

San Diego to offer emergency grants for small businesses impacted by flooding

By Lyndsay Winkley

SAN DIEGO — When rain started falling in sheets Monday morning, the co-owner of Native Poppy, a local flower shop, decided to check on their warehouse in Mission Valley.

It wasn't uncommon for a bit of water to seep in on heavy rain days. But nothing could have prepared her for what she would find.

"It looked like an aquarium," said Meg Blancato of her business partner's discovery. "(The warehouse) was about halfway filled, with about 3½, 4 feet of water, with all of our products just floating in it like fish."

In the days following the flood, much of the city's most immediate emergency responses have been geared toward the hundreds of homes damaged by the storm. But business owners across San Diego were also grappling with serious losses. Blancato estimates Native Poppy's warehouse, located several blocks from the San Diego River, suffered \$100,000 in damage, and insurance is covering little of it.

Although the full extent of the destruction is unclear, the region quickly turned to trying to secure various forms of funding, including federal aid.

On Friday, county Board of Supervisors Chairwoman Nora Vargas sent a letter to President Joe Biden requesting a federal disaster declaration, which is necessary to access federal aid.

"We anticipate the damages to be in the tens of millions of dollars in order to repair damaged homes and properties to make them safe again," Vargas said. "People need help to get back on their feet again and to begin to rebuild their lives."

Also on Friday, the city of San Diego announced a new form of assistance — a emergency response grant that will help up to 100 small businesses and nonprofits impacted by this week's storm.

"We are doing everything we can to ease the burden on residents and small businesses that were in the path of this natural disaster," said Mayor Todd Gloria in a statement. "Having our neighborhood businesses up and running is important for the community's recovery from the devastation, and I encourage business owners to start preparing to apply so we can get these grants out to them as quickly as possible."

The Business Emergency Response & Resilience Grant will provide up to \$2,500 per business and up to \$5,000 for businesses and nonprofits in the city's Promise Zone, as well as for businesses and nonprofits in low- to moderate-income census tract areas.

The Promise Zone was recognized by the federal government as one of 22 similar areas across the country suffering from low educational attainment, poverty, rising crime, and a lack of affordable housing and healthy food. The zone spans just over 6 miles and stretches from Barrio Logan to Encanto and includes some of the city's most underserved communities.

In order to qualify, business owners will need to demonstrate they were impacted by the storm, have a current business tax certificate on file with the city and have no more than 12 employees.

The budget for the program is currently \$370,000 through the city's Small Business Enhancement Program. Eligible expenses for the grant include supplies and labor for storm cleanup efforts; repairs and equipment replacement not covered by insurance; employee wages; and insurance deductibles.

Businesses will be able to apply in mid-February. Until then, city officials are encouraging people to track any storm-related expenses. Staff members will be proactively reaching out to businesses and community groups who may have been impacted with more information in multiple languages.

Unfortunately, it's not a funding stream that will be available to Native Poppy, which has about 25 employees.

Matt Thomas, CEO of Pet Kingdom in the Midway District, a shop that sells pet supplies, fish and reptiles, said he also missed the cut-off — he has 15 employees.

Thomas said there's always been drainage issues in his shopping center on Sports Arena Boulevard, so he expected to find some pooling Monday. But by 11 a.m., the store's floor was under 3 inches of water. All week, he and his employees have been cleaning and assessing damage, which he estimated at about \$100,000. Although none of the store's pets had to be relocated, Thomas had to use a jack to keep their enclosures out of the water. He did have flood insurance, but Monday's rare storm isn't the kind of occurrence that's covered, he explained.

While Thomas is certainly focused on ways he can recoup his losses, seeing the city address its infrastructure issues feels like it should be the first priority, he said.

"There's a really good possibility that this is going to happen again," he said. "So, I mean, we could keep rebuilding, and we could keep having the same problem. So that is priority No. 1 in my eyes — let's fix the root of the problem."

In an effort to help the county secure federal funding the region clearly needs, officials have set up a voluntary assessment survey that will help the county calculate just how much damage the flood caused. That figure can help the region qualify for federal disaster relief.

County officials said as of Friday morning, just over 2,100 residents and business owners had filled the survey out.

The county has also asked the federal Small Business Administration to approve the Physical

Disaster Declaration Loan Program, which would provide low-interest loans to homeowners, renters and businesses affected by the flooding. SBA inspectors are expected to begin surveying damaged properties in the coming days and weeks.

Both Thomas and Blancato are hoping federal assistance pans out. But Blancato with Native Poppy also hopes to lean on another resource — her community.

She said both she and her business partner have been overwhelmed with messages and calls of support while they work to recover. They set up a donation page, and even though many of the gifts have been small — \$5 to \$10 — they've raised about \$10,000, she said. It won't cover all their costs, but it's a huge help.

“And Valentine's Day is the second biggest flower holiday of the year,” Blancato said. The business runs two other shops — one in Solana Beach and another in South Park. “It's just over two weeks away, and we're hoping San Diego will think of us.”