

File No. 201401

Committee Item No. \_\_\_\_\_

Board Item No. 20

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: \_\_\_\_\_

Date: \_\_\_\_\_

Board of Supervisors Meeting

Date: January 5, 2021

#### Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Youth Commission Report
- Introduction Form
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

#### OTHER

- Economic Recovery Task Force Report
- Entertainment Commission Letter - 12/15/20
- Relief Package
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Prepared by: Lisa Lew

Date: December 31, 2020

Prepared by: \_\_\_\_\_

Date: \_\_\_\_\_

1 [Urging City Departments to Prioritize Providing Aid to Independent Venues]

2

3 **Resolution urging the Controller, Office of Economic and Workforce Development, and**  
4 **Office of Small Business to work together and prioritize providing aid to independent**  
5 **venues in San Francisco to help them survive their forced temporary-closure due to the**  
6 **COVID-19 pandemic, and to help prevent them from closing permanently.**

7

8 WHEREAS, The COVID-19 pandemic and the resulting public health orders have  
9 forced most businesses to severely limit their operations or close completely leading to an  
10 economic crisis; and

11 WHEREAS, San Francisco's Economic Recovery Task Force recommended that the  
12 City explore policies and investments that encourage economic development and activity in  
13 San Francisco, such as funding public infrastructure projects, streamlining permitting  
14 processes, advocacy for state and federal resources in order to counteract the effects of the  
15 pandemic; and

16 WHEREAS, While some businesses have been granted some reprieve, were able to  
17 re-open, or were allowed to function with certain restrictions in place such as limited capacity  
18 during the course of the pandemic, nightlife venues in particular were among the first  
19 businesses to close and have not been allowed to resume normal or even limited operation  
20 since the beginning of the shelter in place orders; and

21 WHEREAS, The permanent loss of independent venues and theaters will have  
22 tremendous economic impacts on the city of San Francisco including not only the direct  
23 impact on venue owners and staff, but also the artists who perform at these venues, the  
24 companies and individuals that provide rentals and other services to these venues, the  
25 hospitality and tourism industry which relies on these venues for entertainment for their

1 guests, the restaurants and bars that cater to those visiting these venues, taxi and ride-share  
2 companies and drivers, parking lots and parking attendants, and more; and

3 WHEREAS, According to a 2018 update of the City Controller’s Economic Impact  
4 Study, over 3,850 nightlife establishments in San Francisco employed over 63,000 workers,  
5 and generated an estimated \$7.2 billion for the city; and

6 WHEREAS, According to a May 2020 Entertainment Commission Industry Survey,  
7 nearly half of entertainment and nightlife businesses including many bars, live music venues,  
8 and nightclubs were highly concerned that their businesses would need to close permanently  
9 and that more than half of survey respondents reported having lost between 75-100% of their  
10 expected business income and between 75-100% of their expected individual income in 2020;  
11 and

12 WHEREAS, Bay Area cultural institutions such as the Stud Bar, Starline Social Club,  
13 the Stork Club, and the Uptown Nightclub have already closed and many more venues are on  
14 the brink of closure; and

15 WHEREAS, Our independent music venues and nightlife businesses are an integral  
16 part of San Francisco’s unique history, culture, and economy and contribute significantly to  
17 the vibrancy of the City; now, therefore, be it

18 RESOLVED, That the Board of Supervisors strongly advocates for federal relief  
19 specifically for entertainment and nightlife businesses in the form of grants, forgivable  
20 Paycheck Protection Program loans, and Economic Injury Disaster Loans; and, be it

21 FURTHER RESOLVED, That the Board of Supervisors urges all city departments all  
22 act with urgency and work together to develop a recovery and relief plan specifically for  
23 entertainment and nightlife businesses; and, be it

1            FURTHER RESOLVED, Urging that the moratorium on Commercial Evictions should  
2 be extended through the end of calendar year 2021 to support vulnerable entertainment and  
3 nightlife businesses; and, be it

4            FURTHER RESOLVED, Urging that entertainment and nightlife business permitting  
5 should be streamlined to support expedient business activation; and, be it

6            FURTHER RESOLVED, That the Board of Supervisors directs the Clerk of the Board  
7 to transmit copies of this Resolution to the Mayor’s Office, the Controller’s Office, the Office of  
8 Economic and Workforce Development, the Office of Small Business, and the Entertainment  
9 Commission.

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

OCTOBER 2020

# ECONOMIC RECOVERY TASK FORCE REPORT

LOVE  
TO  
GIVE

GUCCI



  
6 Ft  
**Stay 6 feet apart**  
請與他人保持6呎距離  
Manténgase a un mínimo de seis  
(6) pies de los demás  
Magbigay ng 6 na talampakang  
distanasya mula sa isa't isa  
sf.gov/coronavirus

SONCO  
SONO & TRAFFIC CONTROL SYSTEMS



THE CITY AND COUNTY  
OF SAN FRANCISCO

**ONESF**  
Building Our Future



# Table of Contents

|   |           |
|---|-----------|
| <b>Letter from Mayor Breed and President Yee</b> .....  | <b>4</b>  |
| <b>Letter from the Co-Chairs</b> .....  | <b>6</b>  |
| <b>Acknowledgments</b> .....  | <b>8</b>  |
| <b>Introduction</b> .....   | <b>15</b> |
| Economic Context .....  | 16        |
| Task Force Process .....  | 23        |
| <b>Policy Recommendations</b> .....   | <b>26</b> |
| 1. Local Economic Stimulus .....  | 27        |
| 2. Job Connections .....  | 35        |
| 3. Promote Safe Reopening .....   | 40        |
| 4. Preserve Operations and Lessen Regulatory Burdens .....  | 45        |
| 5. Pursue Economic Justice .....  | 50        |
| 6. Invest in Housing .....  | 55        |
| 7. Meet the Basic Needs of the Vulnerable .....   | 59        |
| 8. Imagine and Build Stronger Neighborhoods .....   | 64        |
| Policy Recommendations Summary Table .....  | 67        |
| <b>Additional Policy Ideas</b> .....  | <b>70</b> |
| <b>Looking Ahead</b> .....  | <b>71</b> |
| <b>Glossary</b> .....   | <b>72</b> |
| <b>Appendices</b> (Appendices can be found at <a href="https://onesanfrancisco.org/covid-19-recovery">https://onesanfrancisco.org/covid-19-recovery</a> ) |           |
| Appendix A: Reopening Plan  |           |
| Appendix B: Shared Spaces Program   |           |
| Appendix C: Policy Development Process  |           |
| Appendix D: Community Engagement and Listening  |           |
| Appendix E: Detailed Policy Recommendations   |           |
| Appendix F: City Recovery Efforts   |           |

## ***Letter from Mayor Breed and President Yee***

Back in March 2020, in close consultation with the Director of the Department of Public Health and surrounding Bay Area counties, we made the difficult decision to implement a shelter-in-place order for the City and County of San Francisco. Since that time we have had to change so much about the way we live. And yet, as we always do – San Franciscans have come together in ways that leave us in awe of the resilience and hopefulness of our fellow residents.

We formed the Economic Recovery Task Force because we wanted to bring together a group of community leaders to inform the City's response efforts and ensure open communication and information sharing both to and from the City. We wanted to tap into the diverse life experience and creativity of our residents and local leaders to inform public policy and programs that we are rolling out to address this crisis. We wanted to hear new and bold recommendations directly from the community. The people called to serve on the Economic Recovery Task Force represent an array of neighborhoods and industries from across the city, our nonprofit partners, the business community, philanthropic partners, as well as labor representatives. We also asked the Task Force to engage with the community beyond those on the Task Force to the constituencies they represent and beyond. Through a public survey and other community engagement and listening efforts we were able to hear from thousands of San Franciscans throughout this process.

What we heard was a story of struggle. Many of our residents, especially our small business owners and parents, are struggling to see a future where they can survive – how can they keep their jobs or provide educational support for their children? How can they reopen their business in spite of health concerns? To address these hard times, the Task Force has made bold recommendations large and small. We are very thankful for the many hours of time that the Task Force, members of the public, and City staff contributed to this effort. We especially thank the Task Force Co-Chairs for their leadership in guiding this process and presenting us with this excellent work product. Indeed, we have already moved forward many of the ideas coming out of the Task Force such as the Shared Spaces program to enable a significant increase in outdoor dining, business tax deferrals, increased testing capability across the City, and expanded sick leave programs. The City's recent and projected revenue losses due to COVID-19 make strategic, high-impact programmatic actions especially important now and through recovery. We look forward to continuing to implement policy proposals in the coming weeks and months as new needs arise and resources allow. We are very appreciative of the many proposals provided by our community to help us reopen the economy as much as possible while maintaining the safety of the people of our City.

Additionally, we acknowledge and appreciate that the Task Force focused on longer term policy proposals, focusing on the inequity present in our city even prior to the onset of COVID-19. The City's budget for the upcoming year includes significant increases in funding to address structural inequities impacting the City's Black community, resulting from generations of disinvestment. The recently adopted budget redirects \$120 million in funds over two years, from the City's law enforcement departments, towards efforts to repair the legacy of policies that lead to racially disparate health, housing, and economic outcomes for Black residents. The Task Force focused attention on solutions for our most vulnerable community members when it comes to jobs, stable housing, and child care. They also looked at how to expand opportunities for our immigrant-owned businesses and non-



English speaking merchants to have equal access to resources in order to avoid displacement of our diverse cultural districts.

We are so proud to lead this amazing city and its inventive, resourceful, and caring residents during these difficult times. There is no denying that the future is still uncertain, but we are confident that we can navigate any challenge that comes our way when we come together and leverage the ideas and creativity of our diverse communities.

Thank you to everyone that participated in this effort and we look forward to continuing to work together in the months and years ahead as we seek to rebuild San Francisco stronger, more equitable, more resilient, and more united than ever.

*Sincerely,*

A handwritten signature in blue ink that reads "London Breed". The signature is fluid and cursive, with the first name "London" and the last name "Breed" clearly legible.

Mayor London N. Breed

A handwritten signature in blue ink that reads "Norman Yee". The signature is fluid and cursive, with the first name "Norman" and the last name "Yee" clearly legible.

Board of Supervisors President, Norman Yee

## Letter from the Co-Chairs

We are honored to serve the City and County of San Francisco during these challenging and unprecedented times. First, we want to thank Mayor London Breed and Board of Supervisors President Norman Yee for their foresight in calling this group together and for their trust in us to lead this process for the City.

We are proud of the over 100 San Franciscans who served alongside us on the Economic Recovery Task Force. Charged with advancing recommendations to set San Francisco forward in recovery from the COVID-19 economic crisis, this talented and dedicated group of individuals represent a diverse coalition of leaders from the small business community, large employers, nonprofit sector, academia, labor unions, our faith and philanthropic communities, and government leaders.

Over the last few months, it is clear that we face an economic shock unlike any we have experienced before. Not only must we look to restoring good jobs, preserving businesses, and incentivizing local investment, but we must also co-manage an active global pandemic which requires us to be nimble and ready to adapt to evolving needs. It is also clear that the pandemic has highlighted the inequities within our economy, disproportionately impacting women, immigrants, people of color and low income communities. With this context, we sought to lean on science and data to guide our path towards safe reopening and we sought to put forth a plan for economic prosperity that is inclusive and equitable.

The actions and policy proposals included with this report represents the collective ideas of Task Force members. It also reflects the aspirations of the over 1,000 San Franciscans who submitted surveys and emails to the Task Force and the over 900 additional residents and community partners we reached through facilitated convenings, focus groups, targeted surveys and meetings. The result is 41 specific



policy recommendations broadly organized around creating flexibility for businesses, protecting the health and safety of our workers and residents, incentivizing investments in our long-term economy, addressing the needs of our most vulnerable, and recognizing the unique arts, cultural and neighborhood assets that set San Francisco apart. These recommendations seek to complement and serve as a foundation for recovery efforts underway within the City and amongst our public, private and philanthropic non-profit partners.

Finally, we offer our sincere and deep appreciation for the dedicated City staff who ensured this process' success. Many worked weekends and evenings on top of their regular duties because they believe in the importance of this work.

We know the road ahead is full of challenges and uncertainty. We remain hopeful and inspired by what can happen when San Francisco comes together.

*Sincerely,*

**San Francisco Economic Recovery Task Force Committee Co-Chairs**



**Carmen Chu**, Assessor-Recorder, City and County of San Francisco



**José Cisneros**, Treasurer, City and County of San Francisco



**Rodney Fong**, President and CEO, San Francisco Chamber of Commerce



**Rudy Gonzalez**, Executive Director, San Francisco Labor Council, AFL-CIO

# Acknowledgments

## **Conveners**

London N. Breed, Mayor

Norman Yee, President, Board of Supervisors

## **Co-Chairs**

Carmen Chu, Assessor-Recorder, City and County of San Francisco

José Cisneros, Treasurer, City and County of San Francisco

Rodney Fong, President and CEO, San Francisco Chamber of Commerce

Rudy Gonzalez, Executive Director, San Francisco Labor Council, AFL-CIO

## **Board of Supervisors**

Aaron Peskin, Supervisor, City and County of San Francisco

Dean Preston, Supervisor, City and County of San Francisco

Rafael Mandelman, Supervisor, City and County of San Francisco

## **External**

Sherilyn Adams, Executive Director, Larkin Street Youth Services

Matthew Ajiake, President, SF African American Chamber of Commerce

Brett Andrews, Executive Director, PRC

Tiffany Apczynski, Director of Government Relations, Zendesk

Jack Bair, Executive Vice President, SF Giants

Danielle Banks, Co-Founder, Project Level

Amber Baur, United Food and Commercial Workers

Reese Benton, Owner, Posh Green Delivery

Jennifer Bielstein, Director, ACT

Cammy Blackstone, Director of Government Relations, AT&T

Fred Blackwell, Executive Director, SF Foundation

Ben Bleiman, Entertainment Commission, Bar Owner

Jarie Bolander, JSY Giving and JSY PR & Marketing

Ruby Bolaria, Chan Zuckerberg Initiative

Jane Bosio, Representative, OPEIU 29

DJ Brookter, Executive Director, Young Community Developers, Police Commission

Bivette Brackett, OCII Commissioner

Joseph Bryant, President, SEIU 1012

Kathryn Cahill, CEO, Cahill General Contractor  
Kevin Carroll, Executive Director, Hotel Council  
Anne Cervantes, Architect  
Kitman Chan, VP, Chinese Chamber of Commerce  
Albert Chow, Taraval Merchants Association  
Juliana Choy, Asian American Contractors Association  
Sandra Chu, Owner, The Woods  
Michon Coleman, Regional Vice President, Hospital Council  
Mariann Costello, Scoma's  
Deborah Cullinan, Director, Yerba Buena Center for the Arts  
Naomi Cytron, Regional Manager, Federal Reserve Bank of San Francisco  
Joe D'Allesandro, Executive Director, SF Travel  
John Doherty, IBEW Local 6  
John Duggan, Jr., Original Joe's  
Marisela Esparza, Director, SF Immigrant Legal/Education Network  
Tyra Fennell, Film Commissioner, Director, Imprint City  
Peter Finn, Secretary-Treasurer and Principal Officer, IBT 856  
Father Paul Fitzgerald, President, University of San Francisco  
Dianna Gonzales, Interim Chancellor, City College of San Francisco  
Jim Green, Senior Vice President, Salesforce  
Mike Grisso, Senior Vice President Kilroy  
Roma Guy, Former Health Commissioner  
Lee Hsu, Owner, West Portal Merchant  
Cynthia Huie, Clement Merchants Association  
Marc Intermaggio, Executive Vice President, BOMA San Francisco  
Yuka Irooi, Owner, Cassava  
Michael Janis, General Manager, SF Wholesale Produce Market  
Alicia John-Baptiste, CEO, SPUR  
Joel Kaminsky, Owner, Good Vibrations  
Armand Kilijian, President, O'Brien Mechanical  
Ashley E. Klein, Partner, Kaufman, Dolowich & Voluck LLP  
John Konstin, Owner, John's Grill  
Sharky Laguana, Small Business Commission  
Robert Link, Vice President, San Francisco Apartment Association  
Regan Long, Co-Founder, Local Brewing Co.  
Betty Louie, Chinatown Merchants Association  
Lynn Mahoney, President, San Francisco State University  
Shorty Maniace, Owner, JP Kempt

Michael Matthews, Director of Public Policy, Facebook  
Larry Mazzola, Jr., Plumbers, Building and Construction Trades  
Angus McCarthy, Residential Builders Association  
Kevin McCracken, Co-Founder, SocialImprint  
Ingrid Merriwether, President/CEO, Merriweather & Williams Insurance  
Olga Miranda, Janitors Local 87  
Maryo Mogannam, President, SF Council of District Merchants  
Tomiquia Moss, Executive Director, All Home California  
Monique Moyer, Sr. Managing Director, CBRE  
Kathy Nelson, Owner, Kabuki Springs and Spa  
Michael Pappas, Executive Director, Interfaith Council  
Ellouise Patton, Bayview CAC  
Paul Pendergast, CEO, Pendergast Consulting Group  
William Ortiz-Cartagena, Small Business Commission  
Rebecca Prozan, Director of Government Affairs, Google  
Michelle Pusateri, Owner, Nanna-Joe's  
Maribel Ramirez, Excelsior Action Group  
Geeta Rao, Deputy Director, Enterprise Community Fund  
Susana Rojas, Executive Director, Calle 24 LCD  
William Rogers, Executive Director, Goodwill  
Taylor Safford, CEO, Pier 39  
Cheree Scarbrough, Owner, Phenix Hair Designs  
Allen Scott, Vice President, Another Planet Entertainment  
Randall Scott, President, Fisherman's Wharf CBD  
Earl Shaddix, Director, Economic Development on Third  
Zaki Shaheen, Key Food Market, Arab American Democratic Club  
Sylvia Sherman, Community Music Center  
Doug Shoemaker, President, Mercy Housing  
Lateefah Simon, President, Akonadi Foundation  
Anand Singh, Local 2 Unite HERE!  
Kate Sofis, Executive Director, SFMADE  
Carlos Solorzano-Cuadra, Hispanic Chamber of Commerce  
Laurie Thomas, Executive Director, Golden Gate Restaurant Association  
Kenny Tse, President, Chinese Chamber of Commerce  
Francesca Vega, Vice Chancellor for Community and Government Relations, UCSF  
Debra Walker, Arts Commissioner  
Monica Walters, Director, Wu Yee  
Sarah Wan, Executive Director, Community Youth Center

