPING THIS PROGRAM, WE HAVE COLLABORATED WITH THE CALIFORNIA COMMISSION ON DISABILITY ACCESS, THE DIVISION OF THE STATE ARCHITECT, THE DEPARTMENT OF REHABILITATION, AND SMALL BUSINESS ORGANIZATIONS AND STAKEHOLDERS TO DEVELOP THIS PROGRAM.

WE WILL BE JOINED BY ANGELA JEMMOTT AND IDA CLAIR WITH THE DIVISION OF STATE ARCHITECTS WHO WILL PROVIDE INFORMATION ON THE ROLE OF THE CERTIFIED ACCESS SPECIALISTS (CASPs) IN CALIFORNIA.

WE HAVE A ROBUST AGENDA TODAY AND HAVE PLANNED THIS PRESENTATION TO RUN ABOUT AN HOUR -- OR A LITTLE MORE -- DEPENDING ON YOUR QUESTIONS OR COMMENTS AT THE END OF THE PROGRAM.

IN OUR PRESENTATION, WE WILL COVER THE HISTORY OF CPCFA, HOW OUR SMALL BUSINESS PROGRAMS WORK UNDER CALCAP, AND WHAT JIMMY GOMEZ HOPES TO ACCOMPLISH. I'LL TALK ABOUT WHAT BUSINESSES AND TYPES OF PROPERTY IMPROVEMENTS ARE ELIGIBLE TO PARTICIPATE IN THE CAL CAP ADA PROGRAM.

BIANCA WILL IDENTIFY WHO WILL BE INCLUDED IN THE BUYER AND REGISTRATION REQUIREMENTS FOR THIS PROGRAM. SHE WILL TALK

ABOUT WHY ADA COMPLIANCE IS SMART BUSINESS. ANGELA WILL DISCUSS THE CALIFORNIA COMMISSION ON DISABILITY ACCESS'S STATISTICS AND TELL US ABOUT ACCESS VIOLATIONS IN CALIFORNIA.

THEN, IDA WILL HELP DESCRIBE THE ROLE OF THE STATE'S SPECIALISTS AND SHARE RESOURCES THAT SMALL BUSINESSES WILL FIND HELPFUL IN HIRING CASPS.

I WILL BRIEF ON THE TIMELINE AND THE NEXT STEPS FOR THE PROGRAM DEVELOPMENT-- OUTREACH AND IMPLEMENTATION. WE HAVE PROVIDED TIME FOR YOU TO ASK QUESTIONS AND COMMENTS. WE ENCOURAGE YOU TO SHARE THE PROPOSED REGULATIONS WITH OTHER INTERESTED PARTIES, AND WE WILL BE AVAILABLE TO ADDRESS ANY QUESTIONS OR COMMENTS THAT COME UP AFTER TODAY'S WORKSHOP. YOU CAN ALSO E-MAIL OUR CALCAP INBOX, WHICH I WILL PROVIDE TO YOU AT THE END OF THE INFORMATION.

HERE'S SOME INFORMATION ABOUT THE CPCFA AND WHY WE ARE RUNNING THIS PROGRAM. CPCFA WAS FOUNDED IN 1973 TO SERVE AS A BOND ISSUER FOR PRIVATE POLLUTION CONTROL FACILITIES SERVING FOR PUBLIC BENEFIT, FOR RECYCLING, WASTE WATER TREATMENT ET CETERA THAT HAVE PUBLIC BENEFIT.

IN THE 1990S, THE LEGISLATURE CREATED A GRANT AND LOANS PROGRAM TO REMEDIATE UNDER-USED PROPERTY DEPENDING ON AVAILABLE FUNDING TO US. IN 1994, THE AUTHORITY WAS EXPANDED TO CREATE AND IMPLEMENT THE CALIFORNIA CAPITAL ACCESS PROGRAM TO OFFER CREDIT ENHANCEMENTS TO INCENTIVIZE BANKS.

WE HAVE OFFERED THE SMALL BUSINESS PROGRAM SINCE 1994, AND WE ALSO OFFER SPECIAL PROGRAMS TARGETED TO BENEFIT SMALL BUSINESS OWNERS SUCH AS OWNERS OF HEAVY-DUTY DIESEL TRUCKS TO UPGRADE THEIR TRACTORS TO NEWER, CLEANER-BURNING MODELS.

WE OFFER PROGRAMS TO SUPPORT SMALL BUSINESSES THAT WANT TO INSTALL ELECTRIC VEHICLE CHARGING STATIONS.

UP TO THE END OF 2015, CPCFA HAS ENROLLED 23,000 LOANS INCENTIVIZING \$2.2 BILLION OF INVESTMENT OF PRIVATE CAPITAL IN CALIFORNIA SMALL BUSINESSES.

NEXT, I'M GOING TO TALK ABOUT WHAT AB 1230 AUTHORIZES.

SO WHAT DOES THIS LEGISLATION AUTHORIZE? ASSEMBLY MEMBER JIMMY GOMEZ ASKED US IF WE CAN CREATE A LOAN PROGRAM SPECIFICALLY FOR SMALL BUSINESSES WHICH CAN INCREASE THE PHYSICAL ACCESS FOR DISABLED PEOPLE. BY CARRYING OUT TENANT IMPROVEMENTS, THEY CAN AVOID PLAINTIFFS AND HIGH-FREQUENCY LITIGANTS.

ASSEMBLY BILL 1230 WAS PASSED AND SIGNED IN 2015. IT PROVIDED CPCFA A ONE-TIME \$10 MILLION APPROPRIATION TO CREATE THE CALCAP/ADA PROGRAM.

THE STATUTE DIRECTS CPCFA TO CONDUCT RULE-MAKING TO ESTABLISH SPECIFIC PROGRAM RULES AND PROCEDURES, WHICH IS WHY WE'RE HERE TODAY-- TO PRESENT THOSE PROPOSED REGULATIONS.

