

TO: Mayor London Breed
FR: Darlene Chiu Bryant
CO: Small Business & Jobs
DA: Saturday, July 14, 2018
RE: Policy Transition Summit

Executive Summary

Background

San Francisco small businesses have been the backbone of the City's economic vibrancy, from neighborhood mom and pops to artisanal bakeries, hardworking plumbers and electricians, entrepreneurial architects and professional service providers, and retail outlets that line our many corridors. The 2009 economic downturn gave rise to a new generation of businesses and growth in the economy, bringing change to how these small businesses operate, brought about new legislation that has both increased the cost of doing business while attempting to improve quality of life. Rising costs of real estate, high rents have led to empty storefronts and blight and dwindling labor force pool. Small businesses, some new and many multi-generational, are looking for assistance from the City in order to have the ability to continue being part of the diverse fabric that makes up San Francisco.

This document aims to summarize the high level and resonating issues raised by the committee members related to small business owners, commercial corridors, workforce training and placement, project labor agreements, use of technology, support and impact by city agencies and legislations. Moving forward, the goals to address some of these challenges include working collaboratively, over communicating and identifying ideas that are not punitive to small businesses, but can be a win for businesses, organizations, and agencies of all sizes will be helpful to the small businesses in San Francisco.

Challenges for Small Business & Job Creation

- Street improvement and maintenance disrupting business
- MTA measures impacting access to neighborhood corridors
- Homelessness and lack of clean streets
- Time required for permitting in the city compared to other municipalities
- Vacant storefronts in neighborhoods
- High cost of doing business while competing with online business
- Lack of public safety presence and support on merchant corridors
- There is lack of preference for local small businesses, ie: out of city and out of state firms compete for same contracts in city and win due to lower cost of doing business
- Lack of workforce training for non-trade positions, ie restaurants and service industries
- Access for disadvantaged and underserved communities, commitments of employers, and expectations that city-funded or construction projects will be made available for local hiring, Need to expand beyond construction to hospitality, health care... requires policy reform (Based on Oakland model)

- Insufficient resources for technology needs for small businesses to develop efficient interaction with city agencies. Efficient way to communicate and engage large corporations in merchant corridors
- Enhance the Small business portal to allow businesses to be case managed through the city process

Ideas & Best Practices

- Increased interagency communication
- Allow online permit application, allowing neighborhoods to set guidelines to streamline approval process
- Job training to start at an earlier age, in particular vocational training; eg: New York programs start in high school to provide an employee base
- Create a fund to pay for on-the-job training for non-trade employers who hire from disadvantaged backgrounds, Success Centers, certain census tracks, etc.
- Look at workforce development programs adopted in Silicon Valley
- Taxation policies should support small business job creation
- CCSF to support the local businesses who stay in city and have higher cost of doing business vs other Bay Area cities
- Mayor Breed should convene all stakeholders for "big tent" tax discussion to develop opportunities to raise responsible new revenue for housing/homelessness, review impacts of the payroll tax, identify best practices to unite the business, labor, and neighbors.