

1 [Supporting Immediate Economic Relief for Small Businesses]

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3 **Resolution supporting the immediate prioritization of small business economic relief in**  
4 **the appropriation of discretionary funds.**

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6 WHEREAS, The City and County of San Francisco and the State of California are  
7 under a State of Emergency requiring a shelter in place that has limited or halted small  
8 businesses activity; and

9 WHEREAS, The City of San Francisco is experiencing an economic crisis of an  
10 unprecedented magnitude; and

11 WHEREAS, In 2019 there were more than 90,000 registered small businesses  
12 operating in San Francisco that employed more than 350,000 workers; and

13 WHEREAS, San Francisco small businesses, as compared to other localities, are  
14 experiencing some of the most severe COVID-related recession impacts with an observed  
15 ~41% reduction in small business hours and an observed 33% small business closures; and

16 WHEREAS, San Francisco is observed to have the worst declines in sales tax  
17 revenue in the State of California with a 43% reduction in sales tax revenue between April and  
18 June of this year; and

19 WHEREAS, Temporary closures required by State and local officials have  
20 disproportionately impacted the leisure and hospitality, food and beverage, entertainment, and  
21 personal services industries, which have resulted in layoffs and furloughs of workers in those  
22 industries; and

23 WHEREAS, Most San Francisco small businesses have not benefited from federal  
24 relief programs with just 22,215 businesses in San Francisco benefitting from Paycheck  
25

1 Protection Program (PPP) loans and with more than 80% of those loans falling under the  
2 amount of \$150,000; and

3 WHEREAS, Just 4% of PPP loans were awarded to women-owned businesses with  
4 an average loan amount of \$127,000 and 3% went to self-reported minority owned  
5 businesses with an average loan amount of \$124,000; and

6 WHEREAS, San Francisco's unemployment rate is currently 6.9%, slightly higher  
7 than the national average and more than twice as high as it was pre-COVID;

8 WHEREAS, Local jobless claims are disproportionately affecting women, minorities,  
9 and those without college degrees who are overrepresented in the industries where we've  
10 seen the sharpest economic declines including hotels, restaurants, arts and entertainment,  
11 and personal services; and

12 WHEREAS, San Franciscans have filed 295,0000 unemployment insurance claims  
13 since February 2020, which is approximately 50% of the City's workforce and 38% of the  
14 City's adult population;

15 WHEREAS, 68,000 of those 295,000 unemployment insurance claims have been for  
16 Pandemic Unemployment Insurance which supports the self-employed and gig workers; and

17 WHEREAS, According to Opportunity Insight's Economic Tracker, as of November  
18 30, 2020, small business revenue in San Francisco was down 46.5% as compared to January  
19 2020; and

20 WHEREAS, Economic challenges related to COVID-19 have disproportionately  
21 adversely impacted small business owners and those they employ; and

22 WHEREAS, Economic health is inextricably linked to housing and food security, and  
23 access to healthcare is directly linked to employment; and

24 WHEREAS, According to US Census Data collected from November 25-December  
25 7, 36% of adults in the US reported that it was somewhat or very difficult for their household to

1 cover usual expenses such as food, rent or mortgage, car payments, medical expenses, or  
2 student loans in the past seven days; and

3 WHEREAS, According to United States (U.S.) Census Data collected from  
4 November 25 through December 7, an estimated 14.3 million adult renters (1 in 5) reported  
5 that they were not caught up on rent in the past seven days; and

6 WHEREAS, According to U.S. Census Data collected from November 11 through  
7 23, an estimated 44% of all children live in a household that reported it was somewhat or very  
8 difficult to cover usual expenses in the past seven days; and

9 WHEREAS, According to US Census Data, Black and Latino adults were more than  
10 twice as likely as white adults to report that their household did not get enough to eat, with  
11 rates of 22% and 21%, respectively, compared to 9% for white adults; the rate was 19% for  
12 American Indian, Alaska Native, Native Hawaiian, Pacific Islander, and multiracial adults  
13 taken together; and

14 WHEREAS, According to U.S. Census Data, renters of color were more likely to  
15 report that their household was not caught up on rent, with Black renters facing the greatest  
16 hardship: 29% of Black renters, 26% of Latino renters, and 21% of Asian renters said they  
17 were not caught up on rent, compared to 14% of white renters; the rate was 18% for  
18 American Indian, Alaska Native, Native Hawaiian, Pacific Islander, and multiracial adults  
19 taken together; and

20 WHEREAS, According to U.S. Census Data, half of Black adults (52%) and Latino  
21 adults (50%) reported difficulty paying for usual household expenses, compared to 29% of  
22 white adults; among American Indian, Alaska Native, Native Hawaiian, Pacific Islander, and  
23 multiracial adults taken together, the rate was 45%; and

24 WHEREAS, Women and communities of color are disproportionately represented in  
25 the leisure and hospitality, entertainment, and personal services industries, and are also

1 disproportionately affected by the loss of jobs in those industries and the closures of small  
2 businesses; and

3 WHEREAS, Immediate and direct economic relief for small businesses related to  
4 their fixed costs and employee wages must be a funding priority for the City and County of  
5 San Francisco in order to prevent the permanent closure of small businesses who serve and  
6 employ their local communities; now, therefore, be it

7 RESOLVED, That the Board of Supervisors supports making small business  
8 economic relief a priority for any discretionary funds from this and next fiscal year that are  
9 available or become available; and, be it

10 FURTHER RESOLVED, That the Board of Supervisors directs the Clerk of the  
11 Board to transmit copies of this Resolution to the Mayor’s Budget Office, Office of the  
12 Controller, Office of Small Business, and Small Business Commission.