

2022-23 CIVIL GRAND JURY FINDINGS, RECOMMENDATIONS, AND RESPONSES TO FINDINGS AND RECOMMENDATIONS

Report Title [Publication Date]	F#	Finding	Respondent Assigned by CGJ [Response Due Date]	Finding Response (Agree/ Disagree)	Finding Response Text
Taking Care of Business: San Francisco's Plan to Save its Small Businesses [June 21, 2023]	F1	First Year Free has been generally well-received by small businesses and City agencies, but due to its limited scope when first adopted and its status as a temporary pilot program, its financial benefits to small businesses have been more modest than initially expected.	Office of the Treasurer and Tax Collector [August 20, 2023]	Agree	
Taking Care of Business: San Francisco's Plan to Save its Small Businesses [June 21, 2023]	F2	The lack of a current published list of fees subject to waiver under the FYF program makes it difficult for eligible businesses to decide whether to participate in the program and hinders the City's ability to implement and promote its benefits.	Office of the Treasurer and Tax Collector [August 20, 2023]	Disagree, partially	The lack of current published list of fees subject to waiver may make it difficult for businesses to fully understand / quantify the benefits of the program in advance. However, the automatic enrollment / processing built into FYF helps businesses benefit from the program without taking additional steps.

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Taking Care of Business: San Francisco's Plan to Save its Small Businesses [June 21, 2023]	F3	Businesses enrolled in First Year Free have been charged fees that should have been waived, which imposes burdens on the City personnel who must manually correct such errors and on the small businesses whose waivers have been delayed.	Office of the Treasurer and Tax Collector [August 20, 2023]	Disagree, partially	<p>Refunds are the exception and not the norm for this program. The number of refunds has declined over time, and many are due to businesses that retroactively change information about their business (e.g. start date, how they answer questions about commercial locations, etc).</p> <p>TTX, OSB, and the Permit Center continue to outreach to the departments to finesse the administration and coach on improving the service. On the rare occasions when a business is not identified, processes exist to identify these businesses proactively and quickly for refunds.</p>
Taking Care of Business: San Francisco's Plan to Save its Small Businesses [June 21, 2023]	F6	The lack of regular cross-departmental meetings focused on small business issues between the Office of Small Business and City departments involved in business registration, planning and permitting hinders the development and implementation of coordinated approaches and solutions.	Office of the Treasurer and Tax Collector [August 20, 2023]	Disagree, partially	While there are always opportunities for more collaborative communications, there are several meetings that do exist that provide significant opportunities for coordination and streamlining.

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Taking Care of Business: San Francisco's Plan to Save its Small Businesses [June 21, 2023]	F7	The computer systems of City departments involved in business registration, planning and permitting are not adequately integrated, and there is a growing need for these departments to conduct their operations on a federated computer system that will improve efficiency and cross-departmental collaboration.	Office of the Treasurer and Tax Collector [August 20, 2023]	Disagree, partially	The City does not support a one-size-fits-all technology solution, recognizing the diversity of requirements across departments and stakeholders. While pursuing a monolithic solution might seem the most obvious solution to the issue of siloed technology, the City remains cognizant of the potential drawbacks, including increased implementation costs, prolonged timelines, and heightened risks. Instead, we are looking towards a more agile and adaptive strategy that leverages industry-leading practices. We agree that systems could be better integrated, and data can be aggregated to provide the department greater visibility in the end-to-end customer journey. When possible, data is being integrated, APIs are being created, and data structured to allow visibility across diverse technology is being developed.

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Report Title [Publication Date]	R# [for F#]	Recommendation	Respondent Assigned by CGJ [Response Due Date]	Recommendation Response (Implementation)	Recommendation Response Text
Taking Care of Business: San Francisco's Plan to Save its Small Businesses [June 21, 2023]	R1 [for F1]	By November 30, 2023, the Mayor and Board of Supervisors should take the legislative and budgetary steps necessary to make First Year Free a permanent program.	Office of the Treasurer and Tax Collector [August 20, 2023]	Will not be implemented because it is not warranted or is not reasonable	The Mayor introduced legislation to make First Year Free a permanent program, and provided one year of funding in the Budget Process for the budget adopted in June, 2023 for FY 23-24. The Board of Supervisors was not comfortable approving permanent legislation without funding, and agreed to continue the program for one year, and to seek more permanent funding for First Year Free, and/or to provide fee relief to small businesses through other channels.
Taking Care of Business: San Francisco's Plan to Save its Small Businesses [June 21, 2023]	R2 [for F2]	By January 1, 2024, the Office of Treasurer and Tax Collector should prepare a "master list" of all fees subject to waiver under the First Year Free program, which should be regularly updated and disseminated to the public, to the Office of Small Business and to all City agencies and departments that impose fees covered by the program.	Office of the Treasurer and Tax Collector [August 20, 2023]	Will be implemented	The recommendation has not been implemented but will be within a set timeframe as provided.

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Taking Care of Business: San Francisco's Plan to Save its Small Businesses [June 21, 2023]	R3 [for F3]	By January 1, 2024, the Mayor should direct that the Office of Treasurer and Tax Collector, the Planning Department, the Department of Building Inspection, the Department of Public Health, the Department of Public Works, the Entertainment Commission, the Fire Department, the Police Department, and any other City departments that impose fees covered by the First Year Free program, should implement procedures to ensure that fees are properly waived for all businesses enrolled in First Year Free, that any billing errors are promptly identified, and that any fees that are improperly charged are promptly refunded to the affected business without requiring any action by the affected business.	Office of the Treasurer and Tax Collector [August 20, 2023]	Has been implemented	Departments have already implemented this recommendation. In those cases where fees are mistakenly assessed, they are refunded without requiring actions by the affected business. In addition, groups like OSB and the Permit Center assist in proactively identifying FYF refund candidates.