Rick Welts, President/CEO, Warriors  
Keith White, Executive VP, Gap Inc.  
Jane Willson, Owner, JANE Consignment  
Bill Witte, Founder, Related Development  
Chris Wright, Committee on Jobs  
Carolyn Wysinger, President, PRIDE Board  
Malcolm Yeung, Chinatown Community Development Center

### ***City and County of San Francisco***

Dr. Grant Colfax, Director, Department of Public Health  
Sheryl Davis, Director, San Francisco Human Rights Commission  
Pegah Faed, Director, Our Children, Our Families Council  
Rich Hillis, Director, Planning Department  
Naomi Kelly, City Administrator  
Patrick Mulligan, Director, Office of Labor Standards Enforcement  
John Noguchi, Director, Convention Facilities Department  
Deborah Raphael, Director, Department of Environment  
Trent Rohrer, Director, Human Services Agency  
Ben Rosenfield, Controller  
Ivar Satero, Director, San Francisco International Airport  
Joaquin Torres, Director, Office of Economic and Workforce Development  
Judson True, Director, Housing Delivery  
Maggie Weiland, Director, Entertainment Commission

### ***Support Staff***

Melissa Whitehouse, Lead, Office of the City Administrator  
Heather Green, Lead, Office of the City Administrator (Resilience and Capital Planning)  
Tara Anderson, District Attorney's Office  
Joshua Arce, Office of Economic and Workforce Development  
Laurel Arvanitidis, Office of Economic and Workforce Development  
Alex Banh, Mayor's Office of Housing and Community Development  
Rebecca Benassini, Port of San Francisco  
Dori Caminong, Department of Children, Youth and Their Families  
Emily Cohen, Department of Homelessness and Supportive Housing  
Theodore Conrad, Office of Economic and Workforce Development  
Katherine Daniel, Office of Economic and Workforce Development  
Ted Egan, Controller's Office

David Exume, Assessor-Recorder's Office  
Kate Faust, Office of the City Administrator (Resilience and Capital Planning)  
Michelle Gallarza, Department of Children, Youth, and Their Families  
Christine Gasparac, Department of Building Inspection  
Mai-Ling Garcia, Office of the City Administrator (Digital Services)  
Aumijo Gomes, Department of Children, Youth, and Families  
Isobel Hayne, San Francisco Public Utilities Commission  
Melissa Higbee, Office of the City Administrator (Resilience and Capital Planning)  
Chad Houston, Office of Economic and Workforce Development  
Sami Iwata, San Francisco Human Rights Commission (Office of Racial Equity)  
Matthias Jaime, Office of the City Administrator (Commission on Information Technology)  
Jillian Johnson, Office of the City Administrator  
Deborah Kaplan, Mayor's Office of Disability  
Greg Kato, Treasurer and Tax Collector  
Michelle Lau, Treasurer and Tax Collector  
Fanny Lapitan, Human Services Agency  
Joanne Lee, San Francisco Arts Commission  
Douglas Legg, Assessor-Recorder's Office  
Holly Lung, Assessor-Recorder's Office  
Annie Ma, Assessor-Recorder's Office  
Nate Mahoney, Office of the City Administrator (Digital Services)  
Maria McKee, Juvenile Probation Department  
Danielle Mieler, Office of the City Administrator (Resilience and Capital Planning)  
Geoffrea Morris, Adult Probation Department  
Alex Morrison, Office of the City Administrator (Resilience and Capital Planning)  
Josef Mueller, San Francisco International Airport  
John Murray, Department of Building Inspection  
Sheila Nickolopoulos, Planning Department  
Mike Ortiz, Office of the City Administrator (Repromail)  
Maya Oubre, Treasurer and Tax Collector  
Josian Pak, Human Rights Commission  
James Pappas, Planning Department  
Sneha Patil, Department of Public Health  
Benjamin Peterson, San Francisco Public Works  
Molly Peterson, Assessor-Recorder's Office  
Claire Phillips, Assessor-Recorder's Office  
Vivian Po, Assessor-Recorder's Office  
Hugo Ramirez, Mayor's Office of Housing and Community Development



Markanday Ravi, Department of Homelessness and Supportive Housing  
Dylan Rice, Office of the City Administrator (Entertainment Commission)  
Beth Rubenstein, San Francisco Public Works  
Julia Salinas, Office of the Controller  
Dylan Schneider, Department of Homelessness and Supporting Housing  
Tajel Shah, Treasurer and Tax Collector  
Dylan Smith, Office of Economic and Workforce Development  
Tiffany Soares, Recreation and Parks Department  
Brian Strong, Office of the City Administrator (Resilience and Capital Planning)  
Pierre Stroud, Mayor's Office of Housing and Community Development  
Anne Stuhldreher, Treasurer and Tax Collector  
Candace Thomsen, Human Services Agency  
Andre Torrey, Planning Department  
Marisa Pereira Tully, Controller's Office  
Ben Van Houten, Office of Economic and Workforce Development  
Jadie Wasilco, Municipal Transportation Agency  
Elizabeth Watty, Planning Department  
Richard Whipple, Office of the City Administrator (Civic Engagement and Immigrant Affairs)  
Aaron Yen, Planning Department

♥ We're  
in this



Together



# Introduction

Mayor London N. Breed and Board of Supervisors President Norman Yee created the COVID-19 Economic Recovery Task Force (Task Force) to respond to the urgent needs of San Francisco’s workers, businesses, organizations, and vulnerable populations arising from the COVID-19 pandemic. The Task Force was comprised primarily of members of the public, engaged with the charge to guide the City’s COVID-19 recovery efforts to sustain and revive local businesses and employment, mitigate the economic hardships affecting the most vulnerable San Franciscans, and help build a resilient and equitable future.

The Task Force was co-chaired by San Francisco Assessor Carmen Chu; San Francisco Treasurer José Cisneros; Rodney Fong, President and CEO of the San Francisco Chamber of Commerce; and Rudy Gonzalez, Executive Director of the San Francisco Labor Council, AFL-CIO. Task Force members represented a diversity of perspectives and sectors, including academia and research, arts, entertainment and nightlife, finance, government, health care, hospitality, housing, labor unions, manufacturing, nonprofit, personal services, philanthropy, real estate, retail, small and large businesses, and technology. Staff from the City Administrator’s Office managed the administrative effort, supported by staff from the Controller’s Office, the Human Rights Commission, the Planning Department, the Office of Economic and Workforce Development, the Assessor-Recorder’s Office, and many others.

This report summarizes the work of the Task Force and its 41 detailed policy recommendations. These recommendations and Task Force members’ on-the-ground insights provide a critical public perspective on what is important to businesses, labor, and nonprofit partners to stabilize the local economy, plan for economic recovery, and to advance an equitable economic recovery. It also highlights the City’s work most directly influenced by the Task Force during its engagement: the Shared Spaces Program and Safe Reopening Roadmap.

Every day, leaders are learning more about the progression of COVID-19 and effective strategies to mitigate its spread and impact. As that knowledge evolves, so too will there be a need for City leaders to adapt to economic strategies that help to support and retain employment and businesses.

The Task Force recognizes its work is one component of the City’s effort to ensure San Francisco’s long-term economic success. To meet San Francisco’s urgent needs, parallel efforts to address reopening, homelessness, transportation and mobility, education and child care, sustainability, and long-term economic and workforce development are also underway and ongoing. Together these efforts will inform the vision, planning, and implementation needed for recovery and growth beyond this crisis to build a future San Francisco that is resilient, equitable, and thriving.

**” If we can open, that would be one step. If we can break even on expenses, that would be the next step. If we can do as well as before, that would be awesome. If we can make changes to the business models so this is not such a peril at a three-month closure, that would be the best thing to come out of this.” *Public survey respondent***

**” Many of us are living behind closed doors to be safe, so we are out of sight and out of mind.” *Disability community focus group participant***

# Economic Context

## Economic Impact

In early 2020, the COVID-19 pandemic rapidly changed the outlook of San Francisco and the world. San Francisco took early and decisive action, issuing an order for residents to shelter-in-place on March 16, 2020. This action likely saved thousands of lives, protected the local healthcare system, and enabled the City to build a population level emergency response, testing, and contact tracing infrastructure.

At the same time, continued limitations to operating businesses, and the ongoing recession they created, continue to have a profound impact on our local economy. Local employment data from April 2020 reported a loss of roughly 175,000 jobs in the San Francisco metropolitan division as compared to March 2020. Though 62,000 jobs had returned by August as a result of phased business reopening, nearly two-thirds of the jobs lost since April have not yet recovered.

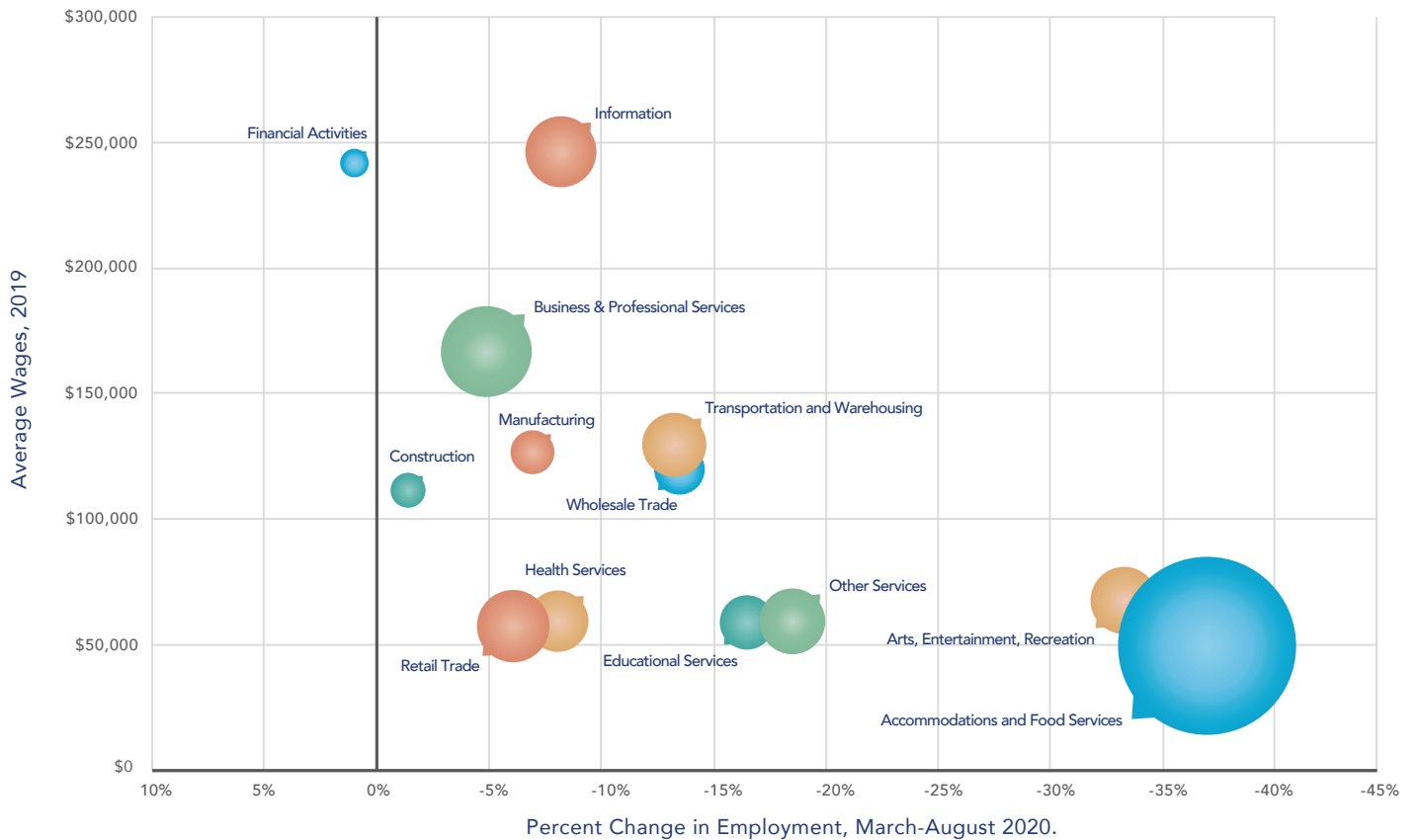
**” COVID-19 made it harder to outreach to our community. Many folks are not getting information.”**  
*CBO focus group participant*

A survey from the SF Chamber of Commerce reported that only 46% of storefront businesses in San Francisco open at the start of the pandemic were still operating in August. While some of these businesses may only be temporarily closed, Yelp data from the San Francisco-Oakland-Hayward metro area found that 2,065 out of 5,048, (41%) businesses that closed between March and July have now indicated that they are permanently closed. These are businesses that are not expected to reopen and jobs that are permanently lost. Businesses that rely on commuters and tourists have been especially hard hit. Local unemployment claims have now topped 193,000 since the start of the pandemic.

Employment and health data also show that COVID-19 has had a disproportionate impact on low-income communities and communities of color. Job losses have been especially concentrated in lower-wage industries, including food service and hospitality. For many employed in these sectors, there are fewer opportunities to work remotely, and workers face the difficult decision of risking exposure or staying employed. Other sectors such as arts, entertainment, and recreation have also suffered significant losses in employment, especially as compared to higher-wage industries like financial sector and business and professional services (see table below).

**” One thing that people lost was access to the internet. They’re prioritizing food on the table... not internet and cell phones.”**  
*Focus group participant*

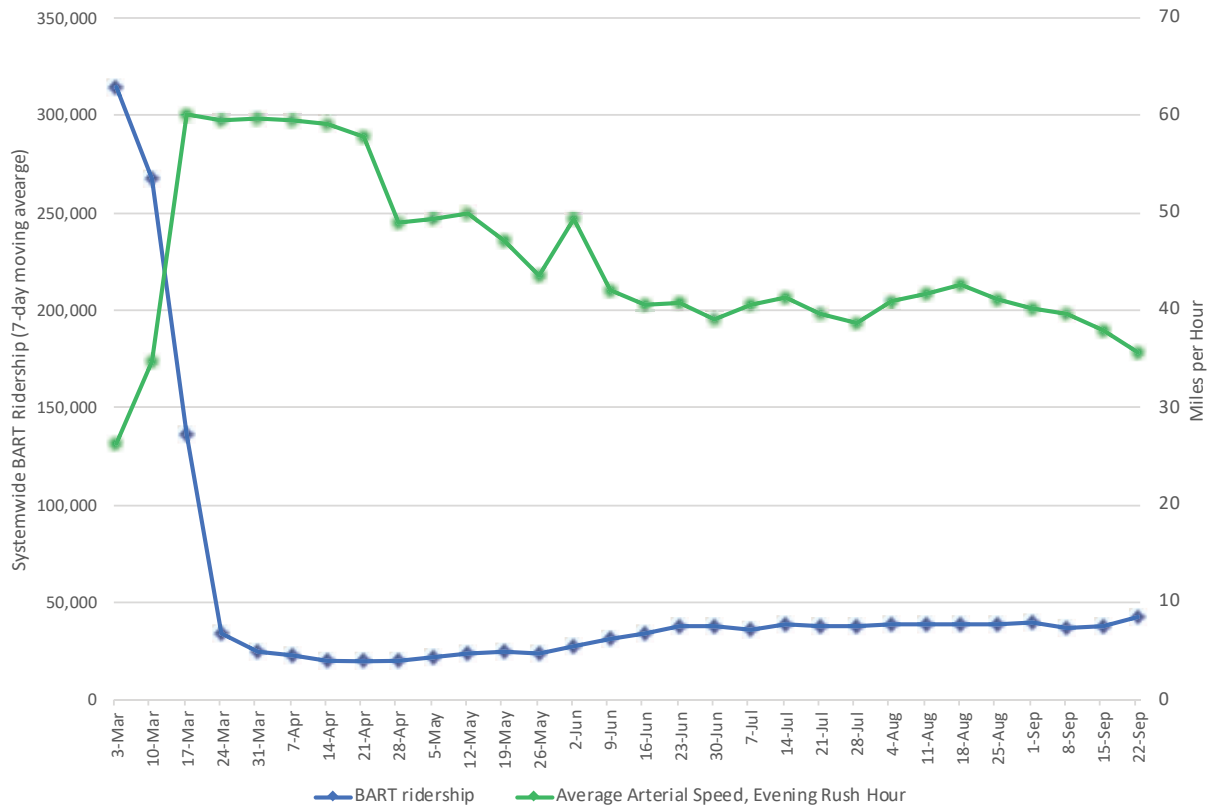
**Average Wages by Percentage Change in Employment, February-August 2020:  
San Francisco Industry Sectors**



**Source: Bureau of Labor Statistics, September 2020**

San Francisco’s economy is centered around a bustling downtown that brings together a strong pool of talent for employers, as well as citywide tourist attractions that bring in visitors from around the world. Yet with the health crisis requiring individuals to shelter-in-place and engage in remote work where possible, these aspects of the City’s economy have significantly declined. Downtown San Francisco has seen a marked decrease in commuters, as reflected by a steep decline in transit ridership since the beginning of March. As of late September, BART ridership was down over 88% as compared to the same time last year. On the other hand, average speed on the freeway during evening rush hour is only 3% higher than in early March. Those workers that are returning to work are much more likely to drive, but downtown San Francisco is not built for everyone commuting by car. A full economic recovery will require a return of confidence in public transit.