THE STATUTE ALSO DIRECTS CPCFA TO CREATE A SUSTAINABLE EVERGREEN PROGRAM. WE INTEND TO RECAPTURE UNCLAIMED FUNDING FROM LOAN LOSS RESERVE FUNDS TO SUPPORT FUTURE LOANS AFTER THE INITIAL \$10 MILLION HAS BEEN EXPENDED.

BASED ON THE ORIGINAL CALCAP PROGRAM, THE CALCAP ADA PROGRAM INCLUDES SPECIFIC ROLES INCLUDING THE AUTHOR'S INTENTIONS TO INCLUDE RETROFITS TO COMPLY WITH THE ADA AND TO DIRECT THIS PROGRAM TO THE SMALLEST BUSINESSES WHO SHOULDER A DISPROPORTIONATE SHARE OF THE BURDEN OF THE LITIGATION OF THE ADA.

NEXT, WE ARE GOING TO TALK ABOUT WHAT IS ELIGIBLE AND WHO IS ELIGIBLE FOR THIS PROGRAM.

LOAN PROCEEDS CAN BE USED FOR THE RETROFITS OF AN EXISTING FACILITY TO ENSURE THAT IT IS IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT. IT IS AIMED AT CALIFORNIA'S SMALLEST BUSINESSES.

IMAGINE A MOM-AND-POP-TYPE RESTAURANT AND SHOP. TO BE ELIGIBLE, THE SMALL BUSINESS MUST HAVE NO MORE THAN 15 FULL-TIME EMPLOYEES. THE FACILITY MUST BE LESS THAN 10,000 SQUARE FEET, AND THE BUSINESSES MUST HAVE TOTAL GROSS ANNUAL INCOME OF \$1 MILLION OR LESS.

IN ADDITION, SMALL BUSINESSES CANNOT PROVIDE OVERNIGHT ACCOMMODATIONS, SO HOTELS AND MOTELS ARE NOT ELIGIBLE FOR THIS PROGRAM. THE PROGRAM DOES INSTITUTE A \$50,000 LIMIT FOR EACH ENROLLED LOAN.

WE'VE TALKED A LITTLE BIT ABOUT HOW LOAN PROCEEDS CAN BE USED FOR THE PHYSICAL ALTERATIONS OR RETROFITS OF EXISTING

BUILDINGS. THERE ARE COSTS THAT ARE ELIGIBLE TO BE COVERED BY THIS PROGRAM. PURCHASE OF REAL OR PERSONAL PROPERTY. IF, FOR SOME REASON, IT IS PART OF THE CONSTRUCTION, YOU NEED A BUSINESS THAT HAS TO PUT IN A NEW SINK OR A LAVATORY OR SOMETHING LIKE THAT, THAT COULD BE INCLUDED IN THERE.

THE PARTS OF MACHINERY OR EQUIPMENT. FOR EXAMPLE, IF A DOOR HAD TO HAVE THE AUTOMATIC OPENING BUTTON PUT IN, THAT COULD BE INCLUDED IN THERE. RESERVES OF PRINCIPAL AND INTEREST CAN BE INCLUDED AND THE PRICE OF ENGINEERING, FINANCIAL AND LEGAL SERVICES RELATED TO THE ACTUAL WORK THAT'S GOING TO BE DONE. THAT WOULD NOT BE A LITIGATION COST. THOSE KINDS OF COSTS THAT WOULD BE RELATED TO THE ACTUAL IMPROVEMENT AS WELL AS PLANS, SPECIFICATIONS, AND ADMINISTRATIVE EXPENSES ARE ELIGIBLE COSTS. IF YOU NEEDED TO GET A PERMIT, THOSE COSTS COULD BE INCLUDED IN THERE, AS WELL.

BECAUSE THE LOAN COVERAGE IS LIMITED TO ADA ALTERATIONS AND RETROFITS, CPCFA WILL UTILIZE THE CERTIFIED ACCESS SPECIALIST INSPECTION REPORT AS A QUICK AND EASY WAY FOR THE PROGRAM TO DETERMINE ELIGIBLE COSTS. IDA WILL TALK ABOUT THE CASP INSPECTION IN A LITTLE BIT MORE DETAIL LATER, BUT I WANT TO TALK ABOUT THE ROLE IN OUR PROGRAM.

NOW, THE COST OF THE INSPECTION REPORT IS AN ELIGIBLE COST AND CAN BE FINANCED INTO THE LOAN. IN ORDER FOR CPCFA TO ENROLL THE LOAN, THE ALTERATIONS NEED TO HELP THE SMALL BUSINESS BE IN COMPLIANCE WITH THE ADA. COST ESTIMATES WILL BE COMPARED TO THE DEFICIENCIES IDENTIFIED IN THE CASP INSPECTION REPORT. KEEP IN MIND THAT THE TOTAL LOAN CAN EXCEED THE COST OF ITEMS IDENTIFIED IN THE CASP REPORT; HOWEVER, THE PORTION OF THE LOAN ENROLLED IN CALCAP MUST BE RELATED TO THE DEFICIENCIES IDENTIFIED IN THE

REPORT. THE CALCAP/ADA LOAN NEED NOT COVER THE ENTIRE LIST OF CASP REPORT DEFICIENCIES.

SO HOW WILL THE PROGRAM WORK? IT OFFERS SMALL BUSINESS LOAN INCENTIVES AS A SIMPLE ALTERNATIVE TO GOVERNMENT LENDING PROGRAMS. A SMALL BUSINESS OBTAINS A CASP REPORT AND A COST ESTIMATE FOR THE RETROFITS AND ALTERATIONS NEEDED TO HELP THE BUSINESS BECOME ADA COMPLIANT. THEN, THEY WILL APPLY FOR A LOAN FROM A PARTICIPATING COMMERCIAL LENDER OR COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.

