



SMALL BUSINESS COMMISSION MEETING MINUTES



Monday, October 26, 2015
2:15 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102

SMALL BUSINESS COMMISSIONERS

Mark Dwight, President
Stephen Adams, Kathleen Dooley, William Ortiz-Cartagena
Irene Yee Riley, Paul Tour-Sarkissian

1. **Call to order and roll call.**

The meeting was called to order at 2:17 PM. Commissioners Adams, Dooley (arrived 2:19 PM), Dwight, Ortiz-Cartagena, Yee Riley, and Tour-Sarkissian were present.
Staff in Attendance: Regina Dick-Endrizzi (Executive Director).

2. **General Public Comment (Discussion Item)**

No members of the public requested to speak.

Note: Items #3 and #4 were called together.

3. **Presentation and Discussion on Mayor Lee's Buy Local Initiative: Shop and Dine in the 49 (Discussion Item)**

Presentation by Marianne Thompson, Office of Economic and Workforce Development

4. **Presentation and Discussion on Small Business Saturday (Discussion Item)**

Presentation by Lynn Bunim, Women Impacting Public Policy, Small Business Saturday Coalition

Ms. Thompson discussed Shop and Dine in the 49 in which residents and visitors are encouraged to shop and dine locally. She discussed the Mayor's SF Biz Connect program and efforts of larger businesses pledging to shift 5% of their spending locally and to small businesses. Ms. Thompson discusses the survey and its results relating to shopping and dining locally. She also mentioned the various advertising and social media campaigns underway to promote local businesses. Ms. Thompson noted that if the Commissioners know of any businesses wanting to participate in Small Business Saturday, to contact Ms. Bunim for more information. Ms. Bunim thanked the Commission and Director Dick-Endrizzi for their continuing support of Small Business Saturday. She noted that San Francisco has become a flagship in supporting small businesses. Ms. Bunim discussed the efforts taken in building a coalition of large and small businesses in preparation for Small Business Saturday. She mentioned the support American Express has offered in placing local newspaper ads. Ms. Bunim made note of several efforts in improving this year's Small Business Saturday, such as a decorated cable car to bring people around to different neighborhoods.

Commissioner Adams thanked Ms. Thompson and Ms. Bunim for all their work regarding Small Business Saturday. Commission Yee Riley asked how the Commission and the Commissioners can be of service. Direct Dick-Endrizzzi thanked Ms. Bunim for all of her work.

Public Comment: No members of the public requested to speak.

5. **Presentation and Discussion on Super Bowl 50 Business Connect (Discussion Item)**

Presentation by Jason Trimiew, San Francisco Bay Area Super Bowl 50 Host Committee

Mr. Trimiew provided the Commission with an overview of the Host Committee's efforts to include local businesses in Super Bowl 50. He noted the goal of the program is not only to work with the businesses on this one occasion, but to be able to work with them in the future and provide them with tools to allow their businesses to thrive long after the Super Bowl is over. Mr. Trimiew discussed the Business Connect Resource Guide in which 425 certified businesses are listed. He noted that these businesses are certified as either women owned, minority owned, disabled veteran owned, or LGBT owned. The criteria used in creating the guide follows some of the general guidelines set forth by cities and companies in the Bay Area for their contractors. He noted San Francisco is the most represented city on the list, at 23%. He noted that the list will remain as it is after the Super Bowl and will be available to the public as a national resource. Mr. Trimiew also made note of the various events hosted by Super Bowl partners, such as Google and Intuit. Mr. Trimiew noted that the Host Committee has been working through the Super Community Program to provide support to local communities who wish to host Super Bowl related events.

Commissioners Dooley, Ortiz-Cartagena, and Tour-Sarkissian thanked Mr. Trimiew for this work. Commissioner Dooley inquired as to how the North Beach could best go about planning a Super Bowl event. Commissioner Tour-Sarkissian asked what would happen to the list after the Super Bowl.

Public Comment: No members of the public requested to speak.

RECESS: 3:10 – 3:16 PM.

6. **Update on the Legacy Business Registry. (Discussion item)**

Director Dick-Endrizzzi noted that they have been assigned a new City Attorney, and that he made recommendations in simplifying areas of the instructions and application for the Registry. The Director noted that the Board of Supervisors had received the process instructions and application, and they are working out various details. She noted desire to make the Supervisors' portion of the process as simple as possible. The Director also noted the need to make it clear the Commission is looking at history and supplemental documents to help market the businesses; there will be no judgement on the professionalism of the documents, as different businesses have different capabilities. She had informed the Board of Supervisors that the Commission will only hear nominated businesses. The Director made note that things may change after the election in November, depending on the status of Proposition J. Modifications could occur, such as the allowance of 20 year old businesses in certain circumstances, and that businesses would not need to be headquartered or founded in the City, only to have operations in the City for the requisite time. The Director noted that either way, the Commission would only hear businesses that have been

nominated and that the Commission should await the result of the election and the status of Proposition J before making any rules and regulations regarding the program.

