
**SMALL BUSINESS COMMISSION
MEETING MINUTES**

Wednesday, May 29, 2019
2:00 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
Kathleen Dooley; Sharky Laguana; William Ortiz-Cartagena;
Irene Yee Riley; Miriam Zouzounis

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

The meeting was called to order at 2:08pm.

Commissioners: Adams, Dwight, Laguana*, Ortiz-Cartagena, Yee Riley, and Zouzounis** were present.
Commissioners Adams and Dooley were absent.

Staff in attendance: Regina Dick-Endrizzi (Executive Director), Dominica Donovan (Senior Policy Analyst),
and Richard Kurylo (Legacy Business Program Manager).

*Commissioner Laguana arrived at 2:30pm.

**Commissioner Zouzounis left after Item 6 was heard.

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

No members of the public requested to speak.

3. **Recognition of Traci Teraoka, President, Sacramento Street Merchants Association. (Discussion Item).**

Director Dick-Endrizzi commended Traci Teraoka for her contributions to the Sacramento Street business community.

Traci Teraoka thanked the Commission for the honor.

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

a) Distractions (Application No.: [LBR-2016-17-005](#))

b) Le Beau Nob Hill Market (Application No.: [LBR-2015-16-040](#))

c) Scarpelli and Associates Physical Therapy (Application No.: [LBR-2018-19-051](#))

d) Veritable Vegetable (Application No.: [LBR-2018-19-041](#))

Presenter(s): Richard Kurylo, Legacy Business Program Manager, Office of Small Business

The Commission was informed that the above applications met the criteria for the Legacy Business Registry, and received a positive recommendations from the Historic Preservation Commission. Mr. Kurylo recommended that the SBC adopt a resolution to include the businesses listed above on the Legacy Business Registry as a Legacy Business under Administrative Code Section 2A.242.

Public Comment:

Tom Temprano, Legislative Aide to Supervisor Mandelman, spoke in support of Scarpelli and Associates Physical Therapy.

Lee Hepner, Legislative Aide to Supervisor Peskin, spoke in support of Le Beau Nob Hill Market.
Joe Omran, owner of Le Beau Nob Hill Market, spoke in support of his application.
James Siegel, owner of Distractions, spoke in support of his application.
Karen Salinger, co-owner of Vertiable Vegetable, spoke in support of her application.
Liz Scarpelli, owner of Scarpelli and Associates Physical Therapy, spoke in support of her application.
Commissioners spoke positively about the applications.

Motion: Commissioner Yee Riley motioned to approve all five resolutions to include Distractions, Le Beau Nob Hill Market, Scarpelli and Associates Physical Therapy as Legacy Businesses under Administrative Code Section 2A.242.

2nd: Commissioner Zouzounis

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

Nay: 0

Absent: 2

Motion passed: 5-0

5. **Assembly Bill 161, Solid waste: paper waste: electronic proofs of purchase.** Commission to provide recommendation for Department recommendation to the State Legislative Committee. **(Discussion and Possible Action Item)**

Director Dick-Endrizzi presented an overview of the requirements of Assembly Bill 161 and potential items of concern to the Commission. Alex walker, Senior Field Representative to the legislative sponsor, Assembly member Phil Ting also presented on the bill and answered a number of Commissioner questions.

The Commission directed that the following amendments and considerations be made with regard to the legislation:

- The SBC concurs with the DOE's recommendations as they were most recently presented.
- The SBC would like to see Section 42359.1 (C)(2) expanded to include a hardship clause for those who would incur an unreasonable expense by switching to new hardware and software in order to comply with the law.
- The SBC would like more clarity on what the enforcement of the law would look like- particularly where the CRV regulations have had an enormously adverse impact on many businesses in SF.
- The SBC would like also like confirmation that receipts printed for internal use would not be included in this legislation.
- The SBC would like assurance that non-toxic paper would be available for purchase at wholesale retail outfits. The definition of Small Business under the State of California Government Code Section 11342.610 became effective January 1, 2001. This definition ties fixed dollar and employee thresholds over which certain professional and business activities would not be considered to be "small businesses". The fixed dollar amounts included have not been CPI adjusted and as such are likely outdated. The SBC recommends that this be reviewed and perhaps amended through follow up legislation. In potential follow-up legislation, a provision should be included that accounts for adjustments after an appropriate and reasonable period of time.
- The SBC would also like the legislature to consider how this legislation and subsequent related pieces of legislation and the potential unintended consequence of increasing e-waste in that many businesses may opt in to upgrading their systems. Additionally, with regard to upgrading systems, the State have an understanding for how often POS system hardware is upgraded and old hardware discarded.
- The SBC expressed concern around retur/refund policies. They would like assurance that in not providing customers with receipts, that state law would not later require businesses to accept returns without receipts.
- The SBC noted that for large retailers, particularly formula retailers, an annual \$300 fee may not be enough of a nudge for them to comply with the requirements of this law.
- Lastly, the SBC noted that many packaging slips used in online deliveries are printed on thermal paper. In addition to the harm that thermal paper can have, online order deliveries generally generate significant

amounts of waste. The SBC would recommend that follow up legislation be considered regarding the waste generated from online retailers via delivery boxes and packaging, as well as packaging slips.

Public Comment:

Stephen Cornell, Council of District Merchants, spoke in support of the bill if amended.

The Commission did not take official action on this item.

6. **Resolution urging the Mayor and San Francisco Board of Supervisor to adopt the Small Business Commission's Recommendation of Economic Transition Assistance for Small Businesses Impacted by the Ban on Sales of Tobacco Products. (Discussion and Action Item)**

Explanatory Documents: [Resolution NO. 002-2019-SBC](#)

Director Dick-Endrizzi reintroduced the resolution and the Commission commenced their discussion. The Commission determined that the resolution should be redrafted to include a more specific recommendation. This item will be continued to a future date.

No members of the public requested to speak.

7. **Draft Legacy Business Program Annual Report for 2018-19. (Discussion and Possible Action Item)**

Presenter(s): Richard Kurylo, Legacy Business Program Manager, Office of Small Business

Explanatory Document: [Draft Legacy Business Program Annual Report, 2018-19](#)

Commissioners commended the program and lauded the year's accomplishments.

No members of the public requested to speak.

8. **Approval of Draft Meeting Minutes. (Action Item)**

Explanatory Documents: [Draft Minutes May 14, 2019](#)

No members of the public requested to speak.

Motion: Commissioner Laguana motioned to approve the May 14, 2019 Meeting Minutes.

2nd: Commissioner Ortiz-Cartagena.

Aye: 4

Nay: 0

Absent: 3

Motion passed: 4-0.

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

Director Dick-Endrizzi highlighted and discussed the Mayor's Fiscal Years 2019-2021 proposed small business budget investments. She also shared that the Office of Small Business will now be moving to the new office in mid-June.

No members of the public requested to speak.

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

Commissioner Yee Riley reported that she worked with California State Treasurer Fiona Ma, Tong Qin with the SBA, and State Assembly Members Phil Ting David Chiu's offices for the a small business resource fair on May 17, 2019.

No members of the public requested to speak.

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

Commissioners did not discuss new business items.

No members of the public requested to speak.

12. **Adjournment. (Action Item)**

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

2nd: Commissioner Yee Riley.

Aye: 4

Nay: 0

Absent: 3

Motion passed: 4-0.

Meeting was adjourned at 4:56pm.