



CITY AND COUNTY OF SAN FRANCISCO
LONDON N. BREED, MAYOR

OFFICE OF SMALL BUSINESS
KATY TANG, DIRECTOR

SMALL BUSINESS COMMISSION MEETING MINUTES

Monday, February 26, 2023, 4:30 P.M.
City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102

SMALL BUSINESS COMMISSIONERS

Cynthia Huie, President; Miriam Zouzounis, Vice-President;
Ron Benitez; Lawanda Dickerson; Rachel Herbert; William Ortiz-Cartagena;

1. Call to order and roll call

Meeting called to order at 4:37pm

Present: Benitez, Huie, Ortiz-Cartagena, Zouzounis

Absent: Dickerson, Herbert

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

The Commission reviewed and voted to approve Legacy Business Registry applications:

- a. Everlasting Tattoo
- b. Greens Restaurant
- c. Jewelry Collection
- d. Liguria Bakery
- e. On The Bridge Restaurant
- f. Progress Cleaners
- g. R&G Lounge
- h. San Francisco Camerawork

Commissioner comments: all Commissioners congratulated the applicants.

Public comment:

- Aay Preston-Myint, Executive Director, SF Camera Work
- Mitsuhiro Nakamura, Owner, On the Bridge + his daughter
- Grace Hiroki, Japantown CBD, in support of On the Bridge

Motion to approve Legacy Business Registry applications: Zouzounis

2nd: Benitez

Ayes: Benitez, Huie, Ortiz-Cartagena, Zouzounis

Absent: Dickerson, Herbert

Motion passes 4-0

3. Presentation on San Francisco Economy (Discussion Item)

Ted Egan, Chief Economist, Office of Economic Analysis presented the latest economic metrics regarding the San Francisco economy and discuss current/potential impacts to small businesses. He noted that the City added jobs for the winter season but public transportation ridership is lower than in the summer months. Despite job losses in tech, the sector is still strong since the start of the pandemic. Leisure and hospitality are still struggling. SF has seen no change to return to office work over the past year – it stays at 40% of pre-pandemic levels. No doom loop, but a slow recovery/plateau.

Commissioner comments:

Ortiz-Cartagena: Are commercial rent asking prices still too high? Where should they be? Egan replied that brokers are not hearing of any demand, so people aren't even asking for lower rents. If buildings sell at a discount, they will be able to lower rents, but we still need the demand for those spaces.

- If inbound international travel is good, but it's not coming from China, where is it coming from? India.
- Is AirBNB an issue impacting hotel occupancy? Not really

Zouzounis: Do you have any commercial evictions data? Egan noted it's hard to track.

Huie: Was there improvement in this first quarter? Egan said not really. Not much growth because of interest rates.

- Are there new hotels opening to reflect new travel trends/ways of traveling? Not really, though leisure travel is up and business travel is down.
- What would help SF? Programs like First Year Free provide a good business pitch to try to encourage business growth. Additional strategies can come through business tax reform, which Egan has been working with the Treasurer on.
- There are lots of aging small businesses in Chinatown with few succession plans – how do we address that? Egan noted it's troubling. Retail trade in particular has older CEOs. Arts and culture sector was hit hardest in COVID-19, but now that housing prices are declining, perhaps they will attract more workers. So far SF hasn't seen a shift in who's moving to the city – the people who came in 2022 look the same as the people who moved here before, but perhaps that will change.

No members of the public requested to speak.

4. **BOS File No. 240088 – Legacy Business Assistance Program (Discussion and Action Item)**

Richard Kurylo, Legacy Business Program Manager, Office of Small Business, presented an ordinance amending the Administrative Code to create the Legacy Business Assistance Program. Director Tang explained that the legislation will be an identical program but will ensure a portion of rental assistance be shared with Legacy Business tenants.

