

Legacy Business Program Rent Stabilization Grant INITIAL GRANT APPLICATION

Version: July 19, 2017



Rent Stabilization Grant Application

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1. Background Information

A) Applicant (Landlord) Name: _____

B) Applicant (Landlord) Street Address: _____

C) Applicant (Landlord) City, State and Zip Code: _____

D) Applicant (Landlord) Phone Number: _____

E) Applicant (Landlord) Email Address: _____

F) Applicant (Landlord) Business Account Number (BAN): _____

G) For the BAN provided above, how many employees does your business have? _____

H) Legacy Business: _____

I) Legacy Business Address: _____

2. Landlord to a Registered Legacy Business

Applicant certifies it is a Qualified Landlord to a Registered Legacy Business (as defined in [Administrative Code Section 2A.242](#) and [Administrative Code Section 2A.243](#)):

Yes _____ No _____ "Yes" required for compliance

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

3. Term of Lease

A) Applicant certifies that on or after January 1, 2016, Applicant entered into an agreement with the Legacy Business in which Applicant leases real property in San Francisco to the Legacy Business for a term of at least 10 years or extended the term of the Legacy Business' existing lease to at least 10 years.

A "10-year lease" is defined as a lease for a full 10 years, or a lease with renewal option(s) that add up to 10 years (e.g., a five-year lease with a five year option to renew). For a lease with renewal option(s), any number of years for which the Legacy Business has an option to renew the lease shall count towards the term of the lease, provided that the option to renew can be exercised at the Legacy Business' sole discretion.

Yes _____ No _____ "Yes" required for compliance

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

B) Retroactivity

The Rent Stabilization Grant shall be retroactive to the fiscal year (July through June) in which the Legacy Business was listed on the Legacy Business Registry. For example, if the Legacy Business was listed on the Legacy Business Registry in November 2018, which is fiscal year 2018-19 (July through June), and the qualifying lease is a new 10-year lease that commenced July 1, 2017, and ends June 30, 2026, Applicant would be eligible to apply for 9 years' of grants retroactive to July 1, 2018, the same fiscal year the Legacy Business was listed on the Legacy Business Registry.

Applicant understands the Rent Stabilization Grant is retroactive to the fiscal year in which the Legacy Business was listed on the Legacy Business Registry.

Yes _____ No _____ "Yes" required for compliance

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

C) Advance Payments

Applicant may receive a Rent Stabilization Grant as early as the fiscal year in which the lease or lease extension is executed, even if the lease or lease extension does not take effect until a later fiscal year. Applicant need not wait for the qualifying lease or lease extension to take effect before applying for or receiving a Rent Stabilization Grant. The maximum allowable time between Applicant receiving a grant and the qualifying lease or lease extension taking effect shall be three years. If, however, Applicant applies for a Rent Stabilization Grant before the lease or lease extension has taken effect, Applicant must—as a condition of receiving a grant —agree to return the entire amount of the Rent Stabilization Grant in the event that the qualifying lease or lease extension does not take effect, unless Applicant shows, to the satisfaction of the Office of Small Business, that Applicant is not responsible for the fact that the qualifying lease or lease extension does not take effect.

Applicant certifies that it understands the conditions regarding advance payments for the Rent Stabilization Grant as indicated above; and Applicant agrees, if applying for and receiving a Rent Stabilization Grant before the lease or lease extension has taken effect, to return the entire amount of the grant in the event that the qualifying lease or lease extension does not take effect, unless Applicant shows, to the satisfaction of the Office of Small Business, that Applicant is not responsible for the fact that the qualifying lease or lease extension does not take effect.

Yes _____ No _____ "Yes" required for compliance

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

D) For a **NEW LEASE** that is 10 or more years, please indicate in the table below the term start dates and term end dates of the prior lease and the new lease:

	Term Start Date	Term End Date
Prior Lease		
New Lease		

Length of lease term: _____ years

E) For an **EXISTING LEASE WITH A TERM EXTENDED** to 10 or more years, please indicate in the table below the term start dates and term end dates of the prior lease and the new lease:

	Term Start Date	Term End Date	Length of Lease (Years)
Original Lease			
Extended Lease	(same as above)		

Length of lease extension: _____ years

4. Categories of Ineligible Landlords

A) Applicant may not be a department, agency, commission or other entity within the City and County of San Francisco (including, but not limited to, the Real Estate Division, the Port of San Francisco or the San Francisco Municipal Transportation Agency).