IF THE BUSINESS HAS A LENDER THAT IT GENERALLY WORKS WITH THAT IS NOT ENROLLED IN OUR PROGRAM, IT IS EASY FOR THE LENDER TO DO, AND THE BUSINESS CAN FORWARD OUR STAFF THEIR CONTACT INFORMATION IN ORDER TO CONTACT THE LENDER TO MAKE THAT HAPPEN. ONCE THE BUSINESS HAS APPLIED FOR THE LOAN, THE LENDER WILL DO THE CREDIT APPROVAL WHICH, IN THE INTEREST OF THE

PROGRAM, WILL INCLUDE REVIEWING THE CASP INSPECTION REPORT AND OFFERING THE SMALL BUSINESS LOAN.

IF THE BORROWER AND LENDER DECIDE TO ENROLL THE LOAN, THE LENDER AND THE BORROWER WILL EACH PAY A SMALL FEE. THE FEE WILL THEN BE DEPOSITED INTO THE LOAN LOSS RESERVE THAT WE MAINTAIN FOR THE LENDER.

THE LENDER WILL ASK THE BORROWER TO SHOW THAT THE LOAN IS BEING USED FOR ADA PURPOSES. BIANCA WILL GO INTO MORE SPECIFIC ISSUES DURING HER PRESENTATION.

>> NEXT, I'M GOING TO GO OVER WHAT THE CONTRIBUTION RATES ARE FOR THIS PROGRAM.

IN AN EFFORT TO KEEP CALCAP'S PROGRAMS AS UNIFORM AS POSSIBLE, THESE ARE MODELED AFTER THE CALCAP FOR SMALL BUSINESS PROGRAM. THE ADA PROGRAM WILL REQUIRE THAT THE

LENDER AND BORROWER PREMIUMS BE BETWEEN 2 AND 3.5% OF THE ENROLLED LOAN AMOUNT.

CPCFA'S ADA CONTRIBUTION WILL BE 4 TIMES THE LENDER AMOUNT, WHICH WILL RANGE FROM 8 TO 14%. THE PROGRAM WILL ALSO HAVE AN ADDED INCENTIVE FOR THOSE BUSINESSES THAT ARE LOCATED IN HIGH-UNEMPLOYMENT OR SEVERELY AFFECTED COMMUNITIES, WHICH WILL BE MATCHED BETWEEN 2 TO 3.5%. THE MAXIMUM CONTRIBUTION WILL BE 21% OF EACH ENROLLED AMOUNT OR 24.5% FOR LOANS ISSUED IN SEVERELY AFFECTED COMMUNITIES.

AS I MENTIONED EARLIER, THE STATUTE DIRECTS CPCFA TO CREATE A SUSTAINABLE EVERGREEN PROGRAM, AND WE INTEND TO RECAPTURE CPCFA'S UNCLAIMED FUNDING TO BE USED TO SUPPORT LOANS AFTER THE INITIAL \$10 MILLION IS EXPENDED. THIS MEANS THAT AFTER WE RECAPTURE THE FUNDS, WE ANTICIPATE THIS WILL LEAVE 4 TO 7 ½ % IN THE LENDER'S LOAN LOSS RESERVE TO COVER FUTURE CLAIMS.

THAT IS A LOT OF INFORMATION ON THE PROGRAM. NOW, I'M GOING TO HAND IT OVER TO BIANCA WHO IS GOING TO TALK ABOUT THE SPECIFICS OF THE BORROWER AND LENDER CERTIFICATION.

>> BIANCA: THANK YOU, JANA. SHE TALKED ABOUT THE STATUTORY LIMITATIONS OF THE PROGRAM. AS PART OF THE APPLICATION PROCESS, THE LENDER WILL HAVE TO CERTIFY TO THOSE REQUIREMENTS AND PRESENT DOCUMENTATION THAT WILL SUBSTANTIATE THOSE CERTIFICATIONS.

SO TYPICALLY SPEAKING, TO PARTICIPATE IN THE PROGRAM, THE BORROWER WILL HAVE TO CERTIFY TO THE FOLLOWING: THAT IT EMPLOYS 15 OR FEWER FULL-TIME EMPLOYEES, ITS TOTAL GROSS ANNUAL INCOME IS LESS THAN \$1 MILLION, AND IT HAS OBTAINED A CASP REPORT AND COST ESTIMATE. THE BORROWER MUST ALSO CERTIFY THAT THEY WILL PROVIDE ALL APPLICABLE LICENSES OR PERMITS

NEEDED FOR CONSTRUCTION-RELATED RETROFITS AND ALTERATIONS TO THE LENDER.

AS FAR AS THE FACILITY GOES, THE BORROWER MUST ALSO CERTIFY THAT THE FACILITY IS LESS THAN 10,000 SQUARE FEET, BUT DO KEEP IN MIND THAT THE 10,000 SQUARE-FEET REQUIREMENT IS FOR THE FACILITY ONLY. THE LOAN CAN ALSO INCLUDE RETROFITS AND ALTERATIONS TO THE COMMON AREAS NECESSARY TO REDUCE BARRIERS UNDER THE ADA.

THE BORROWER IS ALSO TO CERTIFY THAT THE FACILITY DOES NOT PROVIDE ANY OVERNIGHT ACCOMMODATION AND THAT THE LOAN PROCEEDS WILL NOT BE USED FOR BUSINESS EXPANSION, SO THEY'RE STRICTLY LIMITED TO ALTERATIONS AND RETROFITS TO BECOME ADA COMPLIANT.

NEXT, THE LENDER CERTIFICATION IS VERY SIMILAR TO THE BORROWER CERTIFICATION. THE LENDER WILL HAVE TO CERTIFY TO THE FOLLOWING: THAT THE BUSINESS RECEIVING THE LOAN IS A QUALIFIED

BUSINESS AS PROVIDED BY THE STATUTE, THAT THE PROCEEDS OF THE QUALIFIED LOAN WILL BE USED FOR THE ELIGIBLE COST OF AN ELIGIBLE PROJECT, THAT THE BORROWER HAS PROVIDED A CASP REPORT AND A COST ESTIMATE, AND THAT THE BORROWER WILL PROVIDE ALL APPLICABLE LICENSES OR PERMITS FOR CONSTRUCTION-RELATED EXPENSES.

