



SMALL BUSINESS COMMISSION
DRAFT MEETING MINUTES



Monday, November 14, 2016
5:30 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 5:33 PM.

Commissioners Adams, Dooley, Dwight, Tour-Sarkissian, Yee Riley (arrived at approximately 5:40 PM), and Zouzounis were present. Commissioner Ortiz-Cartagena was absent.

Staff in Attendance: Regina Dick-Endrizzi (Executive Director), Menaka Mahajan (Senior Policy Analyst), and Richard Kurylo (Legacy Business Program Manager).

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

No members of the public requested to speak.

3. **Discussion and Action on Legacy Business Registry Applications and Resolutions. (Discussion and Action Item)**

Richard Kurylo, Legacy Business Program Manager, presented 9 applications for inclusion on the Legacy Business Registry:

- a. Anchor Oyster Bar (Application No.: [LBR-2015-16-024](#))
- b. Café International (Application No.: [LBR-2015-16-070](#))
- c. City Lights Booksellers and Publishers (Application No.: [LBR-2015-16-063](#))
- d. EROS: The Center for Safe Sex (Application No.: [LBR-2015-16-007](#))
- e. Instituto Familiar de la Raza (Application No.: [LBR-2016-17-008](#))
- f. Luxor Cab Co. (Application No.: [LBR-2016-17-017](#))
- g. Papenhausen Hardware (Application No.: [LBR-2015-16-049](#))
- h. Sam Wo Restaurant (Application No.: [LBR-2015-16-041](#))
- i. St. Francis Fountain (Application No.: [LBR-2016-17-004](#))

Mr. Kurylo informed the Commission that all of the applications met the criteria for the Legacy Business Registry, and all of the applications received positive recommendations from the Historic Preservation Commission. Mr. Kurylo recommended that the Small Business Commission adopt 9 resolutions to include the 9 applicants in the Legacy Business Registry as Legacy Businesses under Administrative Code Section 2A.242.

Public Comment:

A man who did not identify himself spoke in support of the Legacy Business Program.

Kenneth Rowe spoke in support of EROS: The Center for Safe Sex.

Max Wechsler spoke in support of Café International.

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Matthew Rogers spoke in support of Papenhausen Hardware.
Jarvis Rich spoke in support of Café International.
Katherine Sulzer spoke in support of Café International.
Zahra Saleh spoke in support of Café International.
Jan Sells spoke in support of Café International.
Clifford Johnson spoke in support of Café International.
Lindsay Rabhan spoke in support of Café International.
Roseann Grimm spoke in support of Anchor Oyster Bar.
Louise McTernan spoke in support of Café International.
Aaron Jackson spoke in support of Café International.
Steven Lee spoke in support of Sam Wo Restaurant.
Julie Ho spoke in support of Sam Wo Restaurant.
Charles Rathbone spoke in support of Luxor Cab Co.
Judith Levinson spoke in support of Café International.
Peter Hood spoke in support of St. Francis Fountain.
Elaine Katzenberger spoke in support of City Lights Booksellers and Publishers.
Dr. Estela Garcia spoke in support of Instituto Familiar de la Raza.
Nate Mezmer spoke in support of Café International.
Matthew Marteny spoke in support of EROS: The Center for Safe Sex.

Commissioner Adams spoke in support of the applicants, specifically noting Anchor Oyster Bar, EROS: The Center for Safe Sex, and Papenhausen Hardware. Commission Dooley spoke in support of the applicants, specifically noting City Lights Booksellers and Publishers. Commissioner Yee Riley spoke in support of the applicants, specifically noting Papenhausen Hardware and Sam Wo Restaurant. Commissioner Tour-Sarkissian spoke in support of the applicants.

Motion: Commissioner Adams made a motion to approve the 9 resolutions to include Anchor Oyster Bar, Café International, City Lights Booksellers and Publishers, EROS: The Center for Safe Sex, Instituto Familiar de la Raza, Luxor Cab Co., Papenhausen Hardware, Sam Wo Restaurant and St. Francis Fountain in the Legacy Business Registry as Legacy Businesses under Administrative Code Section 2A.242.

2nd: Commissioner Dooley.

Aye: Commissioners Adams, Dooley, Dwight, Tour-Sarkissian, Yee Riley and Zouzounis.