B) Applicant may not be any other local, state or federal government; any entity within any other local, state or federal government; or any special district created by state law (including, but not limited to, the Bay Area Rapid Transit District).

C) Applicant may not have entered into a lease agreement with a Legacy Business that had previously owned the real property that is the subject of that lease agreement (e.g., leaseback arrangement).

Applicant certifies that it does not meet any of the categories of ineligible landlords as indicated above:

Yes _____ No _____ "Yes" required for compliance

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

5. Landlord and Legacy Business Legal Relationship

Applicant must not be related by ownership, either directly or indirectly, to the Legacy Business to which Applicant leases the property. Applicant is related by ownership to the Legacy Business if any of the following criteria are satisfied:

A) Applicant holds any ownership interest in the Legacy Business; or

B) The Legacy Business holds any ownership interest in Applicant; or

C) A third-party entity holds an ownership interest in both the Legacy Business and Applicant; or

D) Applicant holds any beneficial interest in any entity (including, but not limited to, a beneficial interest in a trust) that holds an ownership interest in the Legacy Business; or

E) The Legacy Business holds any beneficial interest in any entity (including, but not limited to, a beneficial interest in a trust) that holds an ownership interest in Applicant; or

F) Applicant, or any person who holds an ownership or beneficial interest in Applicant, is in an immediate family relationship with any person who holds an ownership or beneficial interest in the Legacy Business. The phrase "immediate family relationship" includes the relationships between spouses, domestic partners, parents or guardians and children (including step-parents and step-children, or adoptive parents and adoptive children), grandparents and grandchildren, siblings (including step-siblings or adoptive siblings), aunts or uncles and nieces or nephews, great-aunts or great-uncles and grand-nieces or grand-nephews, and first or second cousins. The phrase also includes the relationship with the parent, grandparent, or sibling of one's spouse or domestic partner, or the spouse or domestic partner of one's child, grandchild, or sibling.

Applicant certifies it is not related by ownership, either directly or indirectly, to the Legacy Business to which the Applicant leases the property.

Yes _____

No _____

"Yes" required for compliance

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

6. Business Registration

All commercial landlords renting units in San Francisco are required to register as businesses with the Office of the Treasurer and Tax Collector. Business Registration Instructions are available at

<http://sftreasurer.org/node/751>.

Applicant certifies that it complies with any requirement to register as a business with the Office of the Treasurer and Tax Collector.

Yes _____ No _____ "Yes" required for compliance

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

7. No Amounts Owing to City

Applicant certifies it has no amounts owing to the City as a result of fines, penalties, interest, assessments, taxes, fees, or any other financial obligations imposed by law, regulation, or contract that were delinquent as of the date of application for this grant:

Yes _____ No _____ "Yes" required for compliance

"Yes" means there are no amounts owing to the City.

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

8. No Determinations or Violations of Any of City Labor Laws

Applicant certifies it has no current determinations or violation of any of the City's labor laws and does not owe any outstanding penalties or payments ordered by the Office of Labor Standards Enforcement (OLSE):

Yes _____ No _____ "Yes" required for compliance

"Yes" means there are no determinations or violations of any of City labor laws.

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

9. Total Square Footage Leased to the Legacy Business

Applicant certifies the total square footage of the improvements in San Francisco leased to the Legacy Business from which the Legacy Business operates its business. This can be achieved by providing in the lease a specific section(s) that separately denotes the square footage of the "improvements area" and "common area" of the lease spaced, or in an addendum signed by both the Applicant (landlord) and Legacy Business.

Square footage: _____

On what page(s) of the lease is the square footage listed? _____

10. Amount of Grant

The grant allocation is based on \$4.50 per square foot, up to a maximum of 5,000 square feet, per location of the improvements area leased to the Legacy Business from which the Legacy Business operates its business in San Francisco. The grant is an annual grant with a maximum grant amount of \$22,500 (\$4.50/sq. ft. x 5,000 sq. ft.)

A) Grant Request = \$4.50 x $\frac{\text{_____}}{\text{Square Footage}}$ = \$ $\frac{\text{_____}}{\text{Grant Request}}$

B) Applicant acknowledges that the Rent Stabilization Grant is subject to the budgetary and fiscal provisions of the City Charter, and total grants paid to all Qualified Landlords in a fiscal year shall not exceed the appropriations into the Legacy Business Rent Stabilization Account in the Legacy Business Historic Preservation Fund. Both Applicant and Legacy Business understand that the amount of the grant could vary and might be less than \$4.50 per square foot due to funding constraints.

