

**SMALL BUSINESS COMMISSION
DRAFT MEETING MINUTES**

Monday, August 22, 2022
4:30 P.M.
City Hall, Room 400
1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102

SMALL BUSINESS COMMISSIONERS

Sharky Laguana, President;
Miriam Zouzounis, Vice-President;
Tiffany Carter, Lawanda Dickerson; Rachel Herbert; Cynthia Huie; William Ortiz-Cartagena;

1. Call to order and roll call

Present: Carter, Herbert, Huie, Laguana, Ortiz-Cartagena
Late: Zouzounis
Absent: Dickerson
Meeting called to order at 4:32pm.

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

Richard Kurylo, Legacy Business Program Manager, Office of Small Business presented the following Legacy Business Registry applications:

- a. John's Grill (Application No.: [LBR-2021-22-028](#))
- b. Latin Bridal (Application No.: [LBR-2021-22-027](#))
- c. Nomad Cyclery (Application No.: [LBR-2021-22-013](#))
- d. Suppenküche (Application No.: [LBR-2021-22-032](#))
- e. Wilcox Frozen Foods (Application No.: [LBR-2021-22-026](#))

Public Comment:

Fabricius Wiest, Owner of Suppenkuchen

Motion to approve Legacy Business Registry Applications: Ortiz-Cartagena

2nd: Herbert

Aye: Carter, Herbert, Huie, Laguana, Ortiz-Cartagena, Zouzounis

Absent: Dickerson

Motion passes 6-0-1

3. Resolution in Support of Castro Theatre (Discussion and Action Item)

The Commission heard a presentation on future plans for the Castro Theater. Casey Lowdermilk, Mary Conde, from Another Planet Entertainment showed a video and made brief remarks about their goals for the project.

Commissioner Comments:

Zouzounis: Asked what type of outreach have you conducted? Mary Conde explained that they've met with merchants, neighbors, etc.

Carter: Noted that there is a disconnect with the community. Has planning weighed in on this?

Casey Lowdermilk explained this proposal will go to Historic Preservation Commission in October, then Planning Commission.

The SF Historical Society has been engaged.

Huie: Noted that the main chain is the traditional form of the theater into a concert venue. SF has lost significant film venues. Could APE commit to a certain percentage of film programming compared to other types of programming?

Casey Lowdermilk noted that they are committed to maintaining a film component.

Herbert: Renovations look good. How many seats will be lost? Maybe 100 less seats in the orchestra section.

Ortiz-Cartagena: Emphasized the need to consider the impact on local merchants.

Laguana: Noted that he brought this agenda item hoping to facilitate dialogue and transparency. Asked if this is a lease or operating agreement? APE responded that it's a private transaction.

Mary Conde noted that the deferred maintenance costs several million in renovations.

Laguana asked if live events were more profitable. Mary Conde noting increasing the theater capacity will help with costs.

Laguana asked if it would be more expensive to see a film.

Mary Conde noted that the Castro has been largely undervalued. Rental fees will go up. APE has honored pricing at 2019 levels for all film festivals this year. They are hoping the space can be used for fundraisers, but not private events.

Public Comment:

Gerard Koskovich – Opposed. Classic seating in the Castro is not insignificant. It defines the movie theater. Skeptical of new demographic who may be attracted to the theatre. APE is not a small business. Need to preserve cultural heritage.

Michael Petrelis – Opposed. Asked for the vote to be delayed. There is a lack of community notice regarding this meeting. The APE community meeting was inadequate – they need to do more community engagement. Save the seats. In the past seven months since APE has not done any film programming on their own.

Matthew Carhart – Opposed. Concerned about lack of community engagement – it's been noncommittal. The Theatre caters to all purposes but not live music, so this change will make the Castro St. An entertainment district.

Steven Bracco - Cultural District advisory board. Procedurally, he was not aware of this meeting until Friday. APE didn't mention this meeting at the town hall. Urger SBC to move this to a different date so more people can weigh in. APE is not a small business so does not make sense that this is being heard today.

Peter Pastreich – Ex. Director, Castro Theatre Conservancy. Opposed to a resolution in support. Those plans will make the Theatre a shell of its former self. 6,000 people have signed a letter opposing APE's plans for the Castro Theatre, particularly related to the Castro.

David Robson – Opposed. The Castro was built as a cinema; keep it that way. SF residents have lost many cinemas recently.

Adam Whitman – APE is giving a lot of lip service to the community. Skeptical of this plan/process.

Richard Kurylo – Opposed. City employee but speaking as a resident. A similar situation happened in San Diego – cinema was bought and nature of the whole theatre changed. This needs more community feedback and SBC should wait until the Historic Preservation Commission weighs in.

Matthew DeCoster – Opposed. Film should not be an afterthought. Unclear why this is before SBC.

David Karakker – President of Castro Merchants, owner of MX3 Fitness – this is about every single small business that benefits from the success of the Castro Theatre. 21% vacancy rate is concerning. Many businesses are excited at prospect of more foot traffic as a result of new plans. Please don't make this an all or nothing approach – keep in mind how much the community needs this to be successful. Consider what would happen if APE walks away from this property. Everyone from all sides needs to come together.

