



**SMALL BUSINESS COMMISSION  
DRAFT MEETING MINUTES**



Monday, March 28, 2016  
2:00 P.M.  
City Hall, Room 400  
1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102

**SMALL BUSINESS COMMISSIONERS**

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

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

The meeting was called to order at 2:01 PM. Commissioners Adams, Dooley, Dwight, Ortiz-Cartagena, Tour-Sarkissian, Yee Riley, and Zouzounis were present.  
Staff in Attendance: Regina Dick-Endrizzi (Executive Director).

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

An unnamed individual sang a commendatory tune with original lyrics regarding small business. Ace Washington is working on a 10-year review of the Fillmore Corridor and asked Commissioners to be aware of conflict-of-interest issues around SBC Commissioners who own local small businesses.

**3. Board of Supervisors File No. 160151- Public Employment – Annual Salary Ordinance Amendment – Office of Small Business in the Mayor’s Office of Economic and Workforce Development – FYs 2015-2016 and 2016-2017. (Discussion and Possible Action Item)**

*Presenter: Hillary Ronan, Legislative Aide, Supervisor David Campos*

Ms. Ronan was unable to attend.

Director Dick-Endrizzi stated that this ordinance establishes the Legacy Business Registry and management of the Historical Preservation Fund. Commissioners Adams, Dwight, and Yee Riley confirmed the establishment of the position within the current 3-month budget cycle.

**Public Comment:**

Ace Washington expressed concern about possible conflicts of interest between those holding positions in City offices, and their success in obtaining funds for new positions.

**Motion:** Commissioner Adams motioned to approve to hire a person to manage the Legacy Business Program for the next 3 months.

2<sup>nd</sup>: Commissioner Dooley.

Ayes: All in favor.

Nays: None.

Motion passed, 7-0.

4. **Board of Supervisors File No. 160152- Appropriation – Office of Small Business in the Mayor’s Office of Economic and Workforce Development - \$343,359 from the General Reserve – FY2015-2016. (Discussion and Possible Action Item)**

*Presenter: Hillary Ronan, Aide to Supervisor Campos (absent)*

Director Dick-Endrizzi explained how the appropriated funds would be allocated and discussed the Rent Stabilization Fund.

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

Motion: Commissioner Adams motioned to approve the appropriation of \$343,359 for grants related to the administrative costs of Proposition J, the Legacy Business Registry and Historic Preservation Fund.

2<sup>nd</sup>: Commissioner Ortiz-Cartagena.

Ayes: Adams, Dooley, Dwight, Ortiz-Cartagena, Tour-Sarkissian, Yee Riley, and Zouzounis.

Nays: None.

Motion passed, 7-0.

5. **Presentation and Discussion of the Office of Treasurer and Tax Collector’s new online Business Registration Portal. (Discussion Item)**

*Presenter: Jose Cisneros, Treasurer, San Francisco Office of Treasurer and Tax Collector*

Mr. Cisneros announced that business registration is now available entirely online by visiting the San Francisco Business Portal. New business owners can now apply for a new business license, sign via DocuSign, and pay online. While business license renewal has been online for several years, now contractors seeking building permits, neighborhood groups registering as non-profits, or short-term rental hosts such as AirBNB, for instance, are now using online services. Mr. Cisneros praised the many stakeholders, notably the SBC, the Business Portal Team, City Attorney’s Office, Office of Contract Administration, and 311. He noted that San Francisco has over 105,000 registered businesses that pay over \$1.2 billion per year to the Treasurer’s office in taxes and fees. The majority are micro- and small businesses.

Commissioners Dwight and Adams thanked Mr. Cisneros and his team for continuing to streamline the process.

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

6. **Amend Board of Supervisors File No. 160065 [Police Code – Paid Parental Leave for Bonding with New Child]. (Discussion and Possible Action Item)**

Director Dick-Endrizzi noted at the last meeting, the Commissioners decided not to take any official action, but provided Supervisor Wiener with a list of amendments. The Director highlighted those amendments most important to Commissioners. Jim Lazarus from the Chamber of Commerce was present to answer questions. He noted that the definition of a covered employer still stands at 20 employees, there is no change to an employee being able to

take paid leave after 90 days and receive benefits. Mr. Lazarus also noted if an employee leaves the job within 90 days of returning from paid leave, that employee must reimburse the employer, and that civil enforcement had been struck. In regards to the multiple-employers amendment, Mr. Lazarus discussed the rule-making authority of the Office of Labor Standards Enforcement (OLSE). Mr. Lazarus noted that the 20-employee threshold excludes 100,000 employees from coverage and commented that the 6-month extension may give the State more time to minimize the effect on local employers.

The Commissioners thanked Mr. Lazarus for the helpful explanation and for fighting this ordinance. They agreed it is a bad piece of legislation that should be at the State level rather than the local level. Commissioner Dwight expressed objection to this ordinance, this (along with the tip provision and minimum wage law) should be taken to the State level. He noted this ordinance places San Francisco businesses at a disadvantage and increases the burden on small businesses. Those who understand the needs of small business owners were not properly consulted, placing the Commission and small business owners in position of appearing to be pitted against their employees. Passing this legislation regardless of what the SBC recommends adds injury to insult. Commissioner Dooley agreed with Commissioner Dwight on the first 3 items that were not adopted, particularly for restaurants. Commissioner Zouzounis agreed regarding increasing the 90-day element and noted that while small business is in a precarious state, so are the workers. Commissioner Dooley added bad legislation like this ends up hurting the employees. Commissioner Yee Riley noted the economic impact report recommended a gradual move up to 100% wage replacement along with monitoring the increase costs versus the benefits. Commissioner Dwight advised that the Commission could either make no response, or take a position for the record. Commissioner Adams noted related that this has been a real concern among business owners, recommended an increase from 20 employees, and stated he would like to take a position and reject the ordinance.

