



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



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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



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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



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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]



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- 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.



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