THE LENDER WILL ALSO HAVE TO CERTIFY AS TO WHETHER THE LOCATION OF THE FACILITY IS IN A SEVERELY AFFECTED COMMUNITY. THIS WRAPS UP THE PROGRAM MECHANICS PORTION OF THE PROGRAM.

I WOULD LIKE TO REMIND YOU THAT WE ARE ALSO SOLICITING YOUR FEEDBACK ON THE PROGRAM STRUCTURE AS WE HAVE NOT STARTED THE OFFICIAL RULE-MAKING PROCESS YET AND WANT TO GIVE STAKEHOLDERS THE OPPORTUNITY TO GIVE FEEDBACK BEFORE WE GO THROUGH THE FORMAL PROCESS.

NOW, I'M GOING TO TALK ABOUT CALIFORNIA'S NEED FOR THIS PROGRAM AND SOME OF THE MOST COMMON ALLEGED ADA VIOLATIONS IN CALIFORNIA.

FIRST OFF, I WOULD LIKE TO GO THROUGH SOME STATISTICS ON WHY COMPLIANCE IS SMART BUSINESS. IT IS ESTIMATED THAT 18.7% OF THE POPULATION OR 56.7 MILLION HAVE A DISABILITY OF SOME KIND-- A MOBILITY DISABILITY OR MENTAL IMPAIRMENT.

OF THAT 18.7%, 12.6% ARE SEVERE. THESE ARE THE PEOPLE THAT HAVE A MAJOR LIFE FUNCTION IMPAIRMENT SUCH AS PEOPLE IN WHEELCHAIRS.

WHAT'S REALLY SIGNIFICANT IS THAT OF THAT 18.7%, 5.2% ARE SCHOOL-AGED. THIS MEANS THAT THESE ARE CHILDREN THAT ARE GOING TO BE PATRONS AND CUSTOMERS OF BUSINESSES FOR THEIR WHOLE LIVES.

2.8 MILLION CHILDREN IN THE UNITED STATES ARE ESTIMATED TO HAVE A DISABILITY OF SOME KIND, WHICH MEANS THAT IT IS SMART BUSINESS TO BECOME ADA COMPLIANT BECAUSE ONCE A BUSINESS OWNER BECOMES COMPLIANT, THEY ARE CATERING AND OPENING THE DOORS TO A VAST MAJORITY OF PEOPLE THAT HAVE BEEN EXCLUDED UNKNOWINGLY OR UNINTENTIONALLY.

\$200 BILLION IN ANNUAL DISCRETIONARY INCOME. THAT IS A HUGE NUMBER. IF BUSINESSES ARE NOT COMPLIANT ABOUT PHYSICAL ACCESS, THEY ARE EXCLUDING POTENTIALLY A HUGE POPULATION OF PEOPLE. BY EXCLUDING THEM, THEY ARE NOT MAXIMIZING THEIR REVENUE POTENTIALS.

I ALSO WANT TO POINT OUT THAT 42% OF FEDERAL ADA LAWSUITS ARE BROUGHT HERE IN CALIFORNIA, AND LOW-INCOME SMALL BUSINESSES WHO ARE PRIMARILY NON-ENGLISH SPEAKING ARE HIT THE HARDEST WITH THOSE LAWSUITS.

NOW, I'M GOING TO TALK ABOUT WHAT BUSINESS OWNERS' RESPONSIBILITIES FOR ACCESS COMPLIANCE ARE.

WHEN AN ADA CLAIM IS FILED, IT IS A BALANCING ACT. LEGALLY, IF YOU KNOW HOW MUCH IT'S GOING TO COST TO REMOVE THE BARRIER, HOW LARGE THE FACILITY IS, AND HOW MANY PEOPLE THE BUSINESS EMPLOYS-- ALL THOSE MOVING PARTS ARE WEIGHT IN AND ANALYZED AS READILY ACHIEVABLE.

THAT IS WHY IT IS IMPORTANT FOR BUSINESS OWNERS TO UNDERSTAND WHAT THEIR VIOLATIONS ARE. VIOLATIONS OF THE FEDERAL ADA LAW ARE ALSO VIOLATION OF THE CALIFORNIA'S UNRUH ACT. CALIFORNIA HAS ESTABLISHED A CERTIFIED ACCESS SPECIALIST PROGRAM. IDA IS GOING TO GO INTO MORE DETAIL ABOUT THIS PROGRAM, BUT ESSENTIALLY, CERTIFIED ACCESS SPECIALISTS ARE CERTIFIED BUILDING PROFESSIONALS THAT AUDIT FACILITIES FOR ADA COMPLIANCE.

IF A BUSINESS FACILITY RECEIVES A CASP INSPECTION REPORT AND A CLAIM IS FILED AGAINST THE BUSINESS, THEN THE BUSINESS OWNER MAY HAVE AN OPPORTUNITY TO CURE THIS LAWSUIT.

CASPS COME WITH A WIDE VARIETY OF EXPERIENCE, SO IT IS ALWAYS BEST TO GET AT LEAST 3 BIDS AND MAKE SURE THAT THEIR BACKGROUND MEETS THE BUSINESS OWNER'S NEEDS.

NOW, I'M GOING TO HAND IT OVER TO ANGELA, WHO IS THE EXECUTIVE DIRECTOR OF THE CALIFORNIA COMMISSION ON DISABILITY ACCESS, AND SHE HAS SOME GREAT INFORMATION FOR ALL OF YOU.

>> ANGELA: THANK YOU, BIANCA. I APPRECIATE THE INVITATION TO PARTICIPATE ON THIS WEBINAR. THIS IS A GREAT PROGRAM AND CCDA IS CLEARLY IN PARTNERSHIP WITH THIS GREAT IDEA THAT WAS PASSED THROUGH LEGISLATION, AND WE HOPE THAT BUSINESSES TAKE ADVANTAGE OF THIS OPPORTUNITY.