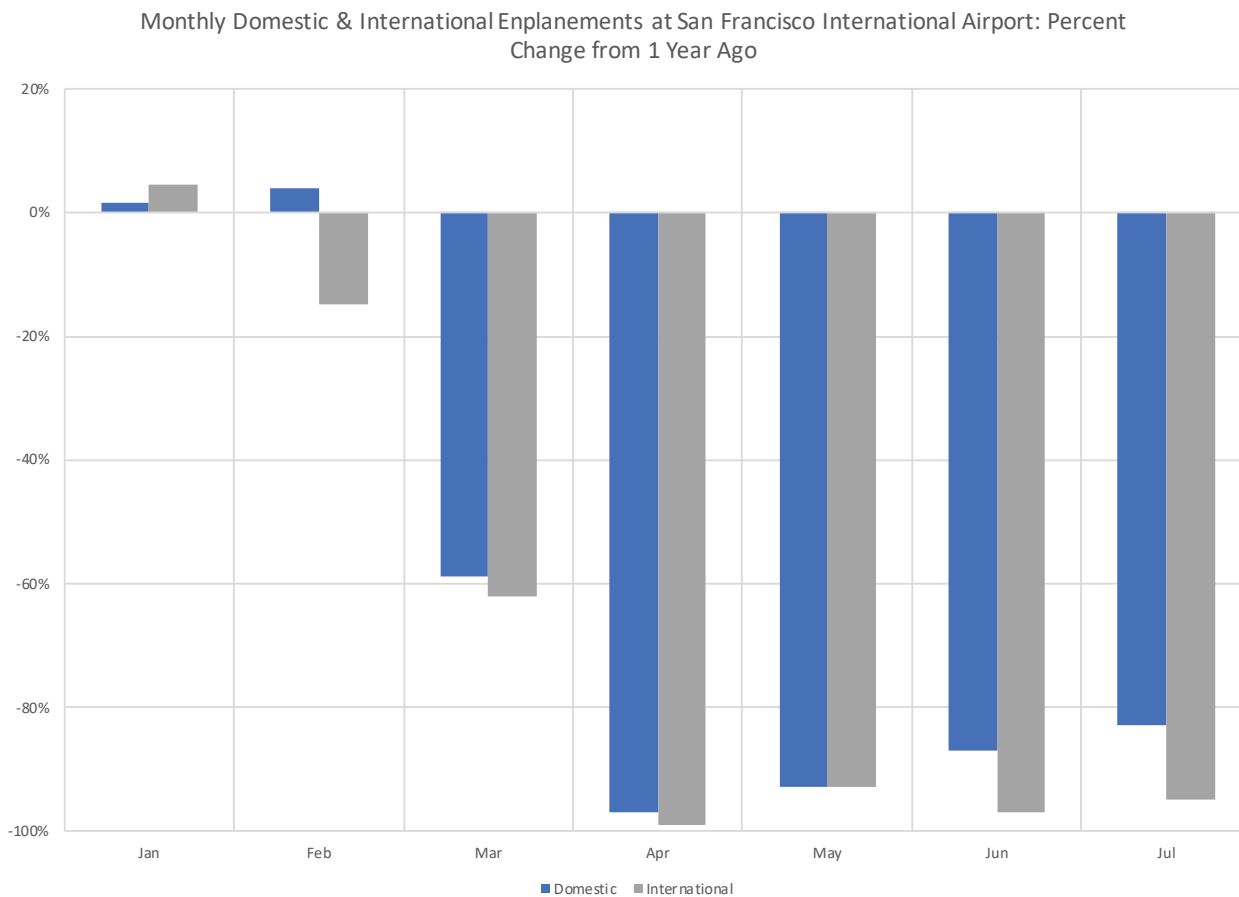
San Francisco Freeway Speeds, and BART Ridership:  
Week of March 3 to Week of September 22, 2020



There are additional warning signs for downtown, not related to confidence about riding transit. Commercial brokers have reported a sharp spike in office subleasing and vacancy. The city’s office vacancy rate reached 14.1% in the third quarter of 2020, according to Cushman and Wakefield, up from 5.4% the previous year. While office workers are required to work at home during the pandemic, this vacancy rate represents businesses not renewing their office leases, suggesting they intend to reduce their employment level in San Francisco over the longer term.

It makes a major difference to the city’s economic recovery if remote workers retain their Bay Area homes, or move to another area. Several major local companies have allowed, or in some cases incentivized, workers to move to a lower cost location, which could threaten the city’s long-term economic competitiveness. At the moment, the clearest evidence of this risk is found in the housing market, which is a real-time indicator of people’s interest in moving into and out of San Francisco. Several companies that track residential rentals across the country report that declines in residential asking rents in San Francisco, along with New York City, are the steepest in the country. For example, ApartmentList has reported an 18% drop in asking rents in San Francisco between March and September, by far the biggest drop of any city it monitors. This decline in asking rent for vacant apartments, which has been accelerating despite the jobs recovery, is a sign of more renters wanting to move out of San Francisco than to move in.

For the hospitality industry, San Francisco's other major economic driver, the news is equally concerning. According to San Francisco Travel, nearly half of the hotel rooms in the city are now temporarily closed, and occupancy in September was down 86% from September 2019. As of August, enplanements at San Francisco International Airport are still down 85% compared to last year.



A further sign that San Francisco's economy is suffering broadly, and worse than in other cities in California, is sales tax receipts. General Fund sales tax, which represents 1% of the value of all taxable sales in the city, declined by 43% in April-June 2020, compared to the same period in 2019. While major declines were seen across the state of California, San Francisco's drop was much steeper than those in other cities, like Los Angeles and San Diego, that are also reliant on tourism. Sales at restaurants and bars were down 65%, as was sales at General Consumer Goods stores. Even taxable sales at Food & Drug stores was down 8% year-over-year, indicating that the city's population, and not merely visitor count, may be in decline. Virtually every other city in California saw major gains in online sales tax in the second quarter of 2020, as people switched from in-person to online sales. However, San Francisco's online sales were virtually flat, with only a 1% growth between the second quarter of 2019 and 2020.

Low-income communities, the elderly, disabled community, and the unhoused and vulnerably housed communities continue to suffer disproportionate strain. Gaps in access to technology threaten a widening divide especially as more services, including essential public services, are pivoting in the interim to remote or online services. The economic crisis and health crisis are occurring simultaneously with other seminal cultural and natural events: the surging demand for racial justice and the catastrophic wildfires in all directions. In tandem with these trends, San Francisco faces an urgent call to deliver an equitable and resilient economic recovery for all.

## ***Immediate Relief***

In addition to managing the public health and safety challenges of COVID-19, the City recognized the urgency in addressing the acute economic stresses brought on by the pandemic through immediate action. Since March, the City has deployed targeted investments to stimulate the local economy and support existing businesses, workers, and our most vulnerable, and the current budget marshals further resources. In addition to public funding, the Give2SF fund for COVID-19 priorities was established to direct resources to those struggling as a result of the pandemic, with a focus on food security, access to housing, and support for workers and small businesses. Many of these initiatives align with Task Force priorities, as shown in the highlights of recent, current, and budgeted efforts below.

- **Protecting workers and businesses**

- \$10 million for the Workers and Families First Paid Sick Leave Program
- \$2 million for the Right to Recover Program
- Delivered one million surgical masks, 600,000 face shields, and 150,000 bottles of hand sanitizer for distribution to businesses and workers in vulnerable communities
- Business tax, registration, and license fee deferrals through March 2021
- \$9 million through the San Francisco Hardship Emergency Loan Program
- \$2.5 million in resiliency grants for approximately 300 small businesses
- African-American Small Business Revolving Loan Fund
- \$5 million to support small business added in Technical Adjustments to the current budget
- \$200,000 with OEWD for business capacity building, technical support, and grant writing support
- \$1.7 million for targeted workforce supports and development initiatives
- \$12.8 million to Grants for the Arts, supporting 227 grantees with an equity lens
- \$2.5 million for the Arts & Artists Relief initiative, and an additional \$315,000 in arts grants for neighborhood reactivations
- Moratorium on commercial evictions for small and medium-sized businesses, now extended at the State level through March 2021
- Ongoing funding for OEWD workforce development efforts, including Workforce Link, CityBuild, TechSF, and Healthcare Academy
- [One-stop City website](#) for businesses and workers
- Community Investment Fund - Contractor Accelerated Payment Program
- Emergency child care youth centers opened for essential workers and low-income families



- **Protecting our vulnerable**

- \$247 million for COVID-19 response, including PPE, expanded medical capacity, community outreach, contact tracing, and \$56 million for testing in the current year
- \$16 million in COVID-19 response specifically for expanded Pit Stops and hygiene stations throughout the city
- Additional \$1.6 million for COVID-19 supports in SROs, the Western Addition, the Tenderloin, and other community hubs
- \$46.7 million in new expenditures for food programs, and an addition \$1.1 million for underserved communities, the Tenderloin, and seniors
- \$66.5 million for the first phase of Mental Health SF (if business tax reform passes)
- \$4 million for implementation of a crisis response team
- \$120 million redirected funds for reparative investment in Black/African American communities
- \$5.5 million for the Opportunities for All subsidized employment program for youth and young adults
- Establishment of DCYF Community Learning Hubs
- \$15 million for SFUSD
- \$15.1 million for eviction defense grants
- \$51.8 million for affordable housing site acquisition
- \$37.6 million for rental subsidies and emergency rental assistance
- \$4.5 million in additional housing subsidies, shelter, and vouchers for people living with HIV, displaced tenants, transitional-aged youth, LGBTQ shelter, and families including those in SROs
- \$750,000 Right to Counsel expansion
- Moratorium on tenant evictions

- **Economic stimulus**

- Deployed investment in public infrastructure, including Capital Planning Committee authorization of \$157 million in Certificates of Participation, \$127 million in 2016 Public Health & Safety bonds, \$103 million in 2016 Preservation and Seismic Safety loan program bonds, and \$260 million in 2019 Affordable Housing bonds.
- \$1.5 million to deliver fiber to affordable housing units, and \$275,000 additionally for digital equity access and connectivity in Chinatown
- Proposed relaxation of local zoning controls in neighborhood commercial corridors to encourage activation of vacant storefronts
- Launched Shared Spaces Program to create flexibility and expand business capacity to operate - so far close to 1,600 outdoor spaces have been approved (see Appendix B)
- Waiver of outdoor business permit fees until 2022
- Deferral of business registration fees and unified license fees until March 2021
- Just Add Music (JAM) permit created to enable live outdoor music and entertainment in existing Shared Spaces locations

## Focus on Safe Reopening

Economic recovery requires the safe reopening of business activity. State restrictions guide, but local health orders prescribe the specific business and other activities that can resume in San Francisco following strict initial shelter-in-place orders. In addition, local health directives detail the legal requirements or conditions of opening. These public health decisions are driven by the County health department.

Understanding the dynamic nature of an unprecedented global pandemic, Task Force members and the public have underscored the need for clear information and guidance. Clear direction is essential for economic recovery because it provides businesses with an ability to plan, prepare, and make financial decisions based on the best information available.

To facilitate this goal, the Task Force partnered with the County health department in two critical ways. First, the Task Force developed a feedback process with the health department to ensure the operational realities of running businesses were considered before local directives or mandates were issued. Beginning in late May, working through the San Francisco Office of Economic and Workforce Development, Task Force members and other impacted stakeholders had the opportunity to weigh in on health directives that were operationally infeasible or were able to spotlight elements that were unclear or which needed further guidance. This process enabled the health department to consider alternatives that equally advanced its public health goals while fostering more compliance through clear, operationally feasible instruction.

Second, Task Force members and stakeholders consistently advocated for more direction on the path forward for reopening. The Task Force offered alternative mitigations that allowed additional business activities to be considered, including the launch of the Shared Spaces Program which expanded the capacity for businesses to use sidewalk, parking, street or surface lot spaces outdoors. At the end of May, the County health department released an initial roadmap for reopening and continues to evaluate that timeline and roadmap as local health conditions change (see Appendix A).



# Task Force Process

The Task Force met between April and October 2020. Task Force members brought deep understanding of issues in the San Francisco community, high energy, and an equity focus to the process. See Appendix C for additional detail on the policy development process

The timeline below summarizes the focus and work of the Task Force.

|                       |  |
|-----------------------|--|
| <b>April-May</b>      | Task Force kick-off (4/24/20) and initial survey   |
|                       | Co-Chairs and staff met in small groups of Task Force members (approximately 10 per session) to hear challenges and aspirations  |
|                       | Public survey and engagement focus groups began to bring underrepresented perspectives forward   |
| <b>June-July</b>      | Focus on Safe Reopening to respond in a timely manner to expressed needs in the initial survey and small groups  |
|                       | Policy work groups (Jobs and Businesses, Vulnerable Populations, Economic Development, and Arts/Culture/Hospitality/Entertainment) of approximately 20 Task Force members with diverse perspectives articulated problem statements and most urgent priorities for the Task Force |
| <b>August-October</b> | Staff began drafting policy memos for priority recommendations   |
|                       | Continued community engagement and sharing back with the Task Force  |
|                       | Staff synthesized Task Force recommendations into integrated priority areas, shared community engagement learnings that included input from community subject matter experts, and drafted the Task Force Report.   |
|                       | Task Force members and City stakeholders shared feedback on Report Draft   |
|                       | <u>Final Report published for final meeting (10/8/20)</u>  |

To complement the diverse opinions of members, the Task Force sought out the perspectives of vulnerable and underrepresented populations through the Community Engagement and Listening (CEL) team. The CEL team's efforts amplified the voices of community members disproportionately impacted by COVID-19, bringing additional research and voices to the work of the Task Force.

Over a four-month period, over 1,000 public surveys and emails from San Franciscans and other stakeholders were received and used to inform the recommendations development process. The CEL team and partner City departments also initiated targeted stakeholder outreach to populations underrepresented in the public survey, including tenants from single residency occupancy buildings, restaurants in Chinatown (an area especially hit hard when COVID-19 initially emerged), the arts and entertainment community, immigrant communities, the disability community, and the Black/African American, Latino/a/x and Filipino/a/x communities. Over 40 hours of interviews and conversations, with nearly 100 community members, through formal focus groups and presentations at neighborhood-based meetings. In addition, there were public hearings and presentations at the Small Business Commission, Immigrant Rights Commission, the Commission on the Environment, and the Commission on the Status of Women.

Several common areas of concern emerged from these engagements:

- The community-based organizations that are crucial for small businesses, residents, and government alike are in economic danger and need support for recovery to be successful.
- Culturally responsive, timely, accessible, and concise information and guidance are needed for small business owners and residents, particularly those with language and technology barriers
- Limited digital literacy and old tools widen the digital divide for many vulnerable populations, including seniors, people with disabilities, parents and students, non-English monolingual speakers, and small business owners.
- Bureaucracy is even more burdensome at a time of great need. Program requirements are hard to navigate. Cutting red tape would allow San Franciscans to get the urgent support they need.
- Housing, specifically eviction prevention and housing the unhoused, continues to be a top priority for San Franciscans, including small business owners.

A focus of community engagement was to look at specific populations that were being disproportionately impacted by the pandemic. In addition to the themes noted above, the community engagement sessions provided the following highlighted guidance regarding implementation of Task Force recommendations:

- Engage early, continuously, and often with beneficiaries and vulnerable communities to design policies and programs that meet present challenges.
- Well-intended, rapidly deployed programs can create barriers that did not exist before COVID-19, particularly for the disability community. Consider unintended consequences.
- Culturally competent, in-language communications and solutions are essential.

Many additional ideas and sentiments on San Francisco's equitable economic recovery were relayed to the CEL team. See Appendix D for further details on the CEL process and input gathered.

WE WILL  
BE BACK  
SOON  
BE SAFE,  
BE KIND.



# Policy Recommendations

The Task Force set out to identify practical, timely interventions to sustain businesses and protect vulnerable populations. Simultaneously, the Task Force sought to identify bold, creative solutions to address longstanding societal challenges and ultimately achieve greater racial and social equity.

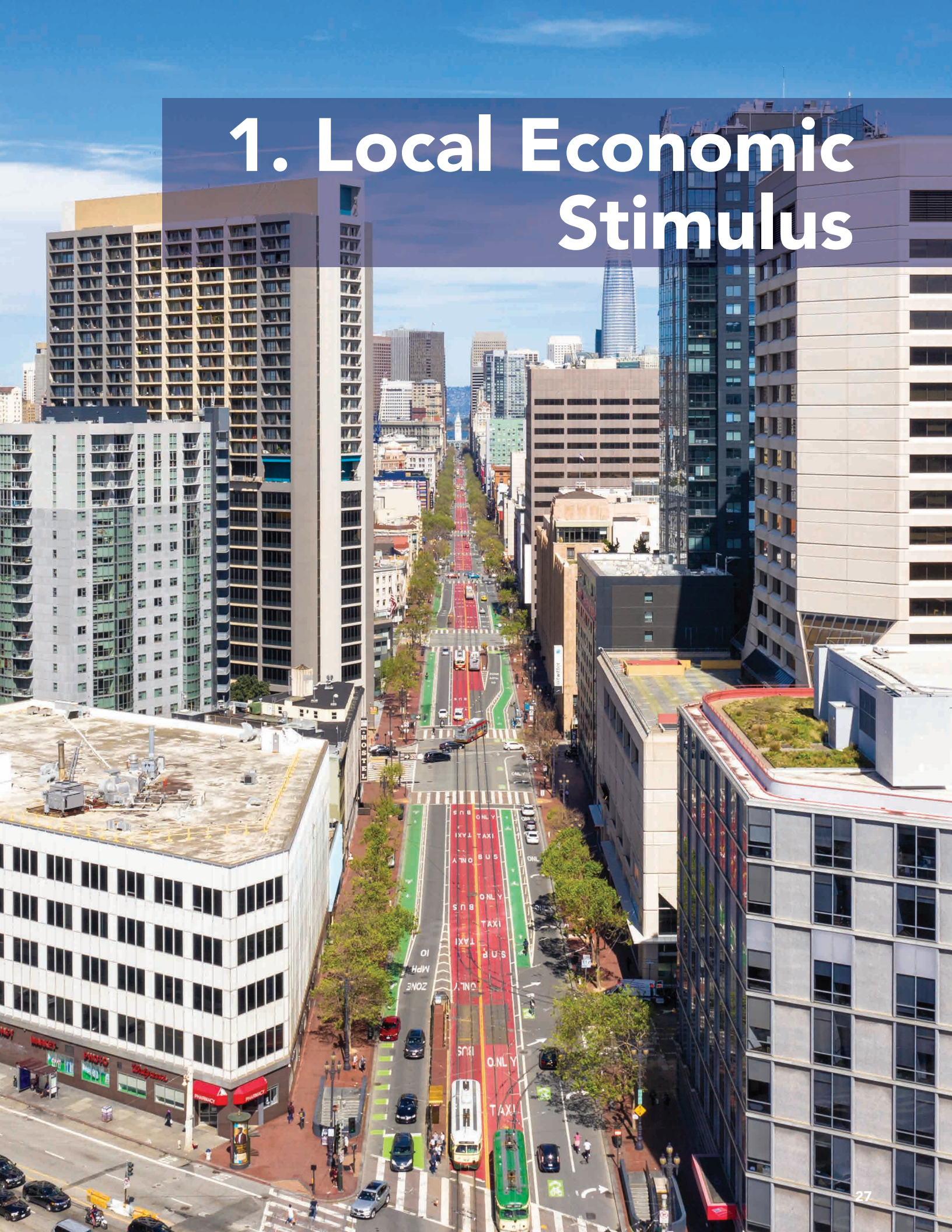
Informed by their own experiences and input from community engagement efforts, the Task Force prioritized strategies that address the need to protect small and medium businesses from collapse and support them with accurate, timely information; the need to focus on health, safety, wealth building, and opportunity creation for vulnerable populations; the need to promote housing and make it easier to adapt our spaces to changing circumstances; and the need to invest in the sectors that make San Francisco a desirable place to live and visit.