Director Dick-Endrizzi encouraged the Commissioners to make recommendations to the Board of Supervisors, noting that the very short timeframe between release of the economic analysis report and the date of the Budget and Finance Committee hearing did not allow the decision-making body, the public, or the SBC to digest and consider the information contained therein.

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

Motion: Commissioner Adams motioned to reject this legislation.

2nd: Commissioner Yee Riley.

Ayes: Commissioners Adams, Dooley, Dwight, Ortiz-Cartagena, Tour-Sarkissian, Yee Riley.

Nays: Commissioner Zouzounis.

Motion passed 6-1.

## 7. **Update on the Lombard Street Safety Improvement Project and other SFMTA projects. (Discussion Item)**

Director Dick-Endrizzi drafted a letter to the San Francisco Municipal Transportation Agency (SFMTA) Board and made a presentation on behalf of the Commission. While the Board had approved the project, they clearly stated that it is not finalized, and directed staff to continue working with the community. Director Dick-Endrizzi, working with Peter Albert (SFMTA

Urban Planning Initiatives Manager), will help to facilitate continued outreach with business and residential communities over the next 3-4 months. She also reached out to Deanna Desedas (SFMTA Public Outreach and Engagement Manager) and Ed Reiskin (SFMTA Director of Transportation) to start scheduling bi-monthly or as-needed presentations to the Commission, and requested feedback from the Commissioners about how they would like to organize this ongoing process.

Commissioners Dwight, Dooley, and Ortiz-Cartagena noted that the Commission needs to know about projects on the horizon in the near future with an overview at the beginning, then discuss community outreach, and finally move into specifics. Commissioner Zouzounis proposed compensation for employers and workers who are in affected large infrastructure projects, such as Union Square. Commissioner Tour-Sarkissian commented that the Lombard Street Project is a textbook case of what the Commission does not want to happen, and suggested approaching this issue again not just as a Discussion Item, but as an Action Item to create Protocol.

Director Dick-Endrizzi agreed to get a list of upcoming projects with their dates, invite SFMTA and Deanna Desedas to encourage SFMTA engagement with local residents on project sites, and to invite various groups to Commission meetings to express concerns and offer input. There was further discussion about MUNI Forward, and the idea of the Commission creating a checklist for large infrastructure projects moving forward. Director Dick-Endrizzi mentioned that extending parking meter hours (to include Sundays and evenings) also came up at the SFMTA meeting, as an effort to offset the budget reduction that was created by reducing towing fees.

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

#### 8. **Update on the Legacy Business Registry and Historic Preservation Fund. (Discussion Item)**

Director Dick-Endrizzi informed Commissioners that the job application process and instructions are online for this position. She expressed concern that development of the Business Assistance Grant creates responsibility around allocation of funding of taxpayer dollars. She will be working with Commissioner Tour-Sarkissian to finalize requirements for the rent stabilization grant. Although current legislation defines a Legacy Business as at least 30 years old, there are some potential exceptions. Commissioner Zouzounis agreed. Director Dick-Endrizzi clarified that Proposition J made modifications to the Registry, but that is the only relevance. Commissioner Dwight agreed that protocol is needed with respect to expenditures and proposed that the primary goal is the Registry itself and marketing the Legacy Business concept, which may also make the Preservation Fund more palatable to taxpayers. The secondary goal should be the Preservation Fund, which is very different and needs to be carefully developed. Commissioner Tour-Sarkissian agreed on the importance of clear and consistent standards for Legacy Business and the Commission's careful execution of fiduciary duties. He confirmed that the initial \$25,000 is to promote the development and brand identity of the Registry. Commissioner Dooley commented that small business owners are being pushed out right now due to increasing rents. Commissioner Adams suggested listing the Business Registry and the Preservation Fund as two separate agenda items moving forward.

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

9. **Director's Report**

Director Dick-Endrizzi provided updates on the Commission and Small Business Accelerator Team positions, commended two colleagues (Donna Levitt and Bob Linscheid), and warned that the 50<sup>th</sup> anniversary of the Summer of Love would converge with a MUNI Forward project in which the Department of Public Works (DPW) would do the bulk of work during the same year, 2017. She has talked to the Director of the Office of Economic and Workforce Development and will work together to figure out best how to manage this.

10. **President's Report**

Commissioner Dwight is on the Board of the Chamber of Commerce, and the search for the new President will begin this week. He commended Bob Linscheid for doing a great job over the last three years. As co-chair of Small Business Week, Commissioner Dwight thanked Adam Strauss and his team for doing a fabulous job of organizing it.

11. **Vice President's Report**

Commissioner Adams attended a Working Solutions breakfast along with Director Dick-Endrizzi, Commissioner Ortiz-Cartagena, and Commissioner Dwight. The Castro District Farmers Market opened up two weeks ago and is the strongest mid-week market in San Francisco.

12. **Commissioner Reports**

Commissioner Yee Riley conducted interviews for Commission Secretary candidates with President Dwight.

13. **General Public Comment**

None.

14. **New Business**

Commissioner Ortiz-Cartagena requested assistance with the 14 Rapid Mission Plan, which has had an unexpected, catastrophic impact on small local business in the Latino Corridor from 30th to 16th Streets. In response to other Commissioners' offers to help, he said he will meet with Mission Economic Development Agency (MEDA) to try to get business organizations involved. Commissioner Dooley suggested that people be encouraged to come speak. Commissioner Dwight agreed and suggested that even though it is too late this time, everyone can learn from the consequences. Director Dick-Endrizzi commented that the process may help the Commission to create their checklist, and she can ask SFMTA and other organizations to come discuss the consequences.

15. **Adjournment**

The meeting was adjourned at 4:13 PM.