



**SMALL BUSINESS COMMISSION
MEETING MINUTES**

Monday, August 13, 2018
5:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102

SMALL BUSINESS COMMISSIONERS

Stephen Adams, President
Mark Dwight, Vice President
Matthew Corvi; Kathleen Dooley; William Ortiz-Cartagena;
Irene Yee Riley; Miriam Zouzounis

1. Call to order and roll call.

The meeting was called to order at 5:34 p.m.
Commissioners Corvi, Dwight, Ortiz-Cartagena, Yee Riley and Zouzounis were present.
Commissioners Adams and Dooley were absent.
Staff in attendance: Regina Dick-Endrizzi (Executive Director) and Richard Kurylo (Legacy Business Program Manager).

2. General Public Comment. (Discussion Item)

- Gwen Kaplan from ACE Mailing and the North Beach Business Association spoke about the possibility of having a small business summit or conference.
- Peter King of Masterpiece Theatre spoke of Northern California being the center of the new promised land and encouraged a 40 day freedom strike.
- Carlos Gomez of the Hispanic Chamber of Commerce also spoke in favor of a small business summit.
- Stephen Cornell of the Polk Street Merchants and Counsel of Merchants also spoke in favor of a small business summit.

3. Approval of Legacy Business Registry Applications and Resolutions. (Discussion and Action Item)

- a) Balboa Cafe. (Application No.: [LBR-2017-18-045](#))
- b) Hayes Street Grill. (Application No.: [LBR-2017-18-044](#))

Richard Kurylo (Program Manager, Legacy Business Program) informed the Commission that both of the applications met the criteria for the Legacy Business Registry, and both received positive recommendations from the Historic Preservation Commission. Mr. Kurylo recommended that the Small Business Commission adopt two resolutions to include the two businesses listed above (3a and 3b) on the Legacy Business Registry as Legacy Businesses under Administrative Code Section 2A.242.

Public Comment:

- Lance [no last name provided] spoke in support of Balboa Cafe.

Director Dick-Endrizzi noted that one set of bullet points on the draft resolution for Hayes Street Grill was incorrect. Under the physical features and traditions, there was a cut and paste error that needs to be corrected.

Commissioner Dwight commended Commissioner Adams' advocacy in helping Balboa Cafe become a Legacy Business.

Commissioner Yee Riley expressed her affinity for both establishments.

Motion: Commissioner Yee Riley motioned to adopt two resolutions to include Balboa Cafe and Hayes Street Grill in the Legacy Business Registry as Legacy Businesses under Administrative Code Section 2A.242, with the correction of the bullet points on the resolution for Hayes Street Grill.

2nd: Commissioner Corvi.

Aye: Commissioners Corvi, Dwight, Ortiz-Cartagena, Yee Riley, and Zouzounis.

Nay: None.

Absent: Commissioners Adams and Dooley.

Motion passed 5-0, 2 absent.

4. Review and Develop Recommendations to the Small Business and Job Executive Summary. (Discussion and Possible Action Item)

The Small Business and Jobs Executive Summary was created from a July 14, 2018, policy summit held by Mayor Breed where Commissioner Adams was in attendance. The Office of Small Business (OSB) is to provide the Mayor with a set of recommendations. Director Dick-Endrizzi notified the Commissioners that Sunshine Powers of the Haight Street Merchants was in attendance at the policy summit and would be available to answer questions during the discussion. She also indicated that although the OSB is not a regulatory agency, there may be other ways of addressing/prioritizing small business concerns that were raised during the policy summit. She recommended the following:

- The Small Business Commission (SBC) may draft resolutions requesting the Mayor, Board of Supervisors, or a particular Department take a specific action;
- The Mayor may also issue Executive Directives addressing concerns, e.g., requiring Departments involved in infrastructure projects to include construction mitigation. In addition for OEWD and OSB to develop guidelines for what construction mitigation may entail; directing Departments to address parking issues that arise from construction in commercial corridors; and to include in contracts, a formula that addresses timeline delays that are the fault of the contractor which negatively impact businesses in the construction area.
- The OSB may also work with and review notes from small business roundtables to summarize priorities and to recommend a set of procedures for early engagement to the Mayor and the Board of Supervisors.
- The SBC may also draft a resolution requesting that the Mayor or Board of Supervisors to include construction mitigation funding in the SF County Transportation Authority budget.

Public Comment:

- Stephen Cornell requested that additional items be added to the report. He referenced a list of priorities that came out of a small business meeting with Mayor Lee. Specifically “a seat at the table” when it comes to legislation that affects small business. Additionally, the Transit First policy in the City Charter should be mentioned and it should be reinforced that it supports small business.
- Scott Haugue, from Small Business California, agreed that a priority issue is having a seat at the table. He encouraged the Mayor and the Board of Supervisors to communicate more with the Small Business Commission. Too often small business is brought in too late in the process. Another recommendation is to recommend the City adopt a Buy Local policy as well as expand Shop & Dine in the 49.
- Aaron Esquivel, President of the Glen Park Merchant Association, shared his support for and encouraged support for LBEs.
- Carlos Solórzano echoed Stephen Cornell's and Scott Haugue's recommendations.
- Sunshine Powers, owner of Love on Haight. She emphasized the problem that vacant storefronts pose to small business success and encouraged the Small Business Commission to call for the Mayor to increase the vacant storefront fee and to explore the possibility of formally encouraging young entrepreneurs who are interested in pop-ups to occupy vacant spaces. She also highlighted that in her corridor at Haight

and Masonic she has endured eight years of construction and five gas leaks. She encouraged DPW and SFMTA to work more closely with merchants to create more accommodating construction plans. Also implored the Small Business Commission to consider having those employed at small businesses benefit from affordable housing in their place of employment's neighborhood.