The ideas from the Task Force's four policy group sessions are organized into the following eight integrated categories:

- 1. Local Economic Stimulus:** explore policies and investments that encourage economic development and activity in San Francisco, such as funding public infrastructure projects, streamlining permitting processes, advocacy for state and federal resources, and more
- 2. Job Connections:** facilitate and improve connections to jobs and explore programs that hire local workers
- 3. Promote Safe Reopening:** provide clear and accessible information to businesses and workers on reopening requirements and provide tools and strategies to keep workers, customers, and residents safe
- 4. Preserve Operations and Lessen Regulatory Burdens:** create flexibility for businesses to operate and consider reducing or eliminating regulatory burdens
- 5. Pursue Economic Justice:** narrow the wealth gap and bridge the digital divide for low-income residents and communities of color
- 6. Invest in Housing:** incentivize the construction of affordable housing, an immediate and long-term need
- 7. Meet the Basic Needs of the Vulnerable:** ensure San Franciscans have access to food, shelter, mental health, and other services
- 8. Imagine and Build Stronger Neighborhoods:** activate and draw upon San Francisco's unique neighborhood and cultural assets

The Task Force recommendations to promote an equitable economic recovery range from short-term and concrete to longer-term and aspirational. Each recommendation includes one or more City departments that would lead implementation if sufficient resources are identified. The text in this section summarizes each of the recommendations with an issue statement and brief description of the recommendation. Full text of the recommendations and equity considerations for each can be found in Appendix E.

# 1. Local Economic Stimulus



## **1.1 Support the construction sector with public infrastructure investments and continued focus on major projects**

**Issue:** Capital projects take years to plan and design, and interruptions to that pipeline can have long-term negative ripple effects. San Francisco has developed a strong capital planning practice for the City's public infrastructure, with an all-sources view, responsible fiscal constraints, and a robust general obligation bond program that has seen more than \$5 billion approved by San Francisco voters since 2008. Typically a recession can lead to a slowdown in construction presenting an opportunity for countercyclical investment. Still, the uncertainty posed by the COVID-19 pandemic may make it more difficult to proceed with spending. The stakes for job loss in this industry are especially high, as each \$1 million of construction spending translates to approximately 5.93 San Francisco jobs.

**Recommendation:** San Francisco's last 10-Year Capital Plan planned for \$39 billion in investment over the period from 2020 to 2029. The City should continue to prioritize good stewardship of public assets as documented and recommended in the City's Capital Plan, which includes assets that deliver services for public safety, health and human services, recreation and culture, transportation, and general government, including IT infrastructure. In the upcoming Capital Plan update, the City should promote good state of repair for its buildings, right-of-way, public spaces, and other infrastructure assets with a variety of revenue sources, including but not limited to: general obligation bonds, General Fund debt, revenue bonds, and state and federal grants. The upcoming Capital Plan should also consider the extraordinary economic impacts of COVID-19 and aim to make a difference for San Francisco businesses, workers, and residents struggling through this crisis, such as investments to bridge the digital divide. In addition, the City should continue to focus on its major developments, such as the Shipyard, Mission Rock, Pier 70, Treasure Island, and Central SoMa, as these projects bring with them thousands of jobs and support for local business.



## 1.2 Redesign building permit processes and eliminate unnecessary permits not directly related to health and safety

**Issue:** The City’s permitting process for construction is notoriously complex. Up to ten different departments can be involved in permitting, but no one department owns the entire customer experience. Lack of transparency around the permitting process has always been a challenge, and navigating the process requires resources, time, and money. Novices to the system find the process confusing and overwhelming, whereas those who are experienced understand the sequencing and how to tap into technical expertise. For small businesses in particular, this may hinder economic recovery. Task Force members are particularly concerned that the current permitting process, which has been impacted by COVID-19 and the need to shut down in-person services, will have cascading impacts on small business and construction trades, increasing unemployment in sectors that employ many with good wages.

**Recommendation:** To encourage as many businesses to open or expand as possible, keep businesses from migrating out of San Francisco, and encourage business growth and expansion, permitting agencies (such as the Department of Building Inspection (DBI), the Fire Department, the San Francisco Public Utilities Commission (SFPUC), and Planning) should implement programmatic and regulatory changes to redesign the permitting process for the end user, increase transparency, make the permitting process as easy and affordable as possible, and remove permitting and process requirements not directly related to health and safety. These changes could include:

” “How can we expedite online training opportunities, can the city offer more technical assistance, so more residents can get to work sooner?” *Task Force member*

- Publish rates for all permit types and provide more clear information about the permit process and available support services to accelerate movement towards expansions and construction starts.
- Implement a fee holiday, a temporary reduction or elimination of permit fees designed to incentivize business owners, property owners, and developers to pull permits and undertake construction projects, thus creating jobs and stimulating economic growth.
- Expand the OEWD [Open in SF Program](#) to offer “concierge” services to help more businesses through the complex process. The Open in SF Program currently supports small food businesses through the permit process. The City could provide additional multilingual services perhaps through partnerships with community based organizations. It should be noted city provided concierge services would require significant additional staffing above current levels.

” “Let’s put our talented community to work.” *Task Force member*

### ***1.3 Allow developers to defer paying impact fees to stimulate development***

**Issue:** Falling rents and sales prices, stubbornly high construction costs, and broad economic uncertainty have resulted in developers unable to secure financing for their projects and a slowdown in development projects breaking ground. Finding a way to bring development economics back in balance is critical to creating construction and end-user jobs, stimulating the economy, growing the tax base, and producing the residential, commercial, industrial, and retail space to accommodate a City that is likely to see long term population growth.

**Recommendation:** The components of development cost that the City has the most control over are impact fees, and the City has demonstrated in the past that it can take steps to make it easier to build by making changes to impact fees, such as the 2010-2013 impact fee deferral program or last year's fee waiver for 100% affordable housing projects and Accessory Dwelling Units (ADUs). The Planning Department should develop a time-limited program, based on the successful program that ran from 2010 to 2013, allowing for developers to defer paying impact fees until each project receives the first certificate of occupancy, at the end of construction. This would help developers secure financing on projects that would likely not be able to break ground and pay impact fees otherwise.

### ***1.4 Make the Local Business Enterprise Program (LBE) more effective, equitable, and better suited to support the City's recovery***

**Issue:** The Local Business Enterprise (LBE) program certifies small local businesses to participate in City contracts. Many of these local firms are owned by women, who are heavily represented in hard-hit sectors like personal services and child care, and people of color, many of whom reported challenges accessing PPP loans. The LBE program enables them to compete on a level playing field with larger firms and/or firms taking advantage of cheaper costs outside of San Francisco. Budget balancing needs create risk for these businesses, which are often based in and hire workers from communities adversely affected by COVID-19. Current program rules and practices are not yet fully optimized to meet the challenge posed by COVID-19 and the resulting economic downturn.

**Recommendation:** To ensure that the LBE program provides the greatest benefit to San Francisco's small businesses, the Office of the City Administrator should work to:

- Expand the San Francisco Community Investment Fund's Contractor Accelerated Payment Program to help LBE manage cashflow
- Ask the LBE Advisory Committee to adjust financial contract limits for LBEs to allow City Departments to set aside a greater number of contracts within the threshold amount to Micro LBEs
- Increase contracting opportunities for Micro and Small LBEs
- Fund a Disparity Study to ascertain what types of racial disparities exist in City contracting processes



## **1.5 Promote reactivation and consider adaptive reuse of buildings for a vibrant San Francisco**

**Issue:** The future of work patterns is uncertain, and close attention is needed to understand which changes are temporary and which may be more long-lasting. COVID-19 has caused a sudden and dramatic decrease in demand for office, hotel, and retail space. As firms direct their employees to work from home and the economy contracts, the City will witness significant fluctuations in demand for large office buildings in the short term. As tourism and convention travelers coming to San Francisco has significantly decreased, the demand for hotel rooms have also plummeted. Similar impacts have occurred in the retail sector. At the same time, San Francisco faces a severe housing shortage, that has led to an affordability crisis, especially for low-income renters.

**Recommendation:** San Francisco should seek to preserve local businesses for both the jobs the revenues they deliver. If a COVID-19 vaccine or treatment is developed that allows for an economic recovery and a resumption of the pre-COVID space needs in San Francisco, this proposal may be of limited value. However, if there is a permanent decrease in office, retail, or hotel demand in the wake of the COVID-19 pandemic, the City should consider and, if advisable for the overall health of the local economy, incentivize re-purposing of existing buildings to uses needed for equitable economic recovery. Repurposing could pave the way for housing, production, distribution, and repair space, cultural and community development programs, or other uses. Any spaces adapted for housing have the potential to serve specific populations that may have different housing needs, such as artists.

Policymakers should also consider impacts from any future conversions. For example, conversions from hotel uses to any other use may result in a decrease in employment, specifically, many union jobs that are available to immigrants and people who speak English as a second language.

## 1.6 Advocate for federal and state funding

**Issue:** San Francisco will not be able to deliver on all the Task Force's recommendations on its own. The City needs support from the state and federal government, especially for larger investments and initiatives.

**Recommendation:** San Francisco should advocate at the state and federal level to support the recommendations of the Task Force in the following areas:

- **Commercial rent support/forgiveness:** funding for businesses to reduce evictions
- **Grants for businesses:** State and federal grants for businesses most impacted by the shelter-in-place like arts/nightlife/entertainment
- **Job training programs:** State and federal funding to provide job training to workers in industries hard hit by shelter-in-place
- **Rental assistance:** funding for renters or landlords to stave off an eviction crisis
- **Support for undocumented:** ensure undocumented immigrants benefit from state and federal programs
- **Health care for all:** health care should not be tied to employment considering huge loss in jobs during this pandemic and should include substance abuse treatment
- **Support for jailed and re-entering populations:** thoughtful transition planning for rehousing those that are reentering
- **Universal basic income:** provide dignity for all especially as the pandemic has decimated service industries and lower wage jobs
- **Internet for all:** funding to build a ubiquitous fiber-to-the-premises network to promote additional service competition to help ensure universal access to the Internet and help reach high-need groups
- **Food access:** continue and expand pandemic-linked benefits and waivers, and provide sufficient administrative funding
- **Fiscal support for local government:** to maintain the social safety net despite huge drop in tax revenue due to COVID-19
- **Debt relief:** relief for student and consumer debt

## **1.7 Partner with the business and philanthropic communities to deliver a strong and equitable recovery**

**Issue:** The City understands that a great many businesses, especially small, minority-owned, and women-owned businesses, are struggling to survive and support their workers. Numerous local interventions like waived fees, grants, paid leave, and technical assistance have been and will continue to be priorities for public support. However, the resources to stabilize every business and worker would amount to more than the City alone can deliver. City leadership has already acknowledged the need for public-private partnership to address the pandemic and established eligible uses related to COVID-19 priorities in its Give2SF charitable fund. Of the \$28.8 million received as of September 30, 2020, less than \$500,000 remains unallocated. Difficulty accessing capital and wealth inequality remain barriers to recovery, especially in communities of color. The City will continue to prioritize the public health response to minimize future economic contractions, but partnership and investment are needed to help San Francisco achieve its long-term resilience and sustainability goals.

**Recommendation:** Identify opportunities for public-private partnerships that can help local businesses, workers, and residents recover in the short term and deliver economic strength and resilience in the long-term.

To mobilize philanthropic contributions to the highest local priorities, the Mayor's Office should work with the San Francisco Foundation, other major foundations, and donor-advised funds to build a campaign that would deliver continuity support to businesses most in danger of shuttering and workers and residents most in need as a result of the pandemic.

To help encourage access to capital for local businesses and entrepreneurs, the Mayor's Office should convene local financial leaders and public office holders to explore financial products and strategies that can help stabilize struggling businesses and incentivize new business to start. The geography of capital access should be taken into account. Public financing and neighborhood financial empowerment centers should be considered alongside options put forward from the private sector.

To build back better from this crisis and deliver a more equitable and resilient city, the Office of the City Administrator (Office of Resilience and Capital Planning) and Controller's Office (Office of Public Finance) should explore opportunities to finance resilience improvements through public-private partnerships, informed by the priorities published in the Hazards and Climate Resilience Plan, the 10-Year Capital Plan, and the Climate Action Plan. Areas of opportunity include citywide broadband, green infrastructure, seismic retrofits, and sea level rise mitigations and adaptations. The Business Council on Climate Change (BC3) and the San Francisco Department of the Environment are also helpful partners in identifying promising opportunities.

## **1.8 Create a child care system that meets the needs of families, educators, and the community**

**Issue:** As San Francisco gets back to work, businesses and their workers need child care more than ever. While schools in San Francisco have remained closed, child care centers and family child care programs have been encouraged to remain open. Social distancing requirements have restricted most programs to just a portion of the number of children they served before the pandemic, exacerbating a child care shortage that was present well before COVID-19. Without any additional revenues, child care providers have had to reduce their hours and/or days to allow additional time for cleaning, purchase additional supplies, and modify existing spaces to comply with new regulations. Child care providers operated with narrow margins before COVID-19 and now face unsustainably increasing costs and decreasing revenues.

Current local, state and federal assistance falls short of serving all families who are eligible for child care subsidies. Many families who are not eligible for subsidies are heavily burdened by the cost of child care. Even with the high cost of tuition, educators subsidize the true cost of services with their low wages. By the time tuition fees are applied to all the expenses it takes to run a program, very little is available for the educators themselves. Local Proposition F, the Small Business and Economic Recovery Act, would make funds available for child care, among other priorities, but it would not single-handedly solve the funding need in this area.

**Recommendation:** During the phased-in process of reopening San Francisco's economy, child care providers will need financial support as temporarily reduced enrollments and enhanced healthy and safety procedures will reduce operating capacity. To adequately fund early childhood education and create a secure child care system, the Office of Early Care and Education (OECE) should coordinate with First 5 San Francisco, the Department of Children, Youth, and Families (DCYF), and OEWD to utilize future federal stimulus, future local revenue measure dollars, and/or Community Development Block Grant (CDBG) funds to:

- Provide flexible supplemental grant funds to daycare providers, building on existing Emergency Operating and COVID-19 Closure Grants.
- Provide low interest or forgivable loans to child care providers to expand their spaces or open up in new larger spaces that allow for social distancing and will increase daycare capacity in the long-term.
- Increase the Preschool for All program tuition credit amount and make it applicable for 3-year-olds.
- Increase the income eligibility for Early Learning Scholarship and expand the scope and amount of the Compensation and Retention Early Educator Stipend (CARES 2.0).
- Develop a workforce training program and job quality standards to address the shortage of qualified child care providers and early childhood educators.
- Provide realistic, clear, and consistent health and safety guidelines for operating child care and early education facilities (e.g. closure, social distancing, ratios) with training and assistance to child care providers to implement the guidance.
- Encourage businesses to provide child care solutions for employees, including stipends, on-site child care, referral services, and revising zoning ordinances.

# Thank you



## 2. Job Connections

## **2.1 Centralize the City's workforce development programs**

**Issue:** The City of San Francisco currently implements 292 unique workforce development programs administered by 17 departments. These programs target a range of participants and run the gamut from light touch services focused on job readiness to intensive trainings to temporary placement in apprenticeships and paid work experiences. Chapter 30 of the Administrative Code established a Committee on Citywide Workforce Alignment in 2014, designating OEWD as responsible for tracking information about these programs and chairing the Committee, however the Committee sunset in 2019. The decentralized nature of these programs creates significant challenges for delivering effective workforce development services and facilitating access to appropriate services. Vulnerable communities, particularly communities of color, who have the least exposure to strong career pathways, face the most systemic impediments to accessing quality job opportunities. They have the least access to the time, technology, networks, and resources necessary to navigate a decentralized system. Systemic strain from COVID-19 will likely exacerbate existing limitations.

**Recommendation:** The City should re-constitute the Committee on Citywide Workforce Alignment to establish a comprehensive workforce development strategy, centralize the coordination of workforce development programs, and establish one point of information and entry for all of the City's workforce development programs. If state law changes to allow it, that strategy could include racial and gender considerations in public employment to promote hiring of Black, indigenous, and people of color (BIPOC) and other vulnerable community members.

## **2.2 Provide culturally competent, accessible job training with career connections for marginalized and laid-off workers, particularly ACHE sector workers**

**Issue:** The unemployment impacts of COVID-19 have had an especially big impact on San Francisco's lower-income workers and those just entering the workforce, age 16 to 24. The ACHE sectors are expected to have a slower economic recovery than other sectors, leaving many workers without an opportunity to return to their job and/or industry in the near future. These sectors disproportionately employ women, people of color, and immigrants, and these jobseekers will need to connect to opportunities in different industries that may require new skills. Existing sector training and job placement focus may not fully address upcoming workforce development needs as the economic climate has dramatically shifted and will continue to do so.

**Recommendation:** To address the rapidly changing needs of San Francisco's workforce, especially those pivoting from the ACHE sectors, OEWD in partnership with other City departments that administer workforce programs, should provide jobseekers in-demand job training that connects directly to good paying sustainable career pathways with benefits:

- Create an overarching pandemic workforce plan in partnership with community, employers, and unions, similar to the California High Roads Training Partnership, to address San Francisco's specific community workforce needs and job market needs.
- Expand pre-apprenticeship training programs in construction and non-construction sectors.



- Create arts-focused employment and retraining programs that could include an “Arts Hub” online to connect ACHE sector works and organizations with job and training opportunities.
- Shift training programs to address skills needed for current, in-demand job opportunities, with attention to the quality of the jobs (living wage, benefits, and worker protections).
- Work with private industry to offer more paid training opportunities.
- Strategically deliver accessible training, allowing for both in-class learning that is safe for students and teachers, and online learning.
- Build out more union partnerships for training programs to provide baked in career pathways for well-paying jobs.
- Connect all new training programs to direct career opportunities upon program graduation, prioritizing the most marginalized.
- Target outreach and support services for disadvantaged communities to improve participation and completion of programs.
- Assess on an ongoing basis whether City employment programs are serving the current needs of San Francisco’s employers and job seekers, particularly unemployed ACHE workers and vulnerable populations, and modify them as necessary to deliver culturally competent employment programs.

