



SAN FRANCISCO MUSIC AND ENTERTAINMENT VENUE RECOVERY FUND

Venue Fund Rules **Version: April 19, 2021**

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II. GRANT ADMINISTRATION

A. ESTABLISHMENT OF FUND

The San Francisco Music and Entertainment Venue Recovery Fund (the “Venue Fund”) was established in March 2021 to provide financial support to San Francisco-based live music and entertainment venues in order to prevent their permanent closure due to the pressures of the COVID-19 pandemic.

B. RESPONSIBLE AGENCY

The Office of Small Business (“OSB”) shall administer the Venue Fund to provide grants to entertainment venues whose operations have been significantly impacted by the COVID-19 emergency.

OSB has adopted these Venue Fund Rules regarding administration of the Venue Fund and for the distribution of monies in the Venue Fund consistent with Administrative Code Section [10.100-308](#), in consultation with the Controller’s Office, the Office of Economic and Workforce Development (“OEWD”), the Entertainment Commission, other City agencies, and businesses and community organizations representing the interests of venues regarding the Venue Fund’s implementation.

During the application review process, OSB reserves the right to request additional information or documentation from the applicant and/or to verify information or documentation through the internet and/or social media.

III. PHASE I: APRIL 2021 - JANUARY 2022

For Phase I (April 2021 – January 2022), OSB shall distribute monies from the Venue Fund only to “Eligible Venues” as outlined in Administrative Code Section 10.100-308(b)(2)(A) and defined below, with priority for distribution to Eligible Venues that meet two or more additional criteria.

A. ELIGIBLE VENUES: ROUND 1

For Round 1 of the Venue Fund Grant, the grant application opens on Wednesday, April 21, 2021, and grant applications must be submitted by 11:59 p.m. PDT on Wednesday, May 5, 2021.

For Round 1, the following are the specific set of criteria established to define Eligible Venues. A business must meet all five criteria listed in Sections III(A) 1-5 to qualify as Eligible Venues.

1. LIVE ENTERTAINMENT PROGRAMMING

The principal function of the business is to provide live entertainment programming, as indicated by the presence of all of the following elements and defined in greater detail below: (a) Defined performance and audience spaces within the venue; (b) Sound and lighting systems within the venue; and (c) Marketing of specific performers by name in print and digital publications, communications and/or social media.

A “defined performance space” is a distinct physical space for live entertainment programming, such as drama, music, dance, comedy, or other live performing arts activity.

A “defined audience space” is a distinct physical area in which the audience experiences live entertainment programming from the performance space.

Required documents: Floor plan or photographs showing performance/audience space. Provide the floor plan used for insurance purposes or local fire inspections. Floor plan and/or photographs (and plan of grounds if outdoor space is used for the performance space) should demonstrate the location of the defined performance and audience spaces.

A “sound system” is comprised of mixing equipment and a public address system. “Mixing equipment” is a sound mixer that mixes two or more audio signals together, provides one or more output signals, allows adjustment of levels and enhancement of sound with equalization and effects, and creates monitor feeds. A “public address system” is an electronic system with at least one microphone, amplifier, and loudspeaker that increases the volume of a human voice, musical instrument, or other acoustic sound source or recorded sound or music.

A “lighting system” is a structure that holds lights in place for illuminating a stage or other defined performance space.

Required documents: Photographs of sound and lighting equipment installed within the venue, or receipts for purchase or installation of sound and lighting equipment within the venue, or insurance documents covering sound and lighting equipment within the venue.

“Marketing of specific performers” is defined as indicating performers by name in print and digital publications, communications, and/or social media.

Required documents: One month of marketing materials for live entertainment programming between January 2019 and February 2020, defined as 16 or more days per month on average, or on every day the business is open to the public. Include copies of print or electronic advertising, paid receipts for advertising, performance calendar, social media pages, etc. that list public-facing entertainment events. Materials should include event titles showing specific performers, show times, and dates. If the business has indicated that it offers live entertainment on average at least 16 days during the month, the marketing materials should reflect at least 16 live entertainment performances; if the business has indicated that it offers live entertainment on every day this it is open to the public, the marketing materials should reflect all the live entertainment performances during the month.

2. PLACE OF ENTERTAINMENT PERMIT

The business held a Place of Entertainment permit from the Entertainment Commission as of February 25, 2020. That means the business must have had a Place of Entertainment permit on February 25, 2020, and also must maintain that Place of Entertainment permit.

To learn more about permit types, visit <https://sfgov.org/entertainment/permit-types>.

3. MAINTAINING LIVE ENTERTAINMENT PROGRAMMING

The business was operational in February 2020.

Before February 25, 2020, the business must have provided live entertainment programming on 16 or more days per month on average, or on every day it was open to the public.

The business commits to reopen as a venue offering live entertainment programming, when possible based on financial feasibility combined with health orders permitting, on 16 or more days per month on average, or on every day the business is open to the public.