Heather Ripley – Opposed. Member of Art Deco Historical Society. APE has not received backing of historic preservation commission. APE is headquartered in Berkeley – they are not a small business so why are they here? Changing the seats will drastically change the nature of the building.

Jesse Stanford – Opposed. Community Stakeholders Coalition, Castro Cultural District. This is about affordability and accessibility.

Dylan Fong – Opposed. Cultural Community will be hurt by these changes.

Jessica Dillon – Opposed. Don't turn the Castro into a music venue. Closing the theater for weddings and fundraisers would not bring support to neighboring small businesses. Keep the seats. Public discussion is important, and at the one town hall held by APE, there was no mention of this meeting.

Gary Gregorson – Opposed. This should remain a defacto community center. Concerned about economic access to the Castro moving forward. This whole thing is a drag. Dreary design.

Joe Z. - Opposed. The Castro community is not supportive of the target demographic that APE is looking to attract.

Mike Murray – Queer people enjoy live events, not just movies. I would likely be considered part of the new demographic. This is not an all or nothing proposal. Resisting all changes is not the only path forward.

Kathrin Petrin – Opposed. SF Neighborhood Theater Foundation – have concerns about this project as currently proposed.

Commissioner Comments:

Ortiz-Cartagena: Asked why this was in front of SBC. He noted that APE is a small business and we want it to be successful, but community feedback is crucial. No one is going to get exactly what they want. A little more outreach will be helpful. This is not an appropriate time for the SBC to weigh in on this.

Carter: Thanked the Castro community and emphasized the need for more community conversations. Meeting of the minds. Was also unsure why SBC was hearing this.

Zouzounis: Noted there additional issues that impact small businesses like parking, etc.

Herbert: Urged the community to come together and reach agreement.

Huie: Thanked everyone for their comments. Noted that this decision impacts the neighborhood, small businesses, and community.

Carter: Wanted to hear more from the small businesses in the Castro.

Laguana: Thanked everyone for the discussion. Explained that he brought this item in front of the commission because sometimes it's helpful to weigh in on issues. Clarified that a small business is 100 employees or less, so APE does count as a small business. Another Planet Entertainment has more work to do in terms of community outreach. Plans to table this discussion.

Motion to continue this item: Laguana

2nd: Carter

Aye: Carter, Herbert, Huie, Laguana, Ortiz-Cartagena, Zouzounis

Absent: Dickerson

Motion passes 6-0-1

4. **Removal of Legacy Businesses from the Legacy Business Registry (Discussion and Action Item)**

Richard Kurylo, Legacy Business Program Manager, Office of Small Business, proposed removing the following businesses from the Legacy Business Registry because they are no longer in existence:

- a. Retro Fit Vintage (Physically closed October 31, 2017)
- b. BrainWash (Physically closed December 11, 2017)
- c. Elbo Room (Physically closed and Business Registration ended December 31, 2018)
- d. Project Inform (Physically closed March 15, 2019; No Business Registration Certificate)
- e. Let's Do Wash Coin Launderette (Physically closed and Business Registration ended March 1, 2020)
- f. Alioto's (Physically closed and Business Registration ended March 16, 2020)

Commissioner Comments:

Carter: This is sad to see.

Motion to remove the businesses from the Legacy Business Registry: Laguana

2nd: Carter

Aye: Carter, Herbert, Huie, Laguana, Ortiz-Cartagena, Zouzounis

Absent: Dickerson

Motion passes 6-0-1

5. **Adoption of Office of Small Business/Small Business Commission Goals and Priorities 2022-2023 (Discussion and Action Item)**

The Commission reviewed a set of Office of Small Business/Small Business Commission 2022-2023 Goals and Priorities.

Motion to adopt 2022-2023 Goals and Priorities: Laguana

2nd: Carter

Aye: Carter, Herbert, Huie, Laguana, Ortiz-Cartagena, Zouzounis

Absent: Dickerson

Motion passes 6-0-1

6. **Resolution Making Findings To Allow Teleconferenced Meetings Under California Government Code Section 54953(E) (Discussion and Action Item)**

Motion: Laguana

2nd: Huie

Aye: Carter, Herbert, Huie, Laguana, Ortiz-Cartagena, Zouzounis

Absent: Dickerson

Motion passes 6-0-1

7. **Approval of Draft Meeting Minutes (Discussion and Action Item)**

Motion: Laguana

2nd: Herbert

Aye: Carter, Herbert, Huie, Laguana, Ortiz-Cartagena, Zouzounis

Absent: Dickerson

Motion passes 6-0-1

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

No members of the public requested to speak

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

Director Tang updated the Commission on staffing changes at OSB with the addition of Marianne Thompson. She noted that the Street Vendor Permit went live. OSB has officially migrated all business starter kits to SF Gov so our business portal will be shutting down. August 30th is SBDC Capitol Summit.

10. **Commissioner Discussion and New Business (Discussion Item)**

Ortiz-Cartagena – Thought that Item 3 should have been an informational item first, then come back as action if there was consensus.

Laguana – Clarified that she wanted this on the agenda

Zouzounis – requested SBC look into SF’s sanctuary city status given recent police activity/enforcement on small businesses. She also noted that she heard there was a police presence in street vending enforcement.
Ortiz-Cartagena: Agreed that there was a lot of miscommunication on street vending; SBC should get an update at some point.

11. **Adjournment**