I WANT TO AGAIN BEGIN WITH THE THOUGHT THAT CCDA HAS ALWAYS STRIVEN TO CREATE AN ACCESSIBLE, BARRIER-FREE CALIFORNIA. THAT IS OUR MANTRA. THAT IS WHAT LEGISLATION HAS CREATED OUR FOCUS TO BE ON.

PERSONS WITH DISABILITIES CONTINUE TO BE DENIED FULL AND EQUAL ACCESS TO PUBLIC FACILITIES EVEN THOUGH THAT RIGHT WAS PROVIDED UNDER STATE AND FEDERAL LAW. THE LEGISLATION FURTHER CONCLUDES THAT BUSINESSES IN CALIFORNIA HAVE AN OBLIGATION TO PROVIDE EQUAL ACCESS TO PUBLIC FACILITIES AS IS REQUIRED BY LAW. THAT COMPLIANCE MAY BE IMPEDED IN SOME INSTANCES BY STATE ORGANIZATIONS RESULTING IN UNNECESSARY LITIGATION.

LITIGATION IS WHAT HAS PROMPTED CCDA TO COLLECT THAT DATA AND TO PROVIDE THE TOP 10 VIOLATIONS THAT ARE APPARENTLY IN OUR STATE AND FEDERAL COURTS. WE BEGIN WITH 2013, AND WE COLLECT A VARIETY OF ADA VIOLATIONS. OVER 55 OF APPARENT VIOLATIONS ARE IN

THAT TOP -- OUT OF THE 50, THE TOP 1, 2, 3 LOOKS LIKE -- AND YOU WILL SEE FROM 2013-- IS PARKING, PARKING, PARKING.

2013, 41% IS PARKING. 2014, 38% IS PARKING AND 42% STILL REMAINS TO BE PARKING.

LET ME GIVE YOU SOME OF WHAT THOSE SPECIFIC VIOLATIONS LOOK LIKE. PARKING -- EXAMPLE, EXISTING PARKING SPACES ARE NOT COMPLIANT, SIGNAGE IS NOT COMPLIANT. FOR EXAMPLE, SPACES NEED TO BE DESIGNATED AS RESERVED BY SIGNS SHOWING THE SYMBOL OF ACCESSIBILITY, AND THEN ANOTHER EXAMPLE OF A PARKING VIOLATION IS THE NUMBER OF ACCESSIBLE PARKING SPACES. AS WE STATED, WE COLLECT OVER 50 TYPES, AND PARKING IS THE TOP 3 IN OUR TOP 10. YOU CAN GO TO OUR WEBSITE AND SEE THE ENTIRE LIST OF THE TOP 10. QUITE INTERESTING LIST OF ALLEGED VIOLATIONS THROUGHOUT THE STATE OF CALIFORNIA.

WE ALSO HAVE-- PARTNERED ON OUR WEBSITE ON THAT LIST OF TOP 10-- YOU WILL FIND THE DEPARTMENT OF REHABILITATION. THEY HAVE A VIDEO, AND IT'S CALLED "BOOST YOUR BUSINESS." IN THAT, IT SHARES SOME TIPS REGARDING HOW AND WHY YOU SHOULD BE CONCERNED ABOUT THESE PARTICULAR AREAS AS A BUSINESS.

COMPLIANCE IS, INDEED, SMART BUSINESS, AND SO WE AS A COMMUNITY NEED TO CONSIDER THESE PARTICULAR AREAS. I WILL SAY ALSO THAT THE PARTICULAR VIOLATIONS ARE ACROSS THE BOARD IN TERMS OF TYPES OF BUSINESSES. TO THE NEXT SLIDE, YOU WILL SEE WHAT WE HAVE COLLECTED. 42% ARE FOUND TO BE IN OUR COURTS WITH THE SALES OR RENTAL ESTABLISHMENTS AND 27% ESTABLISHMENT OF SERVING FOOD OR DRINKS AND THEN 22% IN SERVICE ESTABLISHMENTS. THERE'S 12 IN EXISTANCE OF WHATS BEEN DEFINED BY FEDERAL LAW OF LOCATION TYPES AND THAT, TOO, YOU CAN FIND ON OUR WEBSITE. AGAIN, WE COLLECT THIS DATA TO UNDERSTAND AND HELP BUSINESSES

TO RECOGNIZE THAT THERE IS A NEED TO BECOME COMPLIANT AND THERE IS HELP OUT THERE AND WE WILL BE MOVING MORE INTO SOME OF THAT HELP THROUGH THE NEXT PORTION OF OUR DISCUSSION THIS AFTERNOON WITH IDA CLAIR.

>>THANK YOU ANGELA, I'M HERE TO DISCUSS WITH YOU TODAY ABOUT THE CERTIFIED ACCESS SPECIALIST PROGRAM. ON BEHALF OF THE SPECIALIST PROGRAM I WOULD LIKE TO THANK THE CALCAP PROGRAM FOR INVITING ME TO SPEAK. ON BEHALF OF DSA AND THE CASP PROGRAM. DSA CERTIFIES ACCESS SPECIALISTS IN THEIR KNOWLEDGE OF STATE AND FEDERAL ACCESSIBILITY REGULATIONS. THE TEST IS QUITE RIGOROUS AND SO WHEN YOU HIRE A CASP, YOU CAN BE ASSURED THAT YOU'VE HIRED SOMEONE WHO UNDERSTANDS WHAT IT MEANS TO ACTUALLY BE IN COMPLIANCE. HAVING AN ACCESSIBLE BUSINESS, AS PREVIOUSLY STATED, DOES BOOST YOUR BUSINESS. WHAT'S IMPORTANT TO KNOW WHEN HIRING A CASP IS THAT YOUR COMPLIANCE IS