Yes _____ No _____ “Yes” required for compliance

If “yes,” continue.

If “no,” Applicant is ineligible to apply for the Rent Stabilization Grant.

11. Conditions for Leases

The lease shall meet all conditions as required by rules and regulations of the Small Business Commission, as follows:

A) Signing of the Lease

Applicant certifies that it and Legacy Business have signed the lease and any required addenda prior to Applicant applying for a Rent Stabilization Grant under Administrative Code Section 2A.243(c).

Yes _____ No _____ “Yes” required for compliance

If “yes,” continue.

If “no,” Applicant is ineligible to apply for the Rent Stabilization Grant.

B) Disclosure to Legacy Business

Applicant certifies that it has informed the Legacy Business, in writing prior to the Legacy Business signing the lease, that the City and County of San Francisco does not guarantee it will fully fund the Rent Stabilization Account and does not guarantee that it will award any grant of any amount under Administrative Code Section 2A.243(c).

Yes _____ No _____

If "no," explain: _____

C) Lease Cancellation

Applicant certifies it has not cancelled an existing lease or lease extension that was ineligible for a Rent Stabilization Grant and executed a new lease or lease extension that is eligible for a Rent Stabilization Grant for the sole purpose of applying for and receiving a grant.

Yes _____ No _____ "Yes" required for compliance

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

D) Special Contingency Provision in Lease

Administrative Code Section 2A.243(c)(1) provides that a lease between Applicant (landlord) and a Legacy Business may include a provision making the lease (or any of portion thereof) contingent upon Applicant receiving a Rent Stabilization Grant from the City equal to \$4.50 square foot, up to the maximum 5000 square feet per location, of the improvement area in San Francisco lease to a Legacy Business. Any lease that contains such a contingency provision, however, must also provide:

1. That the contingency provision is void when Applicant is not awarded the Rent Stabilization Grant because:
 - a. Applicant has amounts owing to the City as a result of fines, penalties, interest, assessments, taxes, fees, or any other financial obligations imposed by law, regulation, or contract that were delinquent as of the date of application or reapplication; or
 - b. Applicant does not properly complete or submit a grant application; or
 - c. Applicant takes any intentional action to disqualify the application from receiving a grant.
2. That Applicant must provide the Legacy Business an option to pay Applicant an amount equal to the difference between the maximum grant amount and the amount that the Applicant actually receives from the Rent Stabilization Grant program, to allow the lease to remain in effect.
3. Applicant must provide the Legacy Business with notice of Applicant's intent to exercise the contingency provision at least 120 days before exercising the contingency provision.

Additionally, Applicant must bring the contingency provision to the Legacy Business's attention before the Legacy Business signs the lease.

Does the lease include a provision making the lease (or any of portion thereof) contingent upon Applicant receiving a Rent Stabilization Grant from the City equal to \$4.50 square foot, up to the maximum 5,000 square feet, of the improvement area in San Francisco leased to a Legacy Business?

Yes _____ No _____

If "no," skip to question 12.

If "yes," continue.

E) Applicant certifies that the special contingency provision in the lease includes the aforementioned statements in Section 11(D) of this application, and the Legacy Business acknowledged and understood the contingency provision when the Legacy Business signed the lease.

Yes _____ No _____ "Yes" required for compliance

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

F) Applicant certifies that, in the case where advance payment of the Rent Stabilization Grant is made per Section 3(C) of this application and the special contingency provision is being exercised, Applicant must wait for the applicable lease year to exercise the special contingency provision versus exercising the special contingency provision in the year in which Rent Stabilization Grant was awarded.

Yes _____ No _____ "Yes" required for compliance

If "yes," continue.

If "no," Applicant is ineligible to apply for the Rent Stabilization Grant.

12. Copy of Lease

Applicant has submitted the executed lease and any addenda with this Rent Stabilization Grant application and acknowledges the following confidentiality statements:

Whenever an application for a grant under Administrative Code 2A.243(c) is approved, the Office of Small Business shall, to the extent permitted by law, keep confidential all provisions in any lease submitted by a landlord in connection with the application, except to the extent that OSB relied on the content of any such provisions in deciding to award a grant to the applicant landlord.

Whenever an application for a grant under Administrative Code 2A.243(c) is denied, or before such an application has been either approved or denied, the OSB shall, to the extent permitted by law, keep confidential the entirety of any lease submitted by the landlord in connection with the application.