## ***2.3 Strengthen implementation of the First Source Hiring policy***

**Issue:** COVID-19 creates a job market that further disadvantages jobseekers with less experience in the job market and more barriers to employment, as over-qualified individuals compete for and fill jobs that might otherwise be available. Young people, age 16 to 24, who have had little time to acquire work experience will face long-term disadvantages due to the current job market.

Even before COVID-19, to redress the disadvantages immigrant, minority, female, disabled, young, and elderly workers face, the City enacted “First Source Hiring” and “Local Hire” legislation. Both of these ordinances required a preference be given to disadvantaged San Franciscans by businesses engaged with the City in different contexts. Local Hire legislation is specific to construction projects, and First Source largely focused on leases, contracts for goods or services, and conditional use zoning allowances. The two ordinances have significant differences in their requirements and implementation, leading to substantially different outcomes. For First Source obligated employers, as compared to Local Hire employers, there is a lower rate of hiring workforce system participants and less ability to capture and monitor hires and retention in employment over time.

The Board of Supervisors Budget and Legislative Analyst (BLA) has recently released a performance audit report on the City’s workforce programs, including First Source Hiring and Local Hire. That document includes recommendations for improvements in the same space.

**Recommendation:** OEWD should work collaboratively to respond to the recommendations in the BLA’s recent report, and as part of that effort, it should weave in the recommendations of the ERTF to improve First Source Hiring to ensure disadvantaged San Franciscans have access to job opportunities in San Francisco. Improvements should:

- Ensure that job opportunities are made available to disadvantaged San Franciscans
- Link graduates from training programs to relevant jobs in that field or industry
- More fully realize the potential outcomes from First Source Hiring

” As a small business owner, I try to make sure my employees feel safe. It’s a very vulnerable and delicate situation. Even if you are an essential business, the staff still needs to feel safe.” *Task Force member*



## **2.4 Expand subsidized employment and hiring program – JobsNOW! and arts-specific**

**Issue:** Unemployment in San Francisco has increased by nearly 500% since February 2020. This financial strain is set to increase as Additional Pandemic Compensation for unemployment insurance benefits ended on July 31, some industries are slow to return to work, many businesses remain closed or at substantially reduced operations, and many workers are not yet connected to new job opportunities. Many of the individuals who are most impacted by the pandemic – minority, elderly, disabled, and low-income workers – are the same workers who held disproportionate unemployment rates prior to the COVID-19 pandemic.

To address the Great Recession, The Human Services Agency (HSA) launched the JobsNOW! subsidized employment program in 2009 as a Temporary Assistance for Needy Families (TANF) program component in the American Recovery & Reinvestment Act stimulus. The program aimed to assist local businesses, reduce unemployment, and put more dollars in to the economy. This program continues with TANF, state, and local funding. The program primarily serves individuals on CalWorks (TANF), General Assistance benefits, CalFresh (a program of the Supplemental Nutrition Assistance Program), public housing residents, foster youth, and justice-involved people.

**Recommendation:** HSA should expand the JobsNOW! subsidized employment program to have more lasting benefits for both workers and employers, create and advocate for employer incentives, and support more jobs.

The JobsNOW! expansion should:

- Provide more subsidized job opportunities
- Provide job opportunities with career pathways post-subsidized employment
- Encourage online application, enrollment, and job opportunities
- Lower barriers for small businesses and jobseekers to participate
- Extend outreach to unemployed people for greater awareness of job opportunities
- Focus on reaching communities that are the most vulnerable, especially those jobseekers with more than one marginalized identity
- Create/Advocate for local/state workforce employer tax credits

In addition to this JobsNOW! effort, OEWD, the Arts Commission, and the Office of the City Administrator (Grants for the Arts), should consider the needs of ACHE sector workers and work together to build a tailored employment program that stabilizes the creative economy, akin to the Creative Corps proposal submitted to the California Recovery Task Force.

# 3. Promote Safe Reopening



### **3.1 Provide clear, concise communication in multiple languages to diverse business sectors on reopening and recovery from COVID-19**

**Issue:** Businesses, particularly small neighborhood businesses and nonprofits, need clear guidance and support from City government during this tumultuous time. Larger businesses and networks may have the in-house capacity to adapt business plans, apply for financial assistance, but even they need concise guidance from City government in today's rapidly evolving regulatory context.

**Recommendation:** A multi-pronged comprehensive communication campaign should be developed to provide clear, concise communication in multiple languages and to diverse business and nonprofit sectors on the following topics:

- Health and safety (how to keep employees and customers safe, required physical changes for health safety, etc.)
- City programs (like the use of outdoor space)
- City financial support (grants, loans, business tax deferrals, etc.)
- Connections to non-City government support (partnership opportunities, philanthropic opportunities)
- Connections to State and Federal financial assistance programs
- Technical support to guide small businesses through recovery processes
- Updates on economic and pandemic outlook, so that businesses can make projections

The COVID Command Center (CCC) should coordinate efforts from OEWD and departments that are involved in business permitting, regulation, inspections and grant-making and community partners with language and cultural capacity.



### **3.2 Remove barriers to obtaining PPE, testing, and tracing in low-income and communities of color**

**Issue:** San Francisco's economy cannot recover from the COVID-19 crisis unless its residents can stay safe from infection. Adequate Personal Protective Equipment (PPE) and cleaning supplies are critical for keeping essential and frontline workers healthy. These supplies represent an on-going cost for businesses, nonprofits, and individuals, which can be burdensome when revenues and incomes have declined. In addition, supply chain issues mean that small businesses and individuals may have trouble accessing PPE at a reasonable cost.

Likewise, access to testing and tracing is critical to stopping the spread of COVID-19 and safely reopening the city. Testing that requires a doctor's note, an appointment, or travel to another neighborhood reduces accessibility for vulnerable populations and creates additional risk. Walk-up testing is especially in demand in Black/African American and Latino/a/x neighborhoods, including the Bayview, Fillmore, and Mission. People who have lost their jobs may have also lost their health insurance, making free testing even more important. Accessible testing is especially critical for essential and frontline workers, who are more likely to contract the disease and spread it to their households or colleagues. Contact tracing must be in language and culturally competent to be effective.

**Recommendation:** In order to ensure worker safety, easily accessible testing for people who must leave their home to work, and robust contact tracing in line with the City's equity priorities and California's recently released equity requirements for its tiered risk system, the COVID Command Center, in partnership with Public Health, should:

- Develop an overall strategy to reduce exposure and risk, including and especially for communities of color, to avoid a fragmented response.
- Continue to provide free or low-cost PPE to low-income individuals, community based-organizations, nonprofits, and small businesses.
- Continue to expand testing capacity, provide geographic equity, reduce wait times for appointments and results, and eliminate any barriers (testing should be free, available upon walk-up, and for asymptomatic people) through the joint effort of DPH, OEWD, the Human Rights Commission (HRC), Joint Information Center (JIC) Community Branch, and Neighborhood Emergency Response Team (NERT). This effort should build on the Mission Latino Task Force testing site to provide testing at trusted community organizations. Ideally testing should be made available close to worksites. As vaccines and/or treatments become available, ensure delivery sites for those are accessible and culturally responsive.
- Prepare and pre-train contact tracing resources so the City can nimbly flex up this work as needed if there is a surge in COVID-19 positive cases.
- Regionally coordinate contact tracing to prevent spread of COVID-19. Residents throughout the Bay Area commute to and from work from different counties.
- Expand essential worker ride home program to include transportation to testing sites.

### **3.3 Ensure safe work environments for all workers, especially low-income workers**

**Issue:** The Centers for Disease Control and Prevention (CDC) describes “people at higher risk for severe illness” only along clinical parameters. This approach risks underinvestment in populations facing structural disparities in health outcomes that need greater resources in order to stay healthy.

DPH also identifies the following populations as higher risk for severe illness and death from COVID-19 due to structural inequities:

- Black/African American Community
- Latino/a/x Community
- Native Americans/Indigenous Community
- Pacific Islander Community
- Immigrants and undocumented people
- People with disabilities
- People experiencing homelessness

DPH identifies the following populations as higher risk because they experience conditions that facilitate the spread of infection of COVID-19:

- People living in high-density situations
- People with high-risk economic/work conditions
  - Essential workers who have extensive contact with the public (for example, food service workers)
  - People without paid sick leave and/or health insurance
  - Sex workers
  - Low-income people who must go out in public for resources frequently

BIPOC and low-income workers who have limited or no options to safely shelter-in-place creates risks for other members of their household, their workplaces and their communities. San Francisco must prioritize protection and safety for people with structural barriers to healthy outcomes. Without a safe work environment for the higher-risk populations listed above, COVID-19 will continue to spread and prevent San Francisco from recovering.

**Recommendation:** To reduce the COVID-19 infection rate amongst people who must work outside the home and their communities, the City should:

- Partner with community organizations to deliver PPE and educate business owners, nonprofit leaders, and workers on PPE, safety protocols, compliance, self-reporting, model sick leave policies, and what to do if you or your worker are exposed, feel symptoms, or test positive.
- Make sure COVID-19 response operations have strong site safety plans.

- Continue to fund the Right to Recover Program, which guarantees two weeks of paid wages to anyone who tests positive and doesn't have alternative access to income or benefits during their recovery period.
- Restore the High Risk Community Housing Program and provide culturally competent isolation housing to exposed low-income workers and in communities of color.

### 3.4 Support cleanliness, health, and safety in public spaces

**Issue:** Unclean streets impact our residents, visitors, and businesses, creating real and perceived concerns around safety, health, and comfort. With outdoor dining and shopping options being the safest avenues for businesses activity during this time, clean streets and public spaces are more important than ever. For San Francisco's businesses and institutions to survive, residents and visitors must feel safe returning to our neighborhoods, commercial centers, and public spaces.

**Recommendation:** To improve cleanliness of spaces, neighborhoods, residents and businesses, Public Works (PW), OEWD, the Recreation and Parks Department (RPD), the Department of Public Health (DPH), Community Benefit Districts (CBDs), community-based organizations (CBOs) providing cleaning services, and merchant organizations in all neighborhoods should collaborate to:

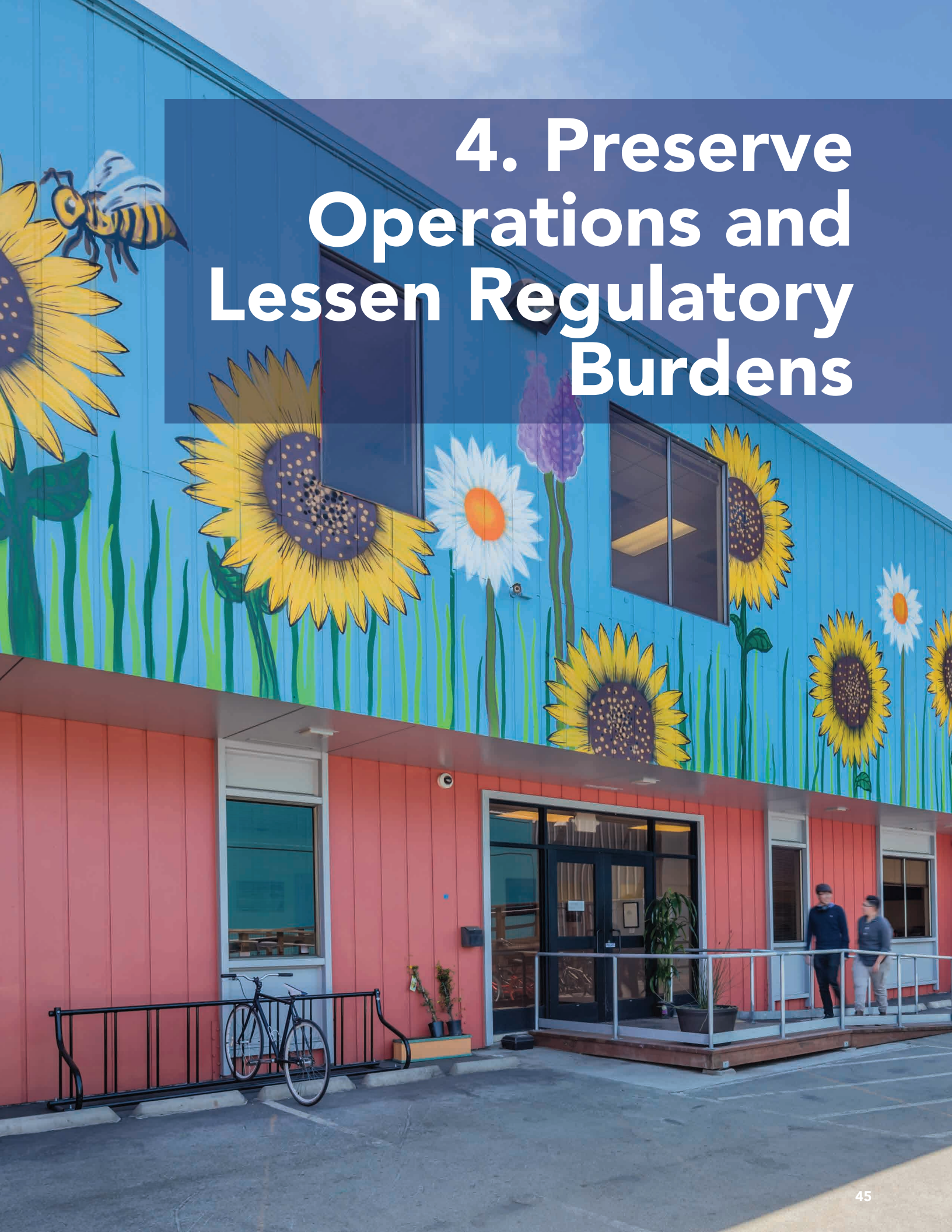
- Create a systematic and aligned public health and cleanliness approach to street conditions that integrates public and private services so that all parties work as one team.
- Develop a campaign in partnership with tourism, business, and arts organizations to highlight San Francisco's clean and safe streets throughout its diverse neighborhoods in order to restore feelings of safety with the goal of increasing foot traffic.

In order to improve poor street conditions in a lasting way that truly delivers greater public health and safety, the City must invest in tackling the root causes of those conditions: the twin challenges of behavioral health disorders and homelessness. For strategies related to mental health and substance use disorders, see Recommendation 7.3. For strategies related to housing people experiencing homelessness, see Recommendation 7.4.





# 4. Preserve Operations and Lessen Regulatory Burdens



## 4.1 Extend, improve, and support the Shared Spaces Program

**Issue:** During COVID-19 many storefront businesses and restaurants are restricted from operating indoors or have customers who do not feel comfortable entering a storefront. Many businesses will rely on outdoor operations until indoor business is allowed by the government and is safe enough for the general public to feel comfortable. In a dense city like San Francisco, many businesses do not have access to private outdoor space, and in June 2020 the City created the Shared Spaces program. Shared Spaces makes public outdoor space like the sidewalk, parking lane, traffic lane, and other parks and plazas available for neighboring businesses to utilize for safe, socially distanced operations. There are no fees associated with a Shared Spaces permit. The addition of the Just Add Music (JAM) permit to the Shared Spaces Program, allows businesses to receive permits for entertainment or amplified sound in an outdoor space. The goals of the program are to promote public health, help struggling businesses survive, and contribute to a vibrant street life on our commercial corridors.

The first few months of Shared Spaces have been a success, with over 1,600 total permit applications approved covering all supervisorial districts. However, the program has been unevenly adopted across San Francisco's neighborhoods.

**Recommendation:** The Shared Spaces team should improve the Shared Spaces program to make it more equitable, effective, and better poised to support the long-term economic recovery of San Francisco. City departments have already taken steps to further eliminate administrative or regulatory burdens of the program and have sufficiently simplified the application process. The Shared Spaces team should continue to seek ways to help businesses defray costs, and to support for artists and musicians to allow for more adaptive arts and entertainment uses. Further, the Shared Spaces program should be extended three years until December 31, 2023 so as to give businesses an incentive to make their spaces attractive, and give them certainty that the program will be a worthwhile investment.

The City should also promote the program's uptake in neighborhoods that have seen modest participation, such as the Excelsior, Bayview, and Visitacion Valley. To promote unimpeded accessibility in the pedestrian right-of-way, the City should encourage street closures and the use of parking spaces rather than sidewalks for Shared Spaces. The street closure process could be improved with a dedicated evaluation process, reevaluation of Shared Spaces staffing requirements, and accommodations for businesses with locations that make adjacent outdoor operation difficult or impossible. Shared Spaces also represents an opportunity to engage artists with communications, public art, design and construction of outdoor dining spaces, and/or temporary activation projects.

## 4.2 Repurpose public outdoor space

**Issue:** COVID-19 has shown the vulnerability of San Franciscans around food security and the need for local supply chains, especially for low-income communities. At the same time the highly contagious nature of the disease has created heightened demand for outdoor space as retrofitting indoor spaces for healthy airflow and occupation can be prohibitively expensive. It is important that the City maximize and optimize the use of public outdoor space in order to give more businesses and residents options to navigate and recover from this crisis. These outdoor spaces can be venues for diverse uses including arts and culture, recreation, business. In developing new uses for public open space, communities with little access to open space or lack of open space need to be considered.



**Recommendation:** City agencies including Planning, RPD, the Arts Commission and other asset-holding departments should reexamine the use of public outdoor space in San Francisco and facilitate any needed use changes to better support the City's goals of equity, resilience, environmental sustainability, and economic recovery.

## 4.3 Allow more flexible use of ground floor retail spaces

**Issue:** As of August 25, 2020, only 46% of San Francisco storefront businesses open at the start of the pandemic remained open, according to a survey from the San Francisco Chamber of Commerce. It is clear a significant number of retail businesses will not survive the pandemic, as partial and complete closures to protect public health reduce their in-person customer base and the preexisting challenges of e-commerce competition and regulatory complexity persist. San Francisco's commercial areas will need rapid and creative reactivation to attract customers, invigorate neighborhoods, and preserve San Francisco's standing as a global destination.

**Recommendation:** Planning should develop and propose a suite of changes to create flexibility for filling vacant ground floor retail spaces by allowing the broadest possible range of active uses, such as maker spaces, arts, culture, and community development programs and uses.

#### ***4.4 Rethink rules that restrict flexible/temporary arts, culture, hospitality and entertainment uses***

**Issue:** San Francisco has a longstanding need for greater flexibility to support temporary activities inside storefronts and in public spaces. Challenges around permitting requirements, liquor licensing, and City-mandated costs imposed on temporary events can prevent existing business owners from adding pop-up events, food and drink, and arts performances to meet evolving consumer demands, and also obstruct entrepreneurs interested in activating underutilized or vacant space. In the context of the COVID-19 recovery, temporary activations will be an important means of boosting foot traffic, diversifying revenue streams, preventing displacement, and enabling community entrepreneurs, neighborhoods, and artists to showcase their creative enterprises. Current permitting and regulatory barriers make such activations challenging, especially the lengthy wait times for Conditional Use authorizations.