DEPENDANT UPON YOUR DATE OF ORIGINAL CONSTRUCTION AND YOUR IMPROVEMENT HISTORY, TO ESTABLISH WHAT WE CALL “THE APPLICABLE STANDARDS.” WITH REGARD TO BEING IN COMPLIANCE, THERE ARE TWO STANDARDS, THE ADA AND THE CALIFORNIA BUILDING CODE. THE CALIFORNIA BUILDING CODE IS UPDATED REGULARLY. THE ADA, LESS SO, ABOUT EVERY 20 YEARS. THE CALIFORNIA BUILDING CODE IS UPDATED ABOUT EVERY 18 MONTHS. A BUSINESS DOES NOT NEED TO STAY ABREAST OF THIS UPDATE. A BUSINESS, OR FACILITY, IS IN COMPLIANCE BASED ON ITS ORIGINAL CONSTRUCTION AND ITS IMPROVEMENT HISTORY AND THE STANDARDS THAT WERE APPLIED WHEN THE ALTERATIONS WERE UNDERTAKEN OR WHEN THE FACILITY WAS CONSTRUCTED, AND THAT’S WHEN A CASP CAN ASSIST YOU IN DEFINING WHAT THE APPLICABLE STANDARDS ARE AND TO UNDERSTAND WHAT YOUR COMPLIANCE STATUS IS. WHATS IMPORTANT TO KNOW, BEFORE YOU HIRE YOUR CASP, IT’S IMPORTANT IF YOU KNOW THE DATE OF YOUR ORIGINAL

CONSTRUCTION OF YOUR FACILITY AND THE IMPROVEMENT HISTORY OF THE FACILITY. THE ADDITIONAL THING THAT YOU NEED TO KNOW IS WHICH ARE THE PUBLIC ACCOMODATION AREAS OF YOUR FACILITY AND THOSE ARE THE AREAS IN WHICH YOU INVITE THE PUBLIC TO USE. IT COULD BE YOUR ENTRY, YOUR CONFERENCE ROOM, A RESTROOM. OF COURSE, IT WOULD NOT BE THE INDIVIDUAL OFFICES, OR BREAKROOMS, THAT THE EMPLOYEES USE. IT IS NOT A PUBLIC ACCOMMODATION AREA UNLESS THEY REGULARLY MEET WITH CLIENTS IN THAT ROOM. UNDERSTAND WHERE THOSE AREAS ARE BECAUSE THAT'S WHERE THE CASP WILL INSPECT.

WE WILL ASK IF YOU READ YOUR LEASE AGREEMENT, IF YOU HAVE A LANDLORD AND IF THAT LANDLORD HAS HAD A CASP INSPECTION SO THAT YOU CAN -- IF YOU'VE BEEN INSPECTED.

UNDERSTAND YOUR OPERATIONAL AND MAINTENANCE POLICIES TO SEE WHETHER THEY'RE HONORED. A LOT OF ACCESSIBILITY

REQUIREMENTS DO REQUIRE DOOR CLOSERS. THE OWNER DOES HAVE TO HAVE A COMMITMENT TO COMPLIANCE BEYOND YOUR COMPLIANCE DATE THAT YOUR PERMIT HAS YOU COMPLETED BECAUSE OPERATIONAL POLICIES AND MAINTENANCE POLICIES DO AFFECT COMPLIANCE AS WELL.

IN ORDER TO FIND A CASP, YOU CAN GO TO THE DSA CASP WEBSITE, AND IF YOU GO TO THE DSA CASP WEBSITE, A SHORT URL IS HERE. IT WILL TAKE YOU TO THIS PAGE. UNDER THE SECTION THAT SAYS "BUSINESS OWNERS, PROPERTY OWNERS AND CONSUMERS" YOU WILL FIND A LIST OF SPECIALISTS. THERE'S A LIST OF FREQUENTLY ASKED QUESTIONS.

WE DO WANT YOU TO KNOW THAT THE LIST IS IN ALPHABETICAL ORDER. YOU WILL FIND THE CASPS IN YOUR AREA. IF YOU CLICK ON PHONE NUMBER, THE LIST WILL SORT BY AREA CODE, AND THAT WILL FACILITATE YOU FINDING A CASP THROUGHOUT YOUR AREA CODE SO YOU CAN CALL THEM. THEY WILL WORK THROUGHOUT THE STATE, BUT

THE COST WILL BE REDUCED IF YOU WORK WITH SOMEONE THROUGHOUT YOUR AREA.

YOU CALL A CASP THAT IS UNDER THE "DO INSPECTIONS" COLUMN, AND THAT MEANS THEY PROVIDE INSPECTIONS. THEY CAN DO PLAN REVIEW AND SERVICES FOR MANY DIFFERENT TYPES OF ENTITIES, BUT THOSE THAT ACTUALLY PROVIDE INSPECTIONS OF EXISTING FACILITIES, THEY ARE ON THERE. AGAIN, YOU CAN SEARCH BY AREA CODE TO MAKE THAT EASIER.

WE ASK THAT TO GET A RANGE OF WHAT YOU MIGHT WANT TO CONSIDER FOR COST IS JUST TO IDENTIFY THREE THAT YOU MIGHT WANT TO INTERVIEW. THEY WILL ASK YOU WHAT THE SIZE OF YOUR FACILITY IS, HOW MANY PUBLIC ACCOMMODATION AREAS YOU HAVE. THAT IS WHY IT IS IMPORTANT TO BE PREPARED FOR THAT CONVERSATION.

A LOT OF OUR CASPS -- THEY MAY BE ARCHITECTS, CONTRACTORS, BUILDING OFFICIALS, OR THEY MAY BE ENGINEERS AND

ADA COORDINATORS, SO TO IDENTIFY CASPS THAT MAY ASSIST YOU IN YOUR PROJECTS, YOU MAY WANT TO HIRE A CASP WHO IS AN ENGINEER SO THEY CAN HELP YOU THROUGH.