- Vas Kiniris from the Council of District Merchants Association, and the West Portal and Fillmore Merchants, highlight the importance of organized activities for commercial corridors and the need for help from the city.
- Ryan O'Connor, Board Member of San Francisco Young Democrats and Castro resident. He echoed prior speakers' comments.

Commissioner Zouzounis spoke regarding housing, and wanted to share that the Commission is often involved in discussions around affordable housing but lacks PR on it. She also spoke in support of better collaboration between OEWD, Tax and Treasurer's Office, OSB and the development of accountability tools. She also spoke in support of adopting more resources for small business tech development. And, supports small business workforce development that is industry specific.

Commissioner Yee Riley especially agreed with having small business having a seat at the table, and reiterated the note made regarding San Francisco being a Transit First City.

Commissioner Dwight emphasized that there needs to be an efforts to inform City leadership on why the Small Business Commission exists.

Director Dick-Endrizzi added that the policy document highlighted under *Challenges for Small Business and Job Creation* that there are insufficient resources for technology needs for small businesses to develop efficient interaction with city agencies- she suggested that this may be something that the Commission to commit to addressing. For example, working with the Tax and Treasurer's office to increase cross-department communication, possibly with Mayoral support. In addition, streamlining the permitting process and communication around permitting.

Commissioner Ortiz-Cartagena emphasized that there is a need for cultural sensitivity and the City's obligation to knowing the cultures that they are working with and respective needs. In addition, it is important that City Departments do not continue to work in silos. Commissioner Zouzounis agreed and spoke to her own family's experience.

Director Dick-Endrizzi mentioned that she would be working with OEWD to develop recommendations to the Mayor and would be incorporating this meeting's feedback. She also asked for input from the Commissioners relative specifically to vacant storefronts. Additionally, she highlighted that she would include a note regarding the cost of doing business in the city is so high that rather than expand within the city, businesses are moving elsewhere. Director Dick-Endrizzi also noted that OSB would be developing guidelines around vertical divisions in mixed use buildings.

5. Director's Report. (Discussion Item)

Director Dick-Endrizzi first shared that she would be reaching out to the Commissioners regarding the cancelling of the second August 2018 meeting. Second, she mentioned that OSB would be presenting in the fall on a program that the office is developing to support the ABE. Relative to the move to room 140 in City Hall, it is expected to happen in November of 2018. In September, the SBC should expect to review three pieces of legislation- one is from the Department of Public Health regarding massage regulations; another is sponsored by Supervisor Tang which would support flexible commercial use; and third is sponsored by Supervisor Safai which mandates that cannabis businesses hire 30% from workforce programs specifically developed for cannabis businesses. The Department of Public Health is also planning to present on the flavored tobacco ban to the SBC in September.

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

Commissioner Yee Riley left at 6:30 p.m.

6. Commissioners' Reports. (Discussion Item)

Commissioner Ortiz-Cartagena reported that he was invited to speak at the Commonwealth Club to address the status of restaurants, and small businesses, he highlighted the specific example and success of Foreign Cinema.

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

7. New Business. (Discussion Item)

Commissioner Zouzounis met with the Department of Public health to discuss the flavored tobacco ban. She shared that they are planning to meet with various merchant associations before implementation. She emphasized that there are contradictory pieces of legislation that will affect the implementation of the ban. She also shared that a specific policy tool that the SBC should think about is a city buy-back of tobacco licenses, in addition to how other Departments will be involved in the streamlining of this Ordinance. Second, Commissioner Zouzounis would like more information on how to prepare merchants for potential RFPs for the city.

Commissioner Dwight requested clarification on whether the organization would have to be an LBE. Director Dick-Endrizzi replied that that the entity would need to be a nonprofit with a fiscal agent. Commissioner Zouzounis offered the Healthy Retail Program as an example. Director Dick-Endrizzi clarified that for anyone to receive money from the city, that they must be a registered entity, and have a business registration, and for any of the merchant associations they must have a 501 c-3. Its possible to ask the Office of Contract Administration or Controller's office for more information. Rick Kurylo has worked significantly on this relative to Legacy Businesses and will be soon publishing information on how to become 12-b compliant.

Commissioner Corvi added that he wanted to emphasize what Sunshine Powers mentioned regarding construction and pop-ups. He highly supports doing more around this.

Commissioner Dwight questioned whether there is a mechanism for corporations to sponsor government activities, specifically with the Legacy Business Program in mind, and perhaps to find funding to staff-up the Legacy Business Program. The Legacy Business Program has been tremendously successful and there is room for growth and expansion. Director Dick-Endrizzi answered that yes, it is possible and, she has met with the new Supervisors and aides to Supervisor Brown to discuss outreach. She concurred that more resources and public education would be very beneficial to the Legacy Business Program. Commissioner Dwight emphasized that big business would be more than likely to support the program.

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

8. Adjournment. (Action Item)

Motion: Commissioner Ortiz-Cartegena motioned to adjourn the meeting.

2nd: Commissioner Corvi.

Aye: All in favor.

Nay: None.

Absent: Commissioners Adams, Dooley and Yee Riley.

Motion passed, 4-0, 3 absent.

The meeting was adjourned at 6:53 p.m.