Required documents: Ideally for the same month for which marketing materials are provided, business must submit any of the following to demonstrate it hosted live entertainment programming on 16 or more days per month on average, or on every day it was open to the public:

BOX OFFICE/TICKETING REPORT showing dates, artists or events, ticket prices, and number of tickets sold. Provide a report for performances in one month between January 2019 and February 2020. If the venue has self-certified that it offers live entertainment programming on 16 or more days per month on average, the submitted report must indicate at least 16 days of performances during the month; if the business has indicated that it offers live entertainment on every day this it is open to the public, the submitted report should reflect all the live entertainment performances during the month.

-OR-

WRITTEN AGREEMENTS or contracts in advance with scheduled performers that establish a guaranteed performance fee or percentage of ticket sales. An email thread is sufficient proof of the existence of an agreement or contract. Please submit written agreements or contracts for performances in one month between January 2019 and February 2020. If the venue has self-certified that it offers live entertainment programming on 16 or more days per month on average, the submitted written agreements or contracts must indicate at least 16 days of performances during the month; if the business has indicated that it offers live entertainment on every day this it is open to the public, the submitted written agreements should reflect all the live entertainment performances during the month.

-OR-

OTHER DOCUMENTS that demonstrate the business either offered live entertainment on average at least 16 days a month, or offered live entertainment on every day that it was open to the public between January 2019 and February 2020. If the venue has self-certified that it offers live entertainment programming on 16 or more days per month on average, the submitted documents must indicate at least 16 days of performances during the month; if the business has indicated that it offers live entertainment on every day this it is open to the public, the submitted documents should reflect all the live entertainment performances during the month.

4. NOT OWNED, MANAGED, OR BOOKED BY A PUBLICLY-TRADED COMPANY

The business is not owned, in whole or in part, managed, or exclusively booked by any organization that is a company whose shares of stock are publicly traded on a stock exchange.

5. MISCELLANEOUS REQUIREMENTS

The business owner or owners attest that all of the following are true: (a) The grant request is based on rent, mortgage, payroll, unsecured property taxes, liability insurance, and/or utility costs that initially became due since February 25, 2020; (b) The venue is struggling to pay these expenses due to COVID 19-related income loss or expenses; and (c) The business presently maintains its lease for the venue space and intends to maintain the lease into the future and continue to use the venue for live entertainment.

“The grant request is based on rent, mortgage, payroll, unsecured property taxes, liability insurance, and/or utility costs that initially became due since February 25, 2020,” means the business shall use any Venue Fund grants to pay rent, mortgage, payroll, unsecured property taxes, liability insurance, and/or utility costs that initially became due since February 25, 2020.

Grantees should maintain receipts to prove they used Venue Fund grants to pay for rent, mortgage, payroll, unsecured property taxes, liability insurance, and/or utility costs that initially became due since February 25, 2020. OSB may require grantees to provide such documentation on request.

B. ELIGIBLE VENUES: ROUND 2 AND SUCCESSIVE ROUNDS, IF APPLICABLE

For Round 2 of the Venue Fund Grant, and for any successive rounds, if applicable based upon funding availability, the criteria used to disburse funds to Eligible Venues may remain the same as in Round 1 or they may be revised. Any revised criteria shall continue to be in accordance with the requirements established in Administrative Code Section 10.100-308(b)(2)(A).

If the criteria remain the same, and no other revisions to these Venue Fund Rules are made, then no additional grant applications would be required from the applicants in order for them to receive an additional grant in Round 2 or successive rounds. However, there would be a grant application period during which a business could apply for Round 2 or successive rounds if they had not previously applied.

If the criteria are revised for Round 2 or successive rounds, then revised Venue Fund Rules will be issued, and businesses will be required to reapply for the Venue Fund Grant in order to receive a grant in Round 2 or successive rounds.

C. PRIORITY CRITERIA DETERMINATION

OSB will give priority in processing grant awards to Eligible Venues that meet two or more of the following additional criteria, giving higher priority among such Eligible Venues to Eligible Venues that meet a higher number of additional criteria: (1) The venue is in imminent danger of closure; (2) The venue has been in operation for at least 15 years; (3) The venue is a “Legacy Business” under Section [2A.242](#) of the Administrative Code; (4) The venue has a maximum occupancy of less than 1,000 patrons, as established by the most recent Place of Assembly permit issued for the venue under Chapter 1 of the Fire Code; and (5) The venue has historical importance to, or in recent years has been an important economic force in, one or more Cultural Districts, as defined in Chapter 107 of the Administrative Code.

1. IMMINENT DANGER OF CLOSURE

The venue is in imminent danger of closure.

A business is considered in “imminent danger of closure” if its combined monthly expenses and monthly income show that its cash on hand is unable to cover three months of its total expenses, or if it faces other circumstances (such as a loan coming due) that would force the business to permanently close within 90 days without additional financial support.

A business is not considered in “imminent danger of closure” if the venue is owned, in whole or in part, managed, or exclusively booked by any organization that owns or operates venues in more than one country, owns or operates venues in more than two states, or has more than 150 employees as of February 25, 2020, among all of its subsidiaries and affiliates. OSB will presume that a business that

operates on City-owned property or receives general operating financial support from the City is not in “imminent danger of closure,” unless the business presents documentation that OSB determines clearly establish an imminent danger of closure.

