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Garamendi Hits the Streets of Orinda

By Sophie Braccini



John Garamendi with Michele Lavecchia, who owns Trattoria Lupetti Photo Ohlen Alexander

It's not every day that big-name politicians walk the streets of Lamorinda to talk to small business owners and listen to their concerns and suggestions; but then, this is an election year. On August 23, John Garamendi, who represents California's 10th congressional district in Washington DC, came to Orinda for that purpose. He was met by business owners who presented him with economic concerns that they share with many other business owners across the nation. They confronted him with their everyday reality and he answered them through the prism of his own set of values.

Orinda is privileged to have our representative, US Assemblyman John Garamendi, tour local businesses," said Orinda Council Member Sue Severson who joined the tour with Council colleague Amy Worth, "He was engaging and attentive to concerns expressed."

Garamendi's first stop was at a relatively new restaurant, Trattoria Lupetti, on Moraga Way. After the traditional offering of wine and food, owners Michele and Mariam Lavecchia questioned the congressman about minimum wage, the difficulty of getting permits, and health care. "Right now our coverage comes from my wife's COBRA," said Lavecchia, "but when that is over, we do not know if we'll be able to get other insurance. We were turned down before because of previous conditions." Garamendi said that health care reform was going to provide solutions to small business owners, but that the whole package would not be available until 2014. "We've known for years that the system needed reform," he said, "unfortunately we cannot turn it around overnight."

At Republic of Cake, Garamendi's next stop in Theater Square, the topic switched to the financial issues that most new businesses face. "When we started, we couldn't find one bank that would lend us money," said General Manager Peter McNiff. "Why is there no help from Washington to support small businesses? If we cannot invest we won't be able to help restart the economy."

"Your frustration is shared by many of us," answered Garamendi, "the problem is that the major financial institutions are 'gambling' with their money and not lending. The money they make that way has almost no beneficial economic impact." He asked the owners if they had been able to get an SBA loan and they confirmed that they got a micro-loan that allowed them not to tie up all of their money. "We just passed a new program for community banks with the hope that they will make loans to new small businesses," added the congressman. Garamendi left with a box containing an assortment of cupcakes that had been purchased by his staff.

At Casa Orinda, the third and last stop, owner John Goyac sat everyone down in the historic restaurant and brought drinks and munchies. Other local business people joined in, invited by the Orinda Chamber of Commerce, to ask questions. Valerie Cook-Watkins, Managing Broker for Coldwell Banker in Orinda, questioned Garamendi closely on the tightening up of lending practices that, according to her experience, has eroded the middle class's equity in their homes. Garamendi explained that the government, in an effort to do things right this time around, had to tighten lending practices. He added that the banking industry might fail its mission to give loans in spite of all the money that was injected in the system. "The 'First Time Home Buyer' tax rebate was a great success," continued Cook-Watkins, "The government needs to force the big banks to put the shadow inventory on the market, to create reasonable lending practices; any stimulus program should be directly available to the consumer, and the banks need to be required to work out loan modification programs with sellers in default within a reasonably short period of time."

According to his staff, Garamendi will take the small business owners' comments and suggestions back to Washington so that he can share their thoughts with his colleagues in Congress. "Small businesses will lead us to economic recovery," said Garamendi.

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