Nay: None.

Absent: Commissioner Ortiz-Cartagena.

Motion passed, 6-0, 1 absent.

4. **Presentation and Discussion regarding Disaster Relief Mitigation Fund (Discussion Item)**

Holly Lung, Program Manager at Invest in Neighborhoods (IIN), offered an overview of the IIN program, followed by a discussion of the services offered through the Disaster Relief Mitigation Fund, which uses the FEMA definition of “disaster.” Nathaniel Owen, Associate Director of Asset Building Programs at Mission Economic Development Agency (MEDA), discussed MEDA’s role, how to qualify, the application process, positive impacts on small businesses (under the U.S. Small Business Administration’s definition), and statistics.

Commissioners Tour-Sarkissian asked about the qualifying event, small businesses’ eligibility for the Fund, and how to get in touch with MEDA. Commissioner Dwight asked whether a financial or personal health crisis would be included, and how soon funds would be available after a disaster. Commissioner Yee Riley asked about the amount. Director Dick-Endrizzi noted that a system had been created for the Fire Department to notify the Invest in Neighborhoods program if a business is affected.

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Public Comment: Ray Hartz, Jr. spoke about the history, culture, and vitality of San Francisco; he expressed support for the program.

5. **Update on the Legacy Business Program (Discussion Item)**

Richard Kurylo provided a summary of statistics for September and October.

Commissioner Yee Riley asked for clarification regarding numbers of nominations and applications.

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

6. **Discussion regarding Rules and Regulations for the Legacy Business Rent Stabilization Program (Discussion Item)**

Director Dick-Endrizzi asked the Commission for guidance on qualification factors, explained special contingencies in the lease, and discussed allocation of funds.

Commissioner Tour-Sarkissian noted the complexity of IRS Code Section 1563 and asked how conflicts would be uncovered in the relationship between landlord and Legacy Business. Commissioners Tour-Sarkissian, Dwight, and Dooley discussed ownership and equity interest. In regard to lease renewal, Commissioners Tour-Sarkissian, Adams, and Yee Riley discussed alternative options, suggesting “any combination that adds up to 10 years.” Commissioners Adams, Dwight, Dooley, Tour-Sarkissian, and Zouzounis discussed situations in which the City depletes funds (partially or completely), potential consequences for tenants, including a clause that allows tenants to end or renegotiate the lease. They advised that Director Dick-Endrizzi should speak with the City Attorney about certain special cases around fund depletion, ownership, and qualification.

Public Comment: Ray Hartz, Jr. praised the thorough discussion by Commissioners and pointed out additional considerations from the OSB staff draft.

7. **Discussion regarding the passage of Proposition 64. (Discussion Item)**

Director Dick-Endrizzi discussed the passage of Proposition 64, OSB staff memos, the Mayor’s executive directive, some of the issues expected to come before the Commission around implementation, and next steps.

Commissioner Dwight requested that staff conduct the necessary research / analysis and schedule presentations to inform the Commission. Commissioner Adams discussed the interplay between state and local law, as well as potential ramifications of the national election.

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

8. **Approval of meeting minutes (Action Item)**

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

Motion: Commissioner Adams motioned to approve the October 24, 2016 draft minutes.

2nd: Commissioner Yee Riley.

Aye: All in favor.

Nay: None.

Absent: Commissioner Ortiz-Cartagena.

Motion passed, 6-0, 1 absent.

9. **Director’s Report (Discussion Item)**

Director Dick-Endrizzi provided updates on recent mayoral directives, the Small Business Acceleration Team (SBAT), new office space, upcoming small business activities, and legislative/policy matters.

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

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10. **Commissioners' Reports (Discussion Item)**

Commissioner Dwight attended the launch of the November 2 Remember event. Commissioner Yee Riley attended SFO Small Business Town Hall meeting on November 7.

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

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

Commissioner Yee Riley requested a presentation regarding small business opportunities at the San Francisco Airport (SFO).

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

12. **Adjournment (Action Item)**

Motion: Commissioner Yee Riley motioned to adjourn the meeting.

2nd: Commissioner Dooley.

Aye: All in favor.

Nay: None.

Absent: Commissioner Ortiz-Cartagena.

Motion passed, 6-0, 1 absent.

The meeting was adjourned at 8:20 PM.

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