THESE ARE CONSUMER FREQUENTLY ASKED QUESTIONS THAT THE STATE LEGISLATURE HAS OFFERED TO BUSINESS OWNERS LISTING BENEFITS-- LEGAL BENEFITS TO THOSE BUSINESS OWNERS THAT ARE IN COMPLIANCE. SO THE CASP REPORT IS IMPORTANT. IT GIVES YOU 90 DAYS FOR ANY LEGAL PROCEEDINGS, AND THOSE ARE ONLY OFFERED TO BUSINESS OWNERS WHO ARE PROACTIVE AND SEEK COMPLIANCE PRIOR TO HAVING A LAWSUIT BEING SERVED OR A CLAIM BEING SERVED AGAINST THEM.

IN THIS REPORT, PEOPLE ARE FACED WITH A LAWSUIT IF THEY ARE FACED WITH A LAWSUIT. IF THEY HAVE A VIOLATION WITHIN A CERTAIN AMOUNT OF DAYS -- THERE ARE LEGAL BENEFITS FOR HIRING A CASP. THESE QUESTIONS -- THESE FREQUENTLY ASKED QUESTIONS WILL TELL

YOU MORE ABOUT LEGAL BENEFITS THAT THE STATE LEGISLATURES HAVE.

WHEN YOU GET A CASP REPORT, THEY WILL HAVE TWO INDICATIONS. IF YOU HAVE ONE THAT IS THE STATUS OF "INSPECTED BY CASP" THAT MEANS YOU HAVE IMPROVEMENTS THAT ARE NECESSARY, AND THERE'S TWO OPTIONS TO SEEK IMPROVEMENT. ONE IS BY ADHERING TO A REASONABLE SCHEDULE-- THERE'S NO TIME CONSTRAINTS. YOUR STATUTORY DAMAGES ARE REDUCED IF YOU CORRECT VIOLATIONS WITHIN 60 DAYS OF RECEIVING A VIOLATION.

SO YOU -- FOR BUSINESSES THAT ARE UNDER 50 EMPLOYEES-- TWO OPTIONS ARE AVAILABLE FOR THEM. THE REASONABLE-SCHEDULE OPTION AND THE 120-DAY SCHEDULE OPTION. WE ASK THAT YOU IF YOU CHOOSE TO GO THROUGH THE 120-DAY SCHEDULE OPTION THAT YOU ARE SECURING YOUR LOAN WHILE YOU ARE SPEAKING TO YOUR ACCESS SPECIALIST AND THAT YOU HAVE IT PRIOR TO THE INSPECTION DATE

BECAUSE THE 120-DAY SCHEDULE STARTS FROM THE DAY OF INSPECTION.

WHEN YOU RECEIVE A REPORT BY A CASP, YOU WILL RECEIVE A CERTIFICATION. IT SHOULD REMAIN CONFIDENTIAL. OF COURSE, YOU CAN SHARE IT WITH YOUR BANKER OR YOUR LOAN OFFICER BECAUSE THEY HAVE TO JUSTIFY YOUR COSTS, BUT BEYOND YOUR INSURANCE AND LOAN OFFICER, YOU SHOULDN'T SHARE IT -- AND YOUR CONTRACTOR WHO IS MAKING YOUR IMPROVEMENTS, YOU DON'T HAVE TO SHARE IT. BUT YOU CAN SHARE YOUR CERTIFICATE AS PROOF THAT YOU HAVE RECEIVED A CASP INSPECTION.

I THINK THAT WRAPS UP MY PORTION OF THE PROGRAM. BACK TO JANAЕ.

>> JANAЕ: THANK YOU. WE APPRECIATE YOU COMING TODAY, TOO, ANGELA. WE ARE IN THE MIDDLE OF OUR STAKEHOLDER MEETING CALENDAR. WE WERE IN LOS ANGELES ON TUESDAY AND WE WERE IN

OAKLAND YESTERDAY. TODAY, WE ARE HAVING THE MEETING HERE -- DOING A WEBINAR. NEXT TUESDAY -- ON TUESDAY WE WILL BE JOINED BY RACHELLE GOLDEN, SHE IS A DISABILITY DEFENSE ATTORNEY, AND SHE IS HEADQUARTERED IN FRESNO AND WILL BE WITH US.

WE ARE PLANNING FOR OUR LENDERS TO HAVE ANOTHER WEBINAR LATER THIS MONTH OR EARLY IN AUGUST AND KIND OF OUR NORMAL LENDER ROUNDTABLE, WE WILL BE DISCUSSING THIS PROGRAM AND DISCUSSING SOME OTHER UP-AND-COMING THINGS IN THE CALCAP PROGRAM. OUR PLAN IS TO TAKE OUR REGULATIONS THAT WE'RE TALKING ABOUT TODAY AND ANY COMMENTS THAT WE GET IN BETWEEN NOW AND AUGUST, WE WILL CONSIDER THOSE INTO OUR PROPOSED REGULATIONS.

WE PLAN TO TAKE OUR REGULATIONS TO OUR BOARD IN OUR AUGUST MEETING, WHICH IS AUGUST 16TH. FROM THERE, WE PLAN TO -- AS I MENTIONED EARLIER -- FILE WITH THE OFFICE OF ADMINISTRATIVE LAW

RIGHT AFTER, AND WE ARE GOING THROUGH AN EMERGENCY RULE-MAKING PROCESS WHICH CAN TAKE ABOUT 3 OR 4 WEEKS. THERE WILL BE ANOTHER PUBLIC COMMENT PERIOD IN THAT RULE-MAKING PROCESS. WE WILL NOTIFY YOU OF THAT AS WELL. OUR HOPE IS THAT WE WILL START ENROLLING LOANS IN THE PROGRAM IN SEPTEMBER AND ENROLLING FINANCIAL INSTITUTIONS TO BE PARTICIPATING LENDERS.

IF WE CAN DO THAT IN EARLY SEPTEMBER, WE WILL START OUR MARKETING AND OUTREACH. WE ARE EXCITED ABOUT DOING THAT. IF THERE ARE ANY GROUPS THAT YOU SUGGEST WE REACH OUT TO, WE ARE HAPPY TO DO THAT. WE ARE HAPPY TO COME MAKE PRESENTATIONS. WE WANT TO SPREAD THE WORD ABOUT THIS PROGRAM.