Yes _____ No _____ "Yes" required for compliance

13. Annual Application

A) Applicant understands the Rent Stabilization Grant is an annual grant and must be reapplied for on the anniversary date of the first grant payment.

Yes _____ No _____ "Yes" required for compliance

B) Applicant understands that any failure to reapply for an annual grant may deprive Applicant of its status as a Qualified Landlord from "prior years" within the meaning of Administrative Code Section 2A.243(c)(3).

Yes _____ No _____ "Yes" required for compliance

14. Sanctions for Willful or Material Misrepresentation

Applicant certifies that if it willfully or materially misrepresents any information in any application for a Rent Stabilization Grant under Administrative Code Section 2A.243(c), the Office of Small Business may terminate any pending grant to Applicant, order Applicant to return any grants previously awarded and/or prohibit Applicant (conditionally or otherwise) from applying for future grants for any period of time.

Yes _____ No _____

15. City Supplier Registration

Grant recipients must sign up as a Supplier (formerly known as a Vendor) with the City and County of San Francisco to receive grants. To become a Supplier, a grant recipient must first become a Bidder. Applicants who cannot or refuse to become City Suppliers will be paid by a contracted third party vendor selected by the OSB.

Is Applicant registered as a Supplier (i.e., Vendor) with the City and County of San Francisco?

Yes _____ No _____

If "yes," what is your Supplier number? _____ Unsure _____

If "no," please complete the following steps:

Instructions on How to Become a Supplier (Formerly Vendor) with the City and County of SF:

A) Complete a W-9 form.

- Go to: <https://www.irs.gov/pub/irs-pdf/fw9.pdf>.
- Fill out, print, sign, date, scan and save the form.

B) Register as a Bidder.

- Go to:
https://sfsupplierportal.sfgov.org/psp/supplier/SUPPLIER/ERP/c/AUC_BIDDER_REGISTRATION.AUC_BIDDER_REGISTR.GBL?Action=U&SUP_OB_TEMPLATE_ID=BIDDER.
- For the question, “What type of bidding activities you are interested in?” the correct response is “Selling goods/Services” or “Both.”
- The DUNS number is not required for the Legacy Business Program. It is only required for federal government contracts or grants.
- Upload your W-9 when prompted.
- For “Requested User ID,” write in whatever you would like your user ID to be.
- The step about “Categorization” is optional.
- When completed, submit the information.
- After submitting the form, you will receive an email indicating your Bidder ID number.

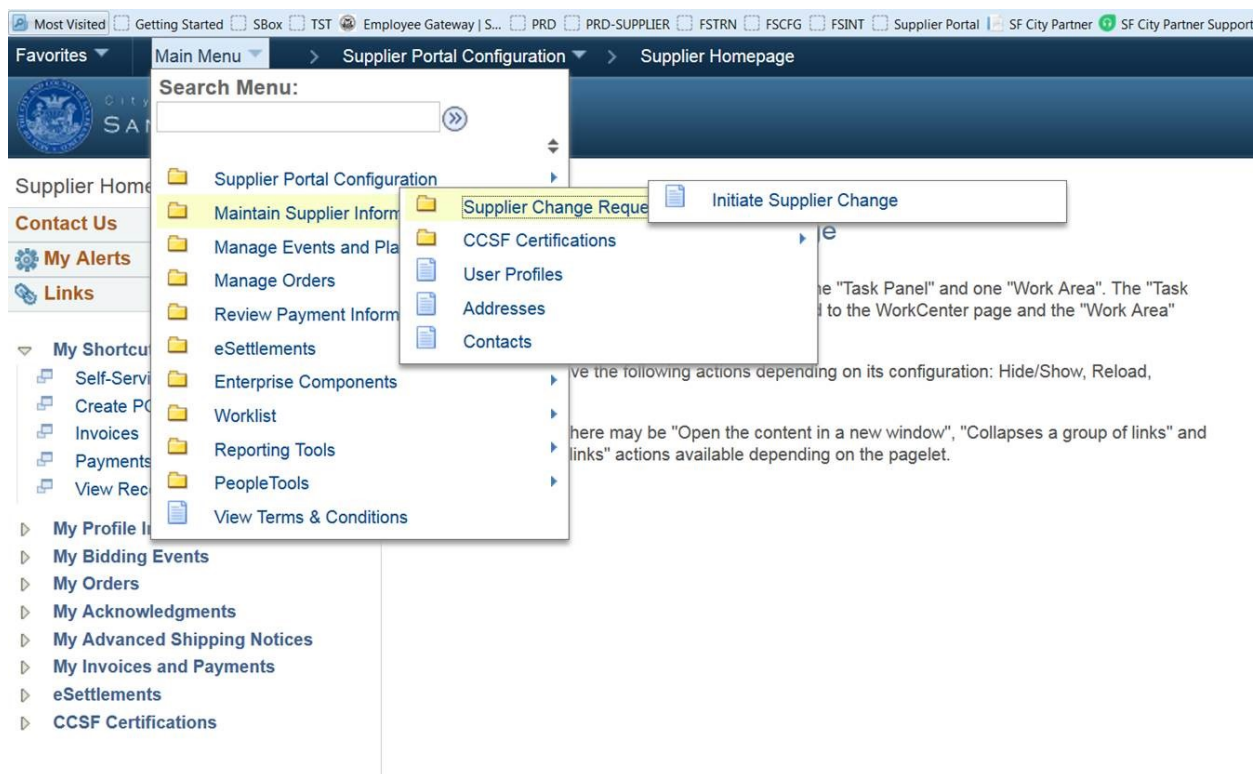
C) Register as a Supplier.