Commissioner Yee Riley and Dwight questioned where this 20 year exemption came from and if it was in the original legislation that created the Registry. Commissioner Dwight asked if being headquartered and founded in San Francisco would still be a requirement, and the Commission should wait to see the status of Proposition J. Commissioner Tour-Sarkissian asked about the changes the City Attorney recommended, and what the Commission's exact role would be in the process.

Public Comment: No members of the public requested to speak.

7. **Director's Report (Discussion Item)**

Director Dick-Endrizzi noted the various City programs to help communities and businesses prepare for El Niño. The Director noted that the Business Portal has been nominated for the Excellence in Government Award and mentioned the various other awards the Portal has received. She discussed the possibility of a program to help businesses look at their leases; this program would especially benefit very small businesses. Director Dick-Endrizzi discussed a letter from California Recycles and the ongoing issue around CRV buyback. She noted the conflict between the City's goals and this State requirement, which places a strain on small businesses. The Director also made note that the letters from the State have been getting more aggressive. The State is trying to put pressure on the City through small businesses. Director Dick-Endrizzi also discussed the status of various other pieces of legislation and the upcoming Commission retreat.

Commissioner Dwight said the Commission should proactively take on the issue of CRV buy back. He inquired if this could be resolved at the local level or if it would require action in Sacramento. He underscored the importance of taking action on this. Commissioners Dwight and Adams recommended agendaizing this matter for further discussion. Commissioner Adams suggested sending a letter to the Mayor's Office, and he mentioned that this is hitting small businesses the hardest, whereas larger business would rather pay the fine than work to comply. Commissioner Adams also mentioned bringing business owners and Recology into the discussion. Commissioner Dwight recommended some brainstorming and further discussion prior to sending any letters.

8. **President's Report (Discussion Item)**

Commissioner Dwight attended the SF Biz Connect event. He stated that the event was well attended and well done, that the Mayor and Supervisor Kim were in attendance, that there was a good selection of small businesses as well as large businesses that have pledged to support small business, and that the SF Biz Connect website has a form which allows other businesses to pledge their support.

Commissioner Tour-Sarkissian asked how these big businesses have taken the pledge. Commissioner Yee Riley asked about the Mayor's two press conferences on raising the minimum wage and the Kiva launch in Chinatown with Dragon Papa.

Director Dick-Endrizzi discussed the path of Dragon Papa and the help the Small Business Assistance Center and the Small Businesses Development Center were able to offer.

9. **Commissioner Reports (Discussion Item)**

Commissioner Yee Riley made note of the Dragon Papa event and how it is a great example of the joint effort and collaboration between all involved. She made note of the reopening of the Sam Wo restaurant in Chinatown and how it received community support in finding a new location and reopening. Commissioner Yee Riley also mentioned being approached by the Asian Business League to speak, and the Director's help in getting the City's Contract Compliance Director to speak with them. Commissioner Ortiz-Cartagena noted the success of the Visitation Valley street fair. Commissioner Adams attended the Renaissance Entrepreneurial Center's event and made note of its success.

10. **New Business (Discussion Item)**

Commissioner Adams recommended discussing the CRV issue in an upcoming meeting. Commissioner Yee Riley mentioned being approached by the family associations in Chinatown regarding a notice from Treasury stating that each property must have a separate business account, although the associations already have a business account. She asked if there was anything the Commission could do. Commissioner Adams said that this new requirement is a result of the transition to gross receipts, and the process has been streamlined to also allow for subaccounts. Director Dick-Endrizzi noted that Greg Kato, Gross Receipts Tax Director, had done outreach, and that she will follow up with the family associations.

Commissioner Yee Riley noted that several restaurants have closed due to high rents and that there is no rent control on commercial properties. She inquired if there was any way the Commission could help in this matter. Director Dick-Endrizzi noted that rent relationships are at the State level, and Commissioner Tour-Sarkissian said without rent control there is no way prevent a landlord from raising rents. The Director noted that owning the building is often key to a business's long-term success, and she has been working with the Small Business Development Center to help businesses get loans for commercial property. Commissioner Dooley mentioned that being able to purchase the building has helped several businesses in the North Beach. Commissioner Adams noted that often the mortgage payments are less than the rent payments.

Director Dick-Endrizzi discussed the little known method of vertical subdivisions as a method for businesses to own their space. Commissioner Tour-Sarkissian recommended agendaizing this for more discussion. Commissioner Ortiz-Cartagena recommended asking Diana Ponce de Leon to present, as she has been working on vertical subdivisions in the Mission. Director Dick-Endrizzi made note of this and will add it to new business.

11. **Adjournment (Action Item)**

Motion: Commissioner Adams motioned to adjourn.

2nd: Commissioner Dooley.

Aye: All in favor.

Nay: None.

Motion passed, 6-0.

The meeting was adjourned at 4:07 PM.