**Recommendation:** OEWD, the Arts Commission, and the Office of the City Administrator (Entertainment Commission), should conduct a comprehensive review of existing permitting and regulatory barriers that impact temporary arts and culture activations in public and private space. This review should include temporary use authorizations, amplified sound regulations, Police Code provisions, health permitting, zoning restrictions, liability insurance, liquor licensing rules, and other requirements that make temporarily activating space difficult and expensive. This effort should result in recommendations for legislative action and administrative change.

#### ***4.5 Provide advisory services for commercial landlords and tenants and explore other strategies to avoid foreclosures and evictions, particularly for ACHE sector assets***

**Issue:** Many small businesses have had to close to comply with the shelter-in-place orders. These closures have resulted in no or low revenues for these small businesses while many of their fixed costs have remained the same. Even mortgage forbearance, eviction moratoriums, and rent deferrals may not prevent tenants from breaking leases or landlords from evicting tenants. In addition, landlords who manage their own properties may not have the resources for negotiation assistance, or they may need technical support. San Francisco's ACHE sectors especially have faced some of the most severe economic impact from the pandemic. Mandates restricting both the operation of businesses indoors and large congregations of people indoors, fundamental aspects of the ACHE sectors' operations, make it difficult for these entities to survive. The State has issued an executive order allowing local jurisdictions to ban commercial evictions through March 2021 and San Francisco's commercial eviction moratorium currently expires November 2020, but attention is still needed to ensure that businesses can hang on once those protections expire. Meanwhile, the City should strive to help small and medium sized businesses with assistance that meets their needs in the short term.

**Recommendation:** To reduce permanent closures of small businesses, particularly businesses owned by or serving communities of color or disadvantaged populations, OEWD in collaboration with the Office of Small Business should provide landlords and tenants with supports such as advisory services from brokers or attorneys to help negotiate solutions that avoid foreclosures, evictions, and/or permanent closures. OEWD should pay attention particularly to struggling ACHE businesses, PDR business, and nonprofits and build on existing models such as the Nonprofit Sustainability Program, Loan Preparation Program, and the Legacy Business Program to help them survive. These efforts should prioritize businesses with protracted COVID-19 impacts and those that are led by BIPOC community members or serving those communities, and include extensive outreach to these communities.

## 4.6 Review employer mandates

**Issue:** San Francisco had a high cost of doing business before COVID-19, with many small businesses operating on slim margins. Since the pandemic, small businesses have come under significantly increased cost pressures due to reduced or no income during the shelter-in-place orders. The expenses of employer health care and other mandates have significant impacts on small businesses and nonprofits and may no longer be the best way to achieve San Francisco’s health care policy goals.

**Recommendation:** The Board of Supervisors should explore reforming employer mandates while preserving local health care policy goals to ensure coverage and being mindful of the cost implications to local businesses.



# 5. Pursue Economic Justice



## 5.1 Invest in BIPOC and immigrant communities

**Issue:** Decades of structural discrimination in housing and employment has contributed to an intergenerational wealth gap between BIPOC and immigrant families and their white peers. These disparities have contributed to lower housing ownership rates, increased impacts from gentrification/displacement, and reduced employment opportunities. Before COVID-19, the Black/African American community was hardest hit by the Great Recession and the foreclosure crisis that came with it. In addition, BIPOC communities and immigrants are more likely to be working in industries decimated by COVID-19 or in jobs that cannot be done at home.

Another major factor affecting the wealth of Black/African American and immigrant communities especially is policing. Black/African American people have been subject to disproportionate arrests, use-of-force, and incarceration, and immigrant communities have faced targeted attacks from the Trump Administration. While there are numerous local programs that support Black/African American and immigrant populations, there is not an overarching systemic effort to reduce the wealth gap

**Recommendation:** HRC should coordinate and lead a program of reparative community investment that builds on current plans to redirect funds from the Police Department budget to address disparities in San Francisco's Black/African American communities. Understanding there is an existing HRC-led community process in place to program the \$120 million reallocated from the Police Department in the current budget, the Task Force recommends investments targeted to Black/African American and immigrant communities in the following areas:

- Child care and early childhood education
- Expanded housing support to stay in San Francisco, including for transitional-age youth
- Mental health and behavioral health services
- Workforce development
- Subsidized employment and other income support, including arts and culture work
- Small business, commercial corridor, co-op, and entrepreneurship support
- Addressing the digital divide
- Expansion of financial services

In addition to these efforts, San Francisco should continue to prioritize programs and initiatives that address wealth disparities in communities of color and immigrant communities to foster an equitable recovery.

## **5.2 Ensure low-income school children have access to educational programming**

**Issue:** To adapt to COVID-19, the San Francisco Unified School District (SFUSD) moved to distance learning in March and has started the school year in fall 2020 distanced as well. Existing racial and socioeconomic achievement gaps are expected to widen due to disparities in access to computers, home internet connections, the loss of direct instruction from teachers, and/or an inability to financially supplement SFUSD learning plans. Low-income parents are the most likely to report that their kids are doing little or no remote learning in San Francisco. The formation of “pandemic pods” amongst some families threatens to exacerbate this disparity. In response, DCYF will form Community Learning Hubs across the City to serve up to 6,000 SFUSD students with high risk of disengagement via distance learning.

**Recommendation:** With support from partners like RPD, Public Library, SFUSD, and CBOs, DCYF should make every effort to leverage Community Hubs to provide not just academic enrichment and technical support for up to 6,000 high-risk Learning Hub participants, but also services and supports to help bridge learning disparities. The City should seek resources to ensure the Hubs can mitigate learning loss for low-income students, students of color, and students with other challenges for distance learning at the desired level of service.

## **5.3 Reform fines and fees levied by San Francisco to reduce inequitable financial burdens on low-income people and communities of color**

**Issue:** The imposition of fines and fees has a disproportionate impact on people with low-income and people from communities of color. Fines and fees can often snowball, turning a single missed payment into a lower credit score or a suspended driver’s license.

While the Office of the Treasurer and Tax Collector (TTX) has done a lot of work over the last few years to reduce and eliminate these fees for those most vulnerable, there are still fines and fees that community groups and impacted individuals have identified as needing reforms.

**Recommendation:** City departments who levy fines and fees should pursue the following reforms to make them more equitable:

- Process Reforms
  - Conduct a biennial racial and economic equity review of all fines and fees through the Mayor’s budget process.
  - Ease the administrative burden for departments to offer fine and fee discounts to low-income San Franciscans through use of HSA’s income verification database.
  - Expand eligibility for existing fine and fee discounts.
  - Conduct outreach to ensure people know about fine and fee discounts available to them.



- Reform inequitable systems for lower-income people and communities of color
  - Reimagine our system of victim restitution to restore crime survivors and defendants in poverty.
  - Relieve the child support debt that low-income parents owe to the government.
- Transportation fines and fees
  - Ensure that ability to pay is not a barrier to riding transit.
  - Ensure that those who are vehicularly housed have access to services and opportunities for housing.
- Other Reforms
  - Reduce or eliminate onerous permit fees for sidewalk vendors and micro-entrepreneurs.
  - Decriminalize and reform quality of life citations that penalize people for their poverty.

## **5.4 Provide high-quality computers to vulnerable populations**

**Issue:** Access to computers is more important than ever as many in-person services have moved online. San Franciscans need a computer to access applications for benefits, job opportunities, medical appointments, distance learning opportunities for children, and to prevent isolation for older adults. At the same time, shared computer labs normally available to public are not available for use.

The digital divide disproportionately impacts low-income residents, seniors, people with disabilities, and limited English proficiency. While the city currently has some efforts to distribute computers, current demand massively outstrips supply.

**Recommendation:** The Department of Technology (SFDT) and MOHCD (Office of Digital Equity) should develop a program to facilitate the donation of high-quality computers and related technology that local companies no longer need to be distributed to individuals in need. The program would develop a platform, standards, and distribution process for donated computers.

## **5.5 Bridge the digital divide with affordable connectivity and internet service**

**Issue:** Just as San Franciscans need access to computers, they also need connectivity to the internet to weather and recover from the COVID-19 crisis. Numerous barriers exist that reinforce to create the digital divide, including affordability, digital literacy, and program accessibility. Many households that do not currently have broadband access would pursue access if provided with a price that was deemed as reasonable or feasible. As noted above, shared computer labs normally available to public are not available for use, and those without connectivity are disproportionately low-income residents, seniors, people with disabilities, and limited English proficiency.

**Recommendation:** SFDT should extend existing efforts to install fiber to very low, low, and moderate-income households at public housing and affordable housing locations. This would include dedicated annual funding to support the maximum feasible level of expansion on an annual basis. Related, SFPW and SFDT should consider ways to lower the cost of fiber installation, including streamlining the permit

process, to bring affordable connectivity to low-income households regardless of where they live in San Francisco.

Department of Homelessness and Supportive Housing (HSH) should expand existing efforts to deliver high-speed internet service at SROs.

San Francisco should advocate before the California Public Utilities Commission (CPUC) for the expansion of affordable internet service, including extending leniency programs with mobile carriers for low-income and other vulnerable residents who are unable to pay for their monthly service fee during the COVID-19 emergency. SFDT should also explore partnerships with internet service providers (ISPs) to build affordable internet options for more low-income and vulnerable communities.

## **5.6 Build technology capacity of new users, small businesses, and nonprofits**

**Issue:** Many of San Francisco’s most vulnerable residents lack basic digital literacy skills and require additional support to participate in digital society. Similarly, many small businesses and nonprofits need assistance to navigate unfamiliar technological waters as they seek to pivot their businesses models to survive reduced activity under safe reopening regulations. Without the ability to provide in-person support, alternative means are needed to support residents in finding services online and to support businesses and nonprofits in adjusting their operations.

**Recommendation:** MOHCD (Office of Digital Equity) should partner with digital literacy nonprofits to provide phone-based technology assistance for new technology users, small businesses, and nonprofits citywide.





# 6. Invest in Housing

## **6.1 Expand and stabilize affordable housing funding**

**Issue:** Despite significant investments in production of new affordable housing, preservation of existing housing, and assistance and services for cost burdened renters, vulnerable renters, and those experiencing homelessness, San Francisco historically has not had sufficient funding to meet the affordable housing needs of residents. Revenue losses to the City may exacerbate this dynamic. Some affordable housing funding has come from time-limited sources that may not be renewed in the future.

As the traditional funding sources decrease, the City will need to explore new sources of funding that are stable, not time limited, and can be used to meet housing needs now and in the future.

**Recommendation:** MOHCD and HSH should expand the affordable housing funding agenda focused on advocating for increased federal recovery aid for housing, such as a revamped federal Neighborhood Stabilization Program. Following this, policymakers should work to identify additional ways to expand funding for affordable housing through taxes, fees, or other new sources.

## **6.2 Preserve and stabilize affordable multifamily rental housing and support small property owners**

**Issue:** As COVID-19 has disrupted the economy, many tenants have been unable to pay rent due to loss of work, and some have chosen to relocate. Concurrently, some property owners have experienced a drop in revenue. Temporary measures have shielded tenants and property owners through eviction moratoriums and debt restructuring programs; however, more tenants face possible eviction from non-payment of rent. If debt forbearance ends, owners of multifamily rental properties could face foreclosure or increased financial pressure to sell to investors.

**Recommendation:** San Francisco should continue to pursue and expand investment in preservation, acquisitions, and stabilization loans for multifamily rental housing to help prevent a wave of eviction, displacement, and speculative property sales in vulnerable communities:

- Expand nonprofit acquisition of multifamily, rent-controlled properties, including single room occupancy (SRO) properties, that are occupied by lower income renters and preserve them as permanently affordable housing.
- Provide forgivable loans to small property owners of rent-controlled properties in exchange for rent forgiveness, focusing on owners of properties with 5 or fewer units who are facing loss of rent revenue and facing foreclosure or other financial challenges.

### **6.3 Support construction of small multifamily buildings**

**Issue:** Housing unaffordability is one of San Francisco’s greatest challenges. Continuing to pursue the City’s housing goals calling for the construction of 5,000 new units of housing each year with at least one-third being affordable (a target that was difficult to achieve prior to COVID-19) will help more vulnerable residents stay in San Francisco. Most housing today is built in larger projects of over 50 units, on larger sites, by larger companies (often national and multinational), and typically funded by large banks and institutional investors. The COVID-19 economic crisis could mean that these large projects will stall due to a lack of available investment.

**Recommendation:** The Planning Department (Planning) should work with stakeholders to offset the projected reduction in large scale multi-family construction investment. The City should institute policy changes that encourage the development and construction of missing middle housing using alternative financing sources. These may include changes to zoning and the development process to allow for more multifamily construction in low density areas.

### **6.4 Streamline the housing entitlement process to incentivize affordable projects**

**Issue:** Stabilizing housing costs in the long term will require increasing housing supply through consistent production of market rate and affordable housing. Advancing housing construction to increase housing affordability is one of San Francisco’s top priorities, as shown through recent Executive Directives for departments to work collaboratively towards faster approvals for housing development projects (2017) and to accelerate the creation of Accessory Dwelling Units and clear the backlog of pending applications (2018), as well as the \$600 million 2019 Affordable Housing general obligation bond. Existing efforts, including SB 35 and the State Density Bonus law have already helped streamline approximately 2,000 units in 100% affordable projects.

Even more process improvements will be needed in order for housing construction to recover. In San Francisco, nearly all entitlements are discretionary, meaning they could be denied or be subject to conditions by the Planning Commission even when they comply with zoning and require no special waiver or accommodation. As a result, entitlement can be a lengthy process with uncertain outcomes for developers. The time and risk involved in entitlement force housing developers to demand higher returns on investment, rendering certain projects financially infeasible and reducing the number of projects that are built, especially in economically challenging times such as the current period.

**Recommendation:** Planning should change the entitlement process to incentivize projects that are more likely to be affordable, especially ones that would deliver substantial numbers of new units:

- Adopt administrative review for qualifying projects that adhere to the zoning code, removing discretionary approvals for projects that are 100% affordable or for projects that exceed inclusionary housing requirements by 15%. This could also apply to HOME-SF (San Francisco’s local density bonus program) projects.
- Adopt entitlement changes to support small multifamily projects of 4-10 units, which are often built by small local developers and have smaller profit margins.

- Refocus demolition restrictions more specifically on multifamily rental housing with regulatory restrictions such as rent control.
- Make it easier to transform a single-family home site as multifamily housing with 4 or more units when the existing home does not serve lower-income renters.



# 7. Meet the Basic Needs of the Vulnerable



## **7.1 Ensure adequate housing for family violence survivors and increase awareness of family violence issues during COVID-19**

**Issue:** Social isolation, more time at home, decreased connections with teachers and service providers, and general stress and trauma have increased the likelihood of family violence in San Francisco during COVID-19. Amongst known victims, family violence (child abuse, domestic violence, and elder abuse) disproportionately impacts Black/African American and Latino/a/x communities, the elderly, and people with disabilities in San Francisco. Social distancing requirements mean there is less space in shelters even though the need is greater.

**Recommendation:** HSA should work with the Department on the Status of Women (DOSW) to ensure there is enough housing available for family violence survivors. This effort could include the use of COVID-19 hotel rooms or other types of emergency housing options, such as vouchers. Placements should include other supports such as mental health and legal support.

The City should also increase awareness of family violence issues during COVID-19 among providers. For example, DCYF should ensure nonprofit providers at Community Learning Hubs are informed about signs of family violence and can help connect children, youth, and their families experiencing issues to resources. For strategies related to increasing mental health services, see Recommendation 7.3.

## **7.2 Ensure all San Franciscans have adequate access to healthy food**

**Issue:** Job losses have left individuals and families in San Francisco without resources to buy enough food. School closures have meant that children who normally receive meals at school instead eat at home. Over 29,000 children in San Francisco receive free or reduced-price meals at school (about half of all public school students). In addition, older adults and medically vulnerable people may need to self-isolate, making accessing food safely a challenge. Reduced public transit also makes getting groceries for seniors and disabled people more challenging. Grocery delivery services cost extra and may not be an option for low-income households. Congregate meal sites throughout the city have closed due to health orders requiring those most vulnerable to shelter-in-place. At the same time, restaurants face reduced demand and service restrictions while trying to stay afloat.

**Recommendation:** HSA should expand funding and maximize enrollment in existing programs that ensure vulnerable populations, including children, older adults, and medically vulnerable people, do not experience hunger or have to make the choice between groceries and other basic necessities. To improve local food security, the City should:

- Support expansion of existing feeding programs for older adults and adults with disabilities, including the Essential Trip Card.
- Fund programs that support food security for San Franciscans who do not qualify federally-funded food assistance programs because of their income, immigration status, or other reasons.
- Continue to advocate at the federal and state level for additional benefits, waivers and increased administrative funding.
- Use technology to ensure clients can successfully access and retain benefits using remote online/phone channels.



- Consider a new CalFresh media campaign targeted to underserved communities and increased outreach to seniors.
- Develop corporate partnerships to increase CalFresh purchasing power.
- Explore strategies to support a larger vision of seamlessly connecting San Franciscans to all public benefits to which they are eligible, especially programs that enhance food security.

The State of California has implemented the Great Plates Program to route assistance funds for meals support to local businesses to help meet multiple needs simultaneously. As of now, that program is set to expire on October 9. If it is not extended, the City should consider ways to support a similar effort, potentially through endorsement of existing grassroots channels.

### **7.3 Expand mental health and substance use disorder services**

**Issue:** As a result of both the COVID-19 pandemic and the measures put in place to slow the spread of the virus, mental and behavioral health stressors have increased, especially for youth, SRO residents, and people experiencing homelessness. These stressors include increased social isolation, financial strain, the possibility of additional time spent in abusive home situations, decreased ability for connection with providers who may have been able to help intervene, and general stress and trauma associated with the pandemic itself.

As the City rises to meet these emerging mental health challenges, the City must also recommit to the significant and persistent mental health and substance abuse challenges for people experiencing homelessness. COVID-19 has led to an increase in homelessness in San Francisco due to limited shelter capacity for social distancing, the inability to stay with family or friends due to social distancing, and the economic crisis. As public health guidance requires that more business is conducted on the street and public spaces, there is a renewed need to ensure a safe environment for everyone and provide critical services to those in need. Though there are numerous agencies and organizations providing field-based services in San Francisco, there are shortages of specific services on the street.