- Go to the Supplier Portal: <https://sfsupplierportal.sfgov.org/>. Click on: “Please click here to PeopleSoft logon page,” which brings you to this website:
<https://sfsupplierportal.sfgov.org/psp/supplier/SUPPLIER/ERP/h/?tab=DEFAULT>
- Sign up with the Treasurer/Tax Collector at one of these two links on the right side of the website:
[New Business Registration](#) for first-time registrants.
[Business Registration Renewal](#) for businesses that have previously registered.
- Prepare legal verification of employee count/firm structure, for example a W-3 Form, DE-1 Form, DE-9 Form or annual San Francisco Payroll Tax Statement. Save the form on your computer.
- In the Login section, click “Sign in” to sign into the Supplier Portal.
- Click on the “12B Declaration” (Equal Benefits) and follow the instructions. Upload the legal verification of employee count/firm structure when prompted.
- After you complete the aforementioned Treasurer/Tax Collector and 12B Declaration steps, the Treasurer/Tax Collector and Contract Monitoring Division will contact you if they have questions or need further information. When everything has been approved by the Treasurer/Tax Collector and Contract Monitoring Division, you will get a Supplier number. It may take days or weeks to receive a Supplier number.

D) Register to Receive Electronic Payments (ACH).

- After receiving a Supplier number, go to the Supplier Portal:
<https://sfsupplierportal.sfgov.org/>. Click on: “Please click here to PeopleSoft logon page,” which brings you to this website:
<https://sfsupplierportal.sfgov.org/psp/supplier/SUPPLIER/ERP/h/?tab=DEFAULT>

- Go to Main Menu, Maintain Supplier Information, Supplier Change Request and Initiate Supplier Change as shown below.



- Click on the box that says “Payment Profile” and follow the instructions.

For assistance with the Supplier set-up process, please contact Richard Kurylo at legacybusiness@sfgov.org or (415) 554-6680.

16. Verification

Please verify whether the following statements are correct:

- Applicant is a Qualified Landlord to a Registered Legacy Business (as defined in [Administrative Code Section 2A.242](#) and [Administrative Code Section 2A.243](#)).
- Applicant is current on all of its San Francisco business tax obligations.
- Applicant’s business registration and applicable regulatory license(s) are current.
- Applicant has no amounts owing to the City as a result of fines, penalties, interest, assessments, taxes, fees, or any other financial obligations imposed by law, regulation, or contract that were delinquent as of the date of application;
- Applicant has no determinations from the Office of Labor Standards and Enforcement (OLSE) that it is in violation of any of the City’s labor laws.
- I understand that all information provided in the application may become subject to disclosure under the California Public Records Act and/or San Francisco Sunshine Ordinance.

17. Declaration

I, the Qualified Landlord to the Registered Legacy Business _____
_____ located at _____ in
San Francisco, California, affirm that the statements in this application are true and correct to the best of my
knowledge. I understand that a false statement may result in the denial of my application for a Rent
Stabilization Grant.

18. Signature

Applicant’s Printed Name

Applicant’s Signature

Date

19. Checklist

Include the following with your submission:

- Completed and signed Rent Stabilization Grant application.
- A copy of the lease with the Legacy Business.

20. Application Submission

Mail, hand-deliver or email the completed application and required attachments to:

Legacy Business Program
Office of Small Business
City Hall, Room 110
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102
legacybusiness@sfgov.org