Motion to support BOS File 240088: Huie

2nd: Zouzounis

Ayes: Benitez, Huie, Ortiz-Cartagena, Zouzounis

Absent: Dickerson, Herbert

Motion passes 4-0

5. **Officer Elections – Commission President (Discussion and Action Item)**

The Commission Secretary called for nominations for Commission President. Commissioner Ortiz-Cartagena nominated Commissioner Huie. Commissioner Zouzounis seconded the motion.

Ayes: Benitez, Huie, Ortiz-Cartagena, Zouzounis

Absent: Dickerson, Herbert

Motion passes 4-0, Commissioner Huie is Commission President for 2024.

6. **Officer Elections – Commission Vice President (Discussion and Action Item)**

The Commission Secretary called for nominations for Commission Vice President. Commissioner Ortiz-Cartagena nominated Commissioner Zouzounis. Commissioner Huie seconded the motion.

Ayes: Benitez, Huie, Ortiz-Cartagena, Zouzounis

Absent: Dickerson, Herbert

Motion passes 4-0, Commissioner Zouzounis is Vice President for 2024.

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

Motion to approve the January 22, 2024 draft meeting minutes: Huie

2nd: Zouzounis

Ayes: Benitez, Huie, Ortiz-Cartagena, Zouzounis

Absent: Dickerson, Herbert

Motion passes 4-0,

8. General Public Comment (Discussion Item)

No members of the public requested to speak.

9. Director's Report (Discussion Item)

Congratulations Commissioners Zouzounis and Ortiz-Cartagena - both were reappointed by the BOS recently
New Commissioner joining next month – Dimitri Thierry Cornet

Legislative Updates

- First Year Free extension – Mayor Breed introduced an ordinance to extend the First Year Free program by one additional fiscal year, through June 30, 2025. Since the program started in 2021, over 6,000 businesses have enrolled in the program, and the City has waived nearly \$2.6 million in fees.
- Legacy Business Program – Mayor Breed introduced the ordinance to revise the Legacy Business Assistance Program so that the businesses would benefit more from the program. (Presentation earlier)
- Duplicate file to small business permitting legislation (File 231221), which would principally permit Nighttime Entertainment on the ground floor in the Polk St NCD, and allow with a Conditional Use Authorization on the 2nd floor, was heard and approved by Planning Commission on 2/22/24.
- Resolution introduced at BOS in support of AB 2359, which would increase the number of liquor licenses in the Excelsior/Outer Mission – from 5 to 10.
- Supplemental appropriation ordinance – BOS to vote (first read) on 2/27/24 to appropriate \$2 million for businesses in SOMA impacted by APEC, \$1 million for businesses impacted by transit project along Taraval St, and \$500k to SFMTA for supporting free two-hour parking in the Portsmouth Square parking garage and ambassadors for Lunar NY festivities in Chinatown.

Awning Amnesty Program - Our office has organized a second workshop, to be held in Chinatown on Wed, March 6 at 11AM. Our team is also conducting a second round of door-to-door outreach in the next several weeks.

Heritage Happy Hours - March 14: Doc's Clock, 2417 Mission St. in District 9. April 11: The Plough and the Stars, 116 Clement St. in District 1.

Commissioner comments:

Zouzounis: What are the next steps for the mitigation funding conversation? OEWD will need to amend a contract to give out funds, and OSB is assisting in developing program elements.

Ortiz-Cartagena: Commended Richard Kurylo on Heritage Happy Hours- it was a lot of fun.

10. Commissioner Discussion and New Business (Discussion Item)

Ortiz-Cartagena: for the Super Bowl, the freeway exits to the Mission District were blocked to prevent rioting, etc. But it was detrimental to small businesses.

Huie: requested a presentation from SF Travel. Do they offer a merchant association membership price? Also noted that Recology rates are significant for small businesses- might be worth learning more about.

Zouzounis: requested a follow up with the Dept. Of Public Health re: bottlebank pilot program, especially since there are more items included in the CRV program.

11. **Adjournment**

Meeting adjourned at 6:55pm.