Optional documents: Supporting documentation, such as an income statement and bank statements, demonstrating imminent danger of closure.

2. IN OPERATION FOR AT LEAST 15 YEARS

The venue has been in operation for at least 15 years.

The business must have operated under its current or similar name in San Francisco for 15 or more years. The business may have operated in more than one location and may have changed ownership during that time.

3. LEGACY BUSINESS

The venue is a “Legacy Business” under Section [2A.242](#) of the Administrative Code and is listed on the Legacy Business Registry at www.legacybusiness.org.

4. MAXIMUM OCCUPANCY OF LESS THAN 1,000 PATRONS

The venue has a maximum occupancy of less than 1,000 patrons as established by the most recent Place of Assembly permit issued for the venue under Chapter 1 of the Fire Code.

5. CULTURAL DISTRICT

The venue has historical importance to, or in recent years has been an important economic force in, one or more Cultural Districts, as defined in Chapter 107 of the Administrative Code.

To meet this criteria, the business must (1) be located within a Cultural District per Chapter 107 of the Administrative Code (https://codelibrary.amlegal.com/codes/san_francisco/latest/sf_admin/0-0-0-59520); and (2) describe in its application the business’ historical or economic importance to the Cultural District in which it is located.

Optional documents: Supporting documentation demonstrating historical importance (e.g., CHESS report, asset mapping, other cultural heritage initiative) or economic force (e.g., media articles or other statements demonstrating economic impact of venue on the Cultural District.

D. DISTRIBUTION OF GRANTS

1. GRANT DISTRIBUTION, ROUND 1

For Round 1 of the Venue Fund Grant, the grant application opens on Wednesday, April 21, 2021, and grant applications must be submitted by 11:59 p.m. PDT on Wednesday, May 5, 2021.

For Round 1, OSB will pay all Eligible Venues equal grant amounts based on the number of Eligible Venues and the available monies in the Venue Fund at the time of payment processing as determined by OSB and the City and County of San Francisco.

2. GRANT DISTRIBUTION, ROUND 2 AND SUCCESSIVE ROUNDS (IF APPLICABLE)

For Round 2 and successive rounds of the Venue Fund Grant, if applicable based upon funding availability, the grant distribution plan may remain the same as in Round 1 or it may be revised. Any revised grant distribution plan shall continue to be in accordance with the requirements established in Administrative Code Section 10.100-308(b)(2)(A).

If the grant distribution plan remains the same, and no other revisions to these Venue Fund Rules are made, then no additional grant applications will be required from applicants in order for them to receive an additional grant. However, there will be a grant application period during which a business could apply for Round 2 or successive rounds if they had not previously applied.

If the grant distribution plan is revised for Round 2 or successive rounds, then these Venue Fund Rules will be amended, and businesses will be required to reapply for the Venue Fund Grant under the revised criteria to receive an additional grant.

3. GRANT DISTRIBUTION, ALL ROUNDS

OSB will process applications in order of “Priority” based on the number of additional criteria the Eligible Venue meets in Section III(D) of these Venue Fund Rules:

PRIORITY 1 = Eligible Venue + 5 of 5 additional criteria

PRIORITY 2 = Eligible Venue + 4 of 5 additional criteria

PRIORITY 3 = Eligible Venue + 3 of 5 additional criteria

PRIORITY 4 = Eligible Venue + 2 of 5 additional criteria

PRIORITY 5 = Eligible Venue

To receive funds, Eligible Venues must adhere to any requirements specified by OSB to enable the payment of funds to occur (e.g., getting set up as a Supplier with the City and County of San Francisco; providing appropriate documentation to a third-party company for check writing; etc.).

E. DECLARATION

Grantees shall attest that they are the owner of the music or entertainment venue stated in their applications, or one of the owners representing all of the owners, and affirm that the statements in their applications are true and correct to the best of owner’s knowledge.

Grantees shall acknowledge that they understand that all information provided in their applications may become subject to disclosure under the California Public Records Act and/or San Francisco Sunshine Ordinance.

Grantees shall acknowledge that they understand they may be required to provide OSB with additional information and/or documentation to support the statements in their applications.

Grantees shall acknowledge that they understand that if they misrepresent any information in their applications for Venue Fund grants, the City and County of San Francisco may terminate any pending grant to the business, order the business to return any grants previously awarded, and/or prohibit the business (conditionally or otherwise) from applying for future Venue Fund grants for any period of time.

IV. PHASE II: AFTER JANUARY 31, 2022

For Phase II, (after January 31, 2022), OSB shall use monies in the Venue Fund to support the relocation and reopening of Eligible Venues that OSB finds have significantly contributed to the history or identity of a particular neighborhood or community and have been forced to move from their previous location due to the COVID-19 pandemic and/or significant rent increases tied to gentrification, with priority given to Legacy Businesses. Prior to distributing funds after January 31, 2022, OSB will adopt rules and amend this section of these Venue Fund Rules regarding the distribution of funds, and OSB may revise the priorities for distribution, consistent with Administrative Code Section 10.100-308(c).

V. CONTACT INFORMATION

SMALL BUSINESS COMMISSION

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