**Recommendation:** To make more meaningful connections to mental health and substance use disorder services for people experiencing homelessness, youth and transitional age youth, older adults and adults with disabilities, DPH should work with partner agencies to:

- For children and youth, connect and expand existing efforts by building the capacity of teachers and providers and ensuring that behavioral health supports are available both virtually and where programming is occurring.
- For children, youth and their families, and older adults and adults with disabilities experiencing mental health issues as a result of COVID-19, connect them with culturally appropriate and accessible resources.
- Create a systematic and aligned public health approach to street conditions.
- Provide additional field-based behavioral health services for people experiencing homelessness. Street-based mental health and substance use services could offer a low-barrier, adaptive form of treatment that not only provides a much-needed service but acts as a doorway to the system for people who are disconnected.

- Provide additional safe spaces to build trust such as a managed alcohol program, drop-in respite, day programs, or other low-barrier programs offer the opportunity to build trust with clients and offer them a safe place to be.

For strategies related to improving cleanliness of spaces, neighborhoods, residents and businesses, see Recommendation 3.4. For strategies related to housing people experiencing homelessness, see Recommendation 7.4. For strategies related to family violence, see Recommendation 7.1.

## ***7.4 Acquire hotels and other buildings to be converted into permanent supportive housing for people experiencing homelessness***

**Issue:** Though San Francisco leads the nation in the provision of Permanent Supportive Housing (PSH), there will always be greater demand than supply of housing assistance for people experiencing homelessness. COVID-19 has only exacerbated this trend, with shelters at limited capacity as they follow public health guidelines. While no formal count has been performed since the pandemic began, current street conditions point to a growing need for housing for people experiencing homelessness in San Francisco.

People experiencing homelessness are uniquely vulnerable to COVID-19 due to a lack of access to sanitation among other factors. This group sees an overrepresentation of Black/African American and LGBTQI individuals and persons with disabilities, some of our most vulnerable populations that need increased support.

**Recommendation:** HSH should increase the rate of building acquisitions (such as hotels and other buildings) for conversion to PSH units and pay attention to the accessibility of the units acquired. This could be facilitated through awards from the state's Homekey Grant Program and/or dispensation of one-time capital funds for acquisition and improvement of homeless service sites using funds from sources such as the recently unlocked Proposition C Our City, Our Home measure and future bond measures.



## **7.5 Prevent renter evictions and displacement**

**Issue:** Housing in San Francisco is predominately composed of tenant renters, many of whom were rent burdened even before the impacts of the COVID-19 pandemic. With the current economic crisis, a higher proportion of residents will likely pay more than half their income on rent or resort to inadequate housing.

San Francisco, like many jurisdictions, is facing a looming wave of increased evictions and homelessness as emergency orders around unemployment benefits and eviction moratoriums expire. Currently, these stop-gap provisions push the date of any court proceedings related to evictions into the future but do not nullify them completely. There will be a high demand for eviction prevention services for San Francisco's residents as these provisions either sunset or are repealed.

**Recommendation:** MOHCD should scale up and expand San Francisco's community-based eviction prevention services to meet the scale of the need by working with our community partners to:

- Provide high-quality legal representation to tenants facing eviction that results in tenants staying in their home.
- Provide tenant counseling, education and outreach (including media campaigns) on their rights and responsibilities before and during the eviction notice stage.
- Intervene early in tenant-landlord disputes, so that these cases also do not end up in court.
- Provide rental assistance to resolve disputes.

# 8. Imagine and Build Stronger Neighborhoods



## **8.1 Plan collaboratively for San Francisco's resilient future and related investments**

**Issue:** COVID-19 has spotlighted the need for a strong, clear vision for San Francisco's future. The City regularly delivers a Five-Year Financial Plan to layout planned investment strategies across public sources. In addition to this central financial planning document, various City departments and initiatives have developed or will soon complete targeted planning documents that point to a more resilient San Francisco. These include the 10-Year Capital Plan, the MTA's 20-Year Capital Plan, ConnectSF, updates to the Public Safety and Housing elements of the General Plan, the Hazards and Climate Resilience Plan, the Waterfront Plan, the Climate Action Plan, the Digital Equity Strategy, neighborhood Area Plans, and others. Transformative projects like the Embarcadero Seawall Program, the Muni F-train loop, largescale affordable housing construction, and citywide seismic and climate risk mitigation programs will help San Francisco build resilience to the city's most pressing hazards. It will require concerted effort to bring these plans together and use them to fuel expedient, coordinated investment.

**Recommendation:** The Mayor's Budget Office should update the Five-Year Financial Plan to in light of the COVID-19 crisis to reflect planned investments. Further, the City Administrator's Office (Resilience and Capital Planning) should work with the City's asset-owning departments, the Department of the Environment, the Mayor's Office of Housing and Community Development, and the Planning Department to articulate a program of public investment that can deliver priority resilience enhancement projects. The City's Capital Plan can hold the fiscal planning information for capital and should reflect how San Francisco has incorporated resilience planning into its anticipated infrastructure investments for the next 10 years.

## **8.2 Catalyze neighborhood recovery through the arts**

**Issue:** Throughout the City, restaurants, museums, hotels, night clubs and retail stores are shuttered. Neighborhood commercial corridors are quiet. People who worked at these establishments are out of work. The arts sector can play a powerful role in centering communities of color and those who have been marginalized and excluded to create a more equitable future in our city.

**Recommendation:** For our commercial districts to re-open and become active destinations for residents and tourists, OEWD, the Arts Commission, Office of the City Administrator (Grants for the Arts), and Mayor's Office of Housing and Community Development (MOHCD) should work in partnership with the community to develop thoughtful and inclusive economic and activation plans that draw upon neighborhood assets. ACHE businesses and organizations can be invited to develop neighborhood-specific (culturally-specific, language-inclusive) campaigns and event production (when safe) to reinvigorate community spaces and community cohesion. Resources and assistance should be prioritized towards historically marginalized neighborhoods and people who have not benefitted from past economic growth.

### **8.3 Identify new revenue sources and support grant applications for arts, culture, hospitality, and entertainment funding**

**Issue:** San Francisco’s entertainment venues, arts nonprofit organizations, galleries, studios, restaurants, and hospitality establishments are in danger of long-term or permanent closure. Workers, organizations, and businesses in the ACHE sectors need financial support now and potentially through next year to prevent permanent closure and displacement.

**Recommendation:** To protect existing arts, culture, hospitality and entertainment assets the Arts Commission, the Office of the City Administrator (Grants for the Arts), OEWD, and MOHCD should actively engage philanthropy and the private sector to support the ACHE sector and leverage projects to bring together multiple funding streams where match is needed. In addition, these departments should increase access to City ACHE funding by reducing barriers in existing application processes and provide technical support for the ACHE sector to apply for relevant state and federal grants.

### **8.4 Appoint more arts, culture, hospitality, and entertainment sector representatives to advisory groups, and policy bodies**

**Issue:** Artists and arts businesses and organizations have been among the hardest hit as a result of the COVID-19 pandemic, and the arts are essential to the economic, social, political, and cultural life of San Francisco. Artists and arts organizations are uniquely positioned to help create the conditions – public trust, social cohesion and connection, access to learning and engagement in new ways – that will be needed for economic recovery.

**Recommendation:** In order to rebuild a more equitable San Francisco, the Mayor, Board of Supervisors, City Administrator, and City departments (particularly the SFAC, Planning, OEWD, and MOHCD) should appoint more ACHE representatives to commissions, advisory committees, and other decision-making and policy bodies. In addition, embed ACHE experts into City departments and policy-development teams as either staff members or consultants.

### **Policy Recommendations Summary Table**

The table below summarizes the Task Force recommendations and names a lead City department and timeframe for future implementation. Many of these recommendations would require interagency collaboration; the lead department here assigned shows the one most likely to be responsible for coordination. The timeframes are categorized at a high level: as short term and/or longer term duration as long as funding is available and allocated. Short term recommendations can likely be implemented within a year from when budget resources are appropriated and staff direction given. Longer term recommendations require more coordination and/or legislative or other policy changes, which typically take more than one year, or they require more money than can be reasonably expected in the short term.

Regarding implementation, some recommendations involve expanding or modifying existing programs while others will require new efforts, all subject to available resources. It is expected that departments leading implementation will need to engage with impacted populations to understand barriers, burdens, and opportunities to build on existing community assets. In their policy work groups, the Task Force members and staff noted the importance of meaningful community engagement.

An equity lens was used during recommendation development, which should be revisited and operationalized to achieve equitable outcomes. As a core principle of equity, communities and individuals should help design and inform the policies and programs that impact their lives.

## Policy Recommendations Summary

| Policy Recommendations   | Dept Lead | Timeframe             |
|--|-----------|-----------------------|
| <b>1. Local Economic Stimulus</b>                              |           |                       |
| 1.1 Invest in public infrastructure and support major projects | ADM       | Short and longer term |
| 1.2 Redesign building permit process                           | DBI       | Longer term           |
| 1.3 Defer impact fee payments                                  | Planning  | Short term            |
| 1.4 Strengthen Local Business Enterprise (LBE) program         | ADM       | Short term            |
| 1.5 Promote reactivation and consider adaptive reuse buildings | Planning  | Longer term           |
| 1.6 Advocate for federal and state funding                     | MYR       | Short and longer term |
| 1.7 Partner with business and philanthropic communities        | MYR       | Short and longer term |
| 1.8 Create accessible, affordable child care system            | OECE      | Longer term           |
| <b>2. Job Connections</b>                                      |           |                       |
| 2.1 Centralize City workforce development programs             | OEWD      | Short term            |
| 2.2 Provide culturally competent, accessible job training      | OEWD      | Short term            |
| 2.3 Strengthen implementation of First Source Hiring           | ADM       | Longer term           |
| 2.4 Expand subsidized employment and hiring                    | HSA, OEWD | Short term            |

| <b>3. Promote Safe Reopening</b>  |          |                       |
|---|----------|-----------------------|
| 3.1 Provide clear, concise, in-language communications  | OEWD     | Short term            |
| 3.2 Remove barriers to PPE, testing, and tracing  | JIC      | Short term            |
| 3.3 Ensure safe work environments for all   | DPH      | Short term            |
| 3.4 Support cleanliness, health, and safety in public space<br>(see also recommendations 7.3 and 7.4) | Various  | Short and longer term |
| <b>4. Preserve Operations and Lessen Regulatory Burdens</b>   |          |                       |
| 4.1 Extend Shared Spaces Program  | OEWD     | Short term            |
| 4.2 Repurpose public outdoor space  | Varies   | Longer term           |
| 4.3 Allow more flexible use of ground floor retail  | Planning | Longer term           |
| 4.4 Rethink rules that restrict flexible/temporary uses   | OEWD     | Short and longer term |
| 4.5 Provide advisory services and other supports to avoid evictions and foreclosures                  | OEWD     | Short term            |
| 4.6 Review employer mandates  | BOS      | Longer term           |
| <b>5. Pursue Economic Justice</b>   |          |                       |
| 5.1 Invest in BIPOC communities   | HRC      | Short and longer term |
| 5.2 Ensure access to educational programming  | DCYF     | Short term            |
| 5.3 Reform fines and fees levied by the City  | TTX      | Short term            |
| 5.4 Provide high-quality computers to vulnerable populations  | MOHCD    | Short term            |
| 5.5 Provide affordable connectivity and internet service  | SFDT     | Short and longer term |
| 5.6 Build technology capacity   | MOHCD    | Short term            |



| <b>6. Invest in Housing</b>   |               |                       |
|---|---------------|-----------------------|
| 6.1 Expand and stabilize affordable housing funding   | MOHCD         | Longer term           |
| 6.2 Ensure sufficient affordable multifamily rental housing and support small property owners | MOHCD         | Short and longer term |
| 6.3 Support construction of small multifamily buildings                                       | Planning      | Short term            |
| 6.4 Streamline the housing entitlement process  | Planning      | Longer term           |
| <b>7. Meet the Basic Needs of the Vulnerable</b>  |               |                       |
| 7.1 Ensure adequate housing for family violence survivors and increase awareness              | HSA           | Short term            |
| 7.2 Ensure all San Franciscans have adequate access to food                                   | HSA           | Short and longer term |
| 7.3 Expand mental health and substance use disorder services                                  | DPH           | Longer term           |
| 7.4 Acquire sites for permanent supportive housing and ensure accessibility                   | HSH           | Short and longer term |
| 7.5 Prevent renter evictions and displacement   | MOHCD         | Short term            |
| <b>8. Imagine and Build Stronger Neighborhoods</b>  |               |                       |
| 8.1 Plan for San Francisco's resilient future   | Planning, ADM | Short and longer term |
| 8.2 Catalyze neighborhood recovery through the arts   | OEWD          | Short and longer term |
| 8.3 Identify new arts revenue sources and support grants                                      | SFAC, ADM     | Short and longer term |
| 8.4 Appoint more ACHE sector representatives to advisory groups and policy bodies             | Varies        | Longer term           |

## Additional Policy Ideas

The 41 strategies listed above in the report reflect ideas that heard in the policy groups, inflected by the Task Force's community engagement and listening, feedback from ERTF members, and insights from the Co-Chairs. There were additional ideas raised by Task Force members outside of the Policy Groups' prioritization processes, either in Policy Group discussions or in feedback on the draft report. Acknowledging the extraordinarily challenging road to recovery ahead, those ideas are documented below for future exploration. As the COVID-19 pandemic continues to evolve over time, some of the ideas listed here may become higher priority. At such a time, further research and analysis can be conducted to flesh out these policy ideas.

- Through the City's existing transportation recovery efforts, prioritize the importance of transportation to bring back suspended Muni lines as soon as safely and fiscally possible, and support transportation and taxi workers in recovery.
- Extend existing entitlements by three years to increase feasibility of currently planned projects.
- As public health interests allow, make Moscone Center competitive during recovery by exploring financial incentives to reduce rental fees and food and beverage costs for newly booked groups.
- Renew the Tourism Improvement District and explore the feasibility of an increase to the assessment to create an incentive fund for future business at Moscone.
- Consider offering reduced/free parking for a limited time to help encourage regional visitors to San Francisco.
- Build a domestic aviation development and marketing effort at SFO and to continue and expand the International Air Carrier Incentive Program.
- Explore a citywide fiber network to ensure that businesses and residents have the modern connectivity needed to participate in the economy of the future.
- Invest in worker cooperatives, incubators, and entrepreneurship funds, keeping in mind not everyone has ready access to commercial space.
- Create a debt cancellation fund.
- Consider ways to secure access to affordable, broadly available COVID rapid tests that can be self-administered.
- Support community-building with community center programs and drop-in hours.
- Expand eligibility for HealthySF.
- Develop and implement a Wellness Recovery Plan.
- Prioritize affordable housing lottery spots for those most affected by COVID-19.
- Provide deeper affordability in new housing developments.
- Offer safe sleeping sites for people experiencing homelessness.
- Land bank development sites for future affordable housing development.
- Support modular housing and further evaluate the possibility of building a modular factory in San Francisco.
- Better understand why some vulnerable persons refuse services through a survey.
- Support policies that create or retain space for ACHE enterprises in new real estate developments.
- Match architects, interior designers, and landscape designers with businesses that need to reconfigure space for safe operations.

# Looking Ahead

The San Francisco Economic Recovery Task Force convened over 100 leaders and community representatives from across the city to guide recovery efforts during the COVID-19 health crisis. Community input from surveys, focus groups, interviews, and public meetings was also sought throughout the process. The Task Force called for San Francisco to support existing businesses, workers, and jobseekers; address the basic and financial needs of the most vulnerable; and ensure San Francisco’s residential, commercial, and public spaces can serve the uses needed in recovery.

The COVID-19 crisis presents an opportunity to rebuild San Francisco’s economy and address many of the inequalities that San Francisco faced before COVID-19, particularly with regard to investment, wealth-building, and service delivery. Given the profound and long-lasting impact of the COVID-19 crisis, economic recovery—and recovery broadly speaking—will be the work of San Francisco’s government, businesses, nonprofits, communities, and residents for the foreseeable future. The recommendations here published will inform that work and help set San Francisco on a course for an equitable and holistic recovery.

From the outset of the Task Force, it was clear that recovery from this crisis would demand new ways of thinking about the local economy, civic spaces, job creation and business development programs, urban planning, and public-private partnerships. Even from the beginning of the Task Force to the publication of this report, how San Francisco is dealing with the pandemic has adjusted focus several times, oscillating between nodes of crisis response and recovery groundwork, all while adapting to a frequently changing regulatory environment and keeping attention on the most vulnerable. Until the pandemic itself has a long-term solution, these dynamics in economic recovery planning will likely continue.

The work of economic recovery will be ongoing. There are challenges to come for which new, additional strategies will be needed, to make it as easy and fast as possible to bring back and start new businesses to revive the city’s commercial corridors post-pandemic, for example. Though the post-COVID future has yet to come into focus, San Francisco’s principles and values will surely inform the visioning, response, and recovery work ahead. The City and its partners will draw from this report, community engagement, and the work of parallel bodies addressing homelessness, child care, essential government services, and mobility. These efforts will complement ongoing resilience planning recently completed or underway—the greenhouse gas reduction targets of the Climate Action Plan and the all-hazards mitigation strategies of the Hazards and Climate Resilience Plan, the construction program laid out in the 10-Year Capital Plan and MTA’s 20-Year Capital Plan, and the service delivery improvements of the Racial Equity Plan—to build a path towards a sustainable, resilient, and equitable future for San Francisco’s workers, businesses, and residents.