WE APPRECIATE YOUR ATTENDANCE. PLEASE SHARE THE WORD ABOUT OUR REGULATIONS. OUR REGULATIONS ARE ON OUR WEB PAGE, AND THEY'RE DOWNLOADABLE. IF YOU CAN SHARE THAT WITH ANYBODY

WHO MIGHT BE INTERESTED OR MIGHT HAVE COMMENTS, WE WOULD REALLY APPRECIATE THAT. WE WILL BE ACCEPTING COMMENTS AND QUESTIONS IN OUR INBOX.

AND WE WILL BE PROVIDING THE PROGRAM UPDATES ON OUR WEBPAGE AS WELL, SO PLEASE STAY TUNED. WE ARE IN A DYNAMIC PHASE OF PROGRAM DEVELOPMENT RIGHT NOW AND WE WOULD APPRECIATE ANY COMMENTS WE CAN GET.

IS THERE ANYBODY HERE TODAY THAT HAS QUESTIONS OR COMMENTS IN THE AUDIENCE THAT WOULD LIKE TO ASK A QUESTION? IS THERE ANYBODY ONLINE THAT HAS A QUESTION?

>> YES. WE HAVE ONE QUESTION AND THE QUESTION IS: WHAT IS THE PROGRAM ACCEPTING AS VALIDATION THAT THE BORROWER HAS 15 OR FEWER EMPLOYEES AND THE \$1 MILLION GROSS-ANNUAL INCOME REQUIREMENT?

>> BIANCA: BECAUSE THE LENDERS ARE DOING THE UNDERWRITING DIRECTLY, ONCE THE BORROWER HIRES A CASP INSPECTOR TO DO THEIR RECORD AND GETS THE BID, ALSO ADVISE THEM TO WORK WITH THE LENDER DIRECTLY TO SEE WHAT DOCUMENTATION THEY NEED TO PROVIDE AND THE UNDERWRITER, BASED ON THEIR DUE DILIGENCE AND THEIR UNDERWRITING CRITERIA WHO WILL REQUEST SPECIFIC DOCUMENTATION, THAT WILL BE ENOUGH PROOF FOR THEM [-- FOR AS TO THE REQUIREMENTS OF OUR PROGRAM. I HOPE THIS ANSWERS THE QUESTION. ARE THERE ANY OTHER QUESTIONS?

OKAY. AGAIN, WE ENCOURAGE YOU TO SHARE OUR PROPOSED REGULATIONS. WE'VE PUT A LOT OF THOUGHT INTO THE REGULATIONS. WE'VE SOUGHT OUT ADVICE FROM OUR LENDER COMMUNITY AS WELL AS OUR STAKEHOLDERS TO FORM THESE REGULATIONS. A LOT OF IT WAS BASED ON THE STATUE AND WE TRY TO KEEP IT AS CONSISTANT AS WE

CAN TO OUR EXISTING CALCAP PROGRAM. BASED ON THAT, WE HAVE ANOTHER QUESTION.

QUESTION: DO WE HAVE A TERM SHEET AVAILABLE?

ANSWER: BIANCA – A TERM SHEET AS IT RELATES TO? I'M NOT SURE IM FOLLOWING THE QUESTION.

JANAE – IF YOU'RE TALKING ABOUT THE LOAN TERMS, THAT'S DEPENDANT UPON THE LENDER. EACH LENDER HAS THEIR OWN UNDERWRITING CRITERIA. THAT'S THE BEAUTY OF THE CALCAP PROGRAM. WE LEAVE IT TO THE LENDERS TO BE ABLE TO DECIDE AND SO THAT'S ON A LENDER BY LENDER BASIS. AS A BUSINESS, THAT'S PART OF YOUR DECISION IN CHOOSING A LENDER. DO THE TERMS MEET YOUR BUSINESS NEEDS?

>> CHOOSING A LENDER IS DETERMINED BY THE BUSINESS NEEDS. THE WAY THE CAL CAP PROGRAM WORKS, WHEN WE ENROLL LENDERS, THEY ARE LISTED ON OUR WEBSITE. WE ENCOURAGE -- AS IDA

MENTIONED EARLIER -- GETTING 3 BIDS FOR CONTRACTORS OR FOR CASPS. FEEL FREE TO LOOK INTO THE PROGRAM AND SEE WHO YOU FEEL COMFORTABLE WORKING WITH.

IF YOU HAVE A LENDER OF YOUR OWN THAT YOU WORK WITH ON A REGULAR BASIS THAT YOU WOULD LIKE TO BE ENROLLED IN OUR PROGRAM AS I MENTIONED EARLIER, THAT IS VERY EASY TO DO. BUT THE BEAUTY OF OUR PROGRAM IS, WE DON'T SET THAT CRITERIA. WE SET THAT REGULATORY CRITERIA, BUT THE FINANCING PART IS UP TO THE LENDERS BASED ON THEIR REGULATORS AND THEIR REQUIREMENTS AS WELL AS THE REQUIREMENTS OF THE BUSINESS.

ARE THERE ANY COMMENTS IN THE ROOM? OKAY. WELL, I THINK THAT WRAPS UP OUR PRESENTATION. WE WILL BE PROVIDING -- AS I MENTIONED -- THE DRAFT REGULATIONS. WE WILL BE POSTING A COPY OF THIS PRESENTATION ON THE WEB PAGE AS WELL, SO FEEL FREE TO SHARE THE INFORMATION AND WE'RE HERE TO ANSWER. GIVE US A CALL.

E-MAIL US. WE ARE HERE FOR WHATEVER YOU NEED. THANK YOU VERY MUCH FOR YOUR TIME AND ATTENTION TODAY. AND WE LOOK FORWARD TO WORKING WITH YOU ON THIS NEW PROGRAM.