# Glossary

|          |   |
|----------|---|
| ADM      | Office of the City Administrator                                      |
| ACHE     | Arts, Culture, Hospitality, and Entertainment                         |
| BIPOC    | Black, Indigenous, and People of Color                                |
| CBD      | Community Benefit District  |
| CBO      | Community Based Organization  |
| CDC      | Centers for Disease Control and Prevention                            |
| CPUC     | California Public Utilities Commission                                |
| COVID-19 | Novel Coronavirus Pandemic  |
| DBI      | Department of Building Inspection                                     |
| DCYF     | Department of Children, Youth and Their Families                      |
| DPH      | Department of Public Health   |
| HRC      | Human Rights Commission   |
| HSA      | Human Services Agency   |
| HSH      | Department of Homelessness and Supportive Housing                     |
| ISPs     | Internet Service Providers  |
| JIC      | Joint Information Center  |
| LBE      | Local Business Enterprise   |
| LGBTQI   | Lesbian, Gay, Bisexual, Transgender, Queer, Questioning, and Intersex |
| MOHCD    | Mayor's Office of Housing and Community Development                   |
| NERT     | Neighborhood Emergency Response Team                                  |
| OECE     | Office of Early Care and Education                                    |
| OEWD     | Office of Economic and Workforce Development                          |
| Planning | Planning Department   |
| PSH      | Permanent Supportive Housing  |
| PPE      | Personal Protective Equipment   |
| PW       | San Francisco Public Works  |
| RPD      | Recreation and Parks Department                                       |
| SFDT     | Department of Technology  |
| SFPUC    | San Francisco Public Utilities Commission                             |
| SFUSD    | San Francisco Unified School District                                 |
| SRO      | Single Room Occupancy   |
| TTX      | Treasurer and Tax Collector   |







# Entertainment Commission

## *City and County of San Francisco*



December 15, 2020

Honorable Mayor London N. Breed  
Members of the Board of Supervisors

RE: Entertainment Commission Recommendations for the Economic Recovery of the Entertainment and Nightlife Industry in San Francisco

Dear Honorable Mayor Breed and Members of the Board of Supervisors:

On November 17, 2020, December 1, 2020, and December 15, 2020, the San Francisco Entertainment Commission (the Commission) held meetings to discuss the recommendations of the Economic Recovery Task Force (ERTF) Final Report and a joint policy proposal from the SF Venue Coalition (SFVC) and the Independent Venue Alliance (IVA) to the local entertainment and nightlife industry.

The pandemic has had a devastating economic impact on San Francisco's nightlife sector. According to the California Employment Development Department, employment in San Francisco's arts, entertainment and recreation businesses has declined 30.4% since February 2020. Along with restaurants and hotels, the entertainment sector is experiencing one of the highest job loss rates in the City.

Based on the reopening frameworks announced to-date, we anticipate that entertainment venues and indoor bars will be among the last businesses to reopen, and capacity limitations will make many of these operations infeasible until there is a fully distributed vaccine or widespread immunity. As a result, nightlife and entertainment businesses are among those most in danger of permanent closure. Given the key role that entertainment and nightlife serve as local economic drivers – generating an estimated \$7 billion dollars in economic impact annually – this industry will be a critical part of our economic recovery, but only if it avoids complete collapse.

During the meetings, the Commission agreed to review and prioritize the interventions from these documents that directly address the economic recovery of the entertainment and nightlife industry.

Please find attached a set of recommendations that the Commission voted 5-0 with 2 absent, to send to you for your consideration relative to the urgent and long-term needs of the industry. In addition to the [ERTF Final Report](#), these recommendations draw upon key ideas in the "San Francisco Independent Venues Relief Package" proposal from SFVC and IVA, also attached. The Commission came to a consensus that these recommendations will stabilize and strengthen San Francisco's entertainment and nightlife businesses and workers. Finally, when industries are once again able to reopen for safer outdoor activities, the Commission will continue to support the safe



ENTERTAINMENT COMMISSION

49 South Van Ness Avenue, Suite 1482, San Francisco, CA 94103

(628) 652-6030 Main

and equitable reopening of entertainment and nightlife businesses for outdoor activities to benefit the economic and cultural well-being of all residents across all neighborhoods.

The Commission directed myself and Commission President Ben Bleiman to share these recommendations with the Mayor and Board of Supervisors. We are happy to help support further conversations and implementation efforts moving forward to promote long-term prosperity of the industry.

Thank you for your consideration and for your steadfast leadership during these challenging and unprecedented times.

Sincerely,

Maggie Weiland  
Executive Director  
San Francisco Entertainment Commission

cc: Andres Power, Policy Director, Office of Mayor London N. Breed  
Edward McCaffrey, Manager, State and Federal Affairs, Office of Mayor London N. Breed  
Sophia Kittler, Liaison to the Board of Supervisors, Office of Mayor London N. Breed  
Martha Cohen, Director, Special Events, Office of Mayor London N. Breed  
Angela Calvillo, Clerk of the Board of Supervisors  
Joaquin Torres, Director, Office of Economic and Workforce Development



ENTERTAINMENT COMMISSION

49 South Van Ness Avenue, Suite 1482, San Francisco, CA 94103

(628) 652-6030 Main





# Entertainment Commission

## *City and County of San Francisco*



**TO:** San Francisco Entertainment Commission  
**FROM:** Maggie Weiland, Executive Director, San Francisco Entertainment Commission  
**DATE:** December 15, 2020  
**RE:** Recommendations for the Economic Recovery of the Entertainment and Nightlife Industry in San Francisco

Dear Commissioners:

Our permitted venues, especially our live music venues and nightclubs, many of whom were already financially vulnerable pre-COVID, were among the first businesses required to close in response to the pandemic, and remain at the end of reopening frameworks announced to date. In May 2020, the Commission conducted an Entertainment and Nightlife Industry COVID-19 Impact Survey to better understand the financial and social impacts of the virus and help guide recovery strategies. Among the findings:

- Half of respondents were highly concerned that their business will need to close permanently, including many bars, live music venues, and nightclubs.
- About half of respondents reported losing 75-100% of their expected *business* and *individual* incomes in 2020.
- 4,306 total events have been cancelled in 2020 due to COVID-19 with a total expected attendance of 3.4 million

While the state and the City have pursued a very responsible approach to phased reopening over the course of this year, live entertainment venues have not been able to reopen their doors since March. And while the innovative Just Add Music (JAM) permit has enabled restaurants and bars utilizing outdoor dining to add small, COVID-compliant performances and amplified sound, our live music venues and nightclubs are less capable of adapting to this business model.

In response to the devastating economic impacts of the pandemic, the Mayor and Board of Supervisors convened the Economic Recovery Task Force (ERTF) from April to October to guide the City's efforts to sustain and revive businesses and employment. The Task Force was comprised of community and industry leaders and City officials across a wide range of sectors and fields. President Bleiman and I both served on the Task Force as representatives of the entertainment and nightlife sector. We worked with other task force members to identify needs and solutions for the Arts, Culture, Hospitality and Entertainment (ACHE) sectors and make recommendations to the Task Force on how to support the recovery of these sectors and the City as a whole. Released in October, the Task Force Report made policy recommendations that lay



ENTERTAINMENT COMMISSION

49 South Van Ness Avenue, Suite 1482, San Francisco, CA 94103

(628) 652-6030 Main

the groundwork for an equitable and sustainable recovery, and that address those sectors most significantly impacted by the pandemic, such as entertainment, hospitality, and food services.

At our November 17, 2020 hearing, the Commission discussed the recommendations of the ERTF Final Report as well as a joint policy proposal from the SF Venue Coalition (SFVC) and the Independent Venue Alliance (IVA) to the local entertainment and nightlife industry. The SFVC and IVA represent the majority of live music venues and nightclubs in San Francisco, and have expressed that without financial support, the need to remain closed while incurring ongoing revenue loss and continued high overhead may lead to the permanent closure of live music venues across San Francisco.

At our December 1, 2020 hearing, the Commission directed staff to compile recommendations that support the recovery of the local entertainment and nightlife industry including recommendations from ERTF Final Report and the SFVC/IVA joint policy proposal.

As such, below is a list of policy recommendations for your consideration that draw from the [ERTF Final Report](#) and the Independent Venues Relief Package to specifically address the needs of the entertainment and nightlife industry in San Francisco. These recommendations contain solutions to stabilize and strengthen the local industry in the short and long term.

**Provide financial relief for independent venues:**

- Allocate funding to provide grants or forgivable loans to venues that would cover rent and mortgage, employee payroll, utilities, and insurance to help venues maintain their space and operations while they remain closed. Prioritize venues with Places of Entertainment (POE) permits and with gross annual receipts of \$20M or less.
  - Advocate for federal and state funding for venues, including the immediate adoption of federal relief that specifically supports nightlife entertainment, such as the provisions in the Save Our Stages Act and RESTAURANTS Act, and the use of any available CARES Act funding for nightlife relief [ERTF 1.6]
  - Partner with the business and philanthropic community to develop additional funding sources to support entertainment venues [ERTF 1.7]
  - Develop and implement a Legacy Business Program specific to venues to be recognized as valuable, historic cultural assets [SFVC/IVA]
- Preventing evictions:
  - Extend commercial eviction abatement through 2021 or while venues are not allowed operate at full capacity due to pandemic [SFVC/IVA]
  - Provide advisory services for commercial landlords and tenants and explore other strategies to avoid foreclosures and evictions, particularly for ACHE sector assets [ERTF 4.5]
- Support the implementation of Mayor Breed's and Treasurer Cisneros' license fee and tax waiver program for entertainment/nightlife venues through promotion and technical assistance [[Mayor's Press Release](#)]. This constitutes approximately \$2.5 million in support for over 300 venues during a two-year period.

**Lessen regulatory barriers for venues, bars, restaurants, and other entertainment/nightlife businesses:**

- Extend, improve and support the Shared Spaces program. [ERTF 4.1]
- Rethink rules that restrict flexible/temporary arts, culture, hospitality and entertainment uses. [ERTF 4.4]



ENTERTAINMENT COMMISSION

49 South Van Ness Avenue, Suite 1482, San Francisco, CA 94103

(628) 652-6030 Main

- Explore policy solutions that support streamlining permitting and fees associated with parking for independent venues. Consider creating dedicated artist loading zones for venues. [SFVC/IVA]
- Continue to seek ways to help businesses defray costs, and support artists and musicians to allow for more adaptive arts and entertainment uses. [ERTF 4.1]

**Provide support for artists and freelancers in the industry:**

- Financial relief
- Affordable housing for artists and nightlife workers
- Subsidized jobs and connections to job opportunities and trainings [ERTF 2.2 & 2.4]

**Promote safe, healthy work environments for the industry:**

- Ensure entertainment and nightlife workers have access to free PPE, testing, and the latest guidance on how to protect themselves from COVID-19. [ERTF 3.3]
- Continue to fund the Right to Recover Program, which guarantees two weeks paid wages to anyone who tests positive and doesn't have alternative access to income or benefits during their recovery period. [ERTF 3.3]
- Address the barriers to clean and safe streets. [ERTF 3.4]
  - Create a systematic and aligned public health and cleanliness approach to street conditions that integrates public and private services so that all parties work as one team.
  - Develop a campaign in partnership with tourism, business, and arts organizations to highlight San Francisco's clean and safe streets throughout its diverse neighborhoods in order to restore feelings of safety with the goal of increasing foot traffic.
  - Work as a thought partner with stakeholder agencies to address the underlying root causes -- homelessness and behavioral health disorders.



ENTERTAINMENT COMMISSION

49 South Van Ness Avenue, Suite 1482, San Francisco, CA 94103

(628) 652-6030 Main

## SAN FRANCISCO INDEPENDENT VENUES RELIEF PACKAGE

On October 28th, 2020, with the leadership of Vice-Chair Leah LaCroix, the San Francisco Democratic County Central Committee unanimously approved a resolution calling City leaders for emergency financial support of entertainment venues in San Francisco while these establishments remain closed during 2020 and 2021 as mandated by the government due to the COVID-19 pandemic.

Venues remain at the tail-end of every proposed reopening plan and in all reality will not see a return to full-capacity operation until Fall 2021 at the earliest. A recent study from the US Chamber of Commerce finds that 90% of businesses are open at some capacity, except venues. This industry already operates on small margins and is unable to pivot to take-out; **we are completely closed**. These dim prospects of up to 18 months or more with zero revenue and continued high overhead expenses (rent / mortgage, payroll, utilities, and more), make the possibility of permanent closure of venues across San Francisco and the Bay Area a fast-approaching reality without outside financial support. This will lead to boarded up storefronts in our neighborhoods, increasing unemployment and an accelerated exodus from San Francisco.

As Mayor London Breed noted, “San Francisco is a world-class entertainment city and we are fortunate to have a diverse entertainment and nightlife culture - we can’t let COVID take that away from us.”<sup>1</sup> Mayor Breed continues, “We need to do more to support those businesses that contribute to San Francisco’s unique and vibrant culture, which is a cornerstone for our economic recovery as a city.”<sup>2</sup> The importance of venues in the economic recovery is clear, a recent study found that **for every \$1 spent at a venue, \$12 is generated in the local economy** on bars, restaurants, lodging and transportation.

Regional venue coalitions throughout the nation are securing direct government funding to help their venues survive this shutdown, **San Francisco has not done the same**. Local governments are turning to their allocated Coronavirus Aid, Relief, and Economic Security (CARES) Act and other emergency relief funding (FEMA) as a primary avenue to support their valued venues<sup>3,4,5</sup>. The City of San Francisco received \$153,823,503 of CARES Act funding and the available reporting suggests that **millions have not yet been spent**. Any unspent CARES Act funding must be returned to the federal government at the end of 2020.

Venues in San Francisco are cultural beacons, economic drivers, community centers, and employers. Venues make our City attractive for visitors and businesses. San Francisco will only bounce back economically when arts and culture are able to bounce back. Venues are second responders to crisis; hosting fundraisers and community gatherings to celebrate, mourn and dance together. Only with emergency government action will the fragile ecosystem of venues be around on the other side of this pandemic.

We wholeheartedly back your efforts to stop the spread of this deadly virus, but by doing so we are put in a precarious situation. We remain closed with no way to generate revenue. **We need your help to survive this government-mandated shutdown.**

---

<sup>1</sup> <https://sfmayor.org/article/mayor-london-breed-announces-program-outdoor-entertainment-and-amplified-sound-part-citys>

<sup>2</sup> <https://sfmayor.org/article/mayor-london-breed-announces-fee-and-tax-waivers-support-entertainment-and-nightlife>

<sup>3</sup> Sacramento, CA:

<https://sacramentocityexpress.com/2020/08/31/nearly-300-arts-and-culture-organizations-selected-to-receive-7-5-million-in-grants-from-the-city/>

<sup>4</sup> Austin, TX: <https://austintexas.gov/department/austin-creative-space-disaster-relief-program>

<sup>5</sup> Charlotte, NC: <https://charlottenc.gov/newsroom/cityhighlights/Pages/Music-Venue-Grant.aspx>

## SPECIFIC POLICY PROPOSALS

Please review the following specific policy proposals as emergency relief urged by the SF DCCC to help venues survive this pandemic.

- 1) Emergency financial relief for **rent and mortgage** payments in order to secure spaces while closed.
- 2) Emergency financial relief for **payroll** to secure employees while closed.
- 3) Emergency financial relief for **utilities** payments while closed, or City pressure otherwise to waive or significantly reduce rates.
- 4) Emergency financial relief for **insurance** payments while closed.
  - a) Broad emergency relief as outline in items 1-4 as direct grant funding to independent venues at 15% of 2019 gross revenue capped at \$750,000, and/or;
  - b) Forgivable loans at minimal to zero interest.
  - c) This total emergency financial relief package is estimated at \$48M.
- 5) Develop and implement a Legacy Business Program specific to venues to be recognized as valuable cultural assets with eligibility criteria reduced to 10 years. Retroactive to independent venues in business from January 1, 2010 and expires January 1, 2025.
- 6) Extend Commercial Eviction Abatement through 2021 or while independent venues are not allowed to operate at full capacity. Provide back rent subsidies, extended payback timelines, and renters legal support.
- 7) Permanently waive fees and taxes to entertainment venues as outlined by Mayor Breed on Oct 26, 2020<sup>6</sup> (Place of Entertainment License, Business Registration Fees, City Payroll Expense Taxes).
- 8) Urge SFMTA to review any permitting and fees relevant to independent venues.
  - a) SFMTA costs should be fair, affordable, predictable and standard.
  - b) 2019 cost per venue of SFMTA permits and fees to be issued as credit for future use.
  - c) Parking directly in front of venues to be preserved for sole use of the venue and/or first right of refusal for temporary permits.
  - d) Transfer management and issuance to the Entertainment Commission.
- 9) Refund Unsecured Property Taxes from 2020 and eliminate for 5 years.
- 10) Expand BR 190689 to all of San Francisco protecting entertainment venue spaces from development for other uses and zoning for a period of 18 months after closure.

---

<sup>6</sup> <https://sfmayor.org/article/mayor-london-breed-announces-fee-and-tax-waivers-support-entertainment-and-nightlife>

## ELIGIBILITY

The definition of an independent venue that is eligible for the above outlined policies is as follows:

Defining a cultural asset requires a general "common sense" reading that can be flexible over time. Verifiable elements must show that musical arts and performance events are the primary driver of business, and/or the business is a music/performance destination. This can be shown by the existence of a combination of factors that show a relationship with the artists that does not exist in businesses that provide music as atmosphere.

- 1) This begins with a process by which the venue clearly articulates to the artist the ability of an artist to receive payment for work by percentage of sales (bar and/or door cover) i.e. sales performance payment, guarantee (in writing) i.e. standard contract, or another mutually beneficial formal agreement, and
- 2) A factor test. A retail business that is a destination for live music consumers and its music programming is the primary driver of its business, as indicated by the presence of at least six (6) of the following:
  - a) defined performance and audience space,
  - b) mixing desk/board, PA system, and stage lighting,
  - c) back line,
  - d) at least two of: sound engineer, booker, promoter, stage manager, security personnel,
  - e) applies cover charge to some music or other live performance through ticketing or front door entrance fee,
  - f) marketing of specific acts through gig listings in printed, electronic publications and/or online calendar,
  - g) hours of operation coincide with performance times,
  - h) produces music or other live performances on average at least five (5) days a week,
  - i) has a City of San Francisco Place of Entertainment License.

# Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp  
or meeting date

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment).
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning : "Supervisor  inquiries"
- 5. City Attorney Request.
- 6. Call File No.  from Committee.
- 7. Budget Analyst request (attached written motion).
- 8. Substitute Legislation File No.
- 9. Reactivate File No.
- 10. Topic submitted for Mayoral Appearance before the BOS on

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission
- Youth Commission
- Ethics Commission
- Planning Commission
- Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form.**

Sponsor(s):

Haney

Subject:

Urging City Departments to Prioritize Providing Aid to Independent Venues

The text is listed:

Resolution urging the Controller, the Office of Economic and Workforce Development, and the Office of Small Business to work together and prioritize providing aid to independent venues in San Francisco to help them survive their forced temporary-closure due to the COVID-19 pandemic and to help prevent them from closing permanently.

Signature of Sponsoring Supervisor: MATT HANEY