

SF Small Business Relief Fund

Budget and Appropriations Committee
\$20M Small Business Budget Appropriation Proposal
Diana Ponce De Leon, OEWD

Invest In Neighborhoods

- **Small Business Services and Financing Programs**
 - Community Development Block Grant (CDBG)
 - Loans and Grants /Access to Capital
 - Small Business Development Center

- **SF Shines - Façade and Tenant Improvements**
- **Public Space Initiative**
- **Construction Mitigation**
- **Commercial Corridor and Small Business Grants**

- **Neighborhood Commercial Corridor Strategies**
 - Community Benefit Districts
 - Cultural Districts MOHCD Partnership
 - Opportunity Neighborhoods
 - Excelsior
 - Bayview
 - Mission (Calle 24 and Mission Street)
 - Central Market/Tenderloin
 - Chinatown
 - Fillmore

Leading with Equity **Opportunity Neighborhoods**

The division implements programs and services with the support of community partners to increase quality of life and economic opportunities within neighborhoods and commercial corridors.

IIN works with neighborhoods that have experienced historic divestment and have an economic development strategy that promotes diversity, equity and inclusion.

NEIGHBORHOOD ECONOMIC DEVELOPMENT PARTNERS

- ASIAN, Inc.
- Children's Council of San Francisco
- La Cocina
- Lawyers' Committee for Civil Rights
- Main Street Launch
- Mission Asset Fund
- Mission Economic Development Agency
- Renaissance Entrepreneurship Center
- San Francisco LGBT Community Center
- San Francisco Small Business Development Center
- SFMade, Inc
- Southeast Asian Community Center
- Wu Yee Children's Services
- North of Market Neighborhood Improvement Corporation
- Southeast Asian Community Center
- Bay Area Community Resources (fiscal sponsor to Portola Neighborhood Association)
- Excelsior Action Group
- Ocean Avenue Association
- Self-Help for the Elderly
- Kultivate Labs
- Tenderloin Neighborhood Development Corporation
- Small Business Development Center

- Japantown Taskforce
- Calle 24 Latino Cultural District
- Economic Development on Third
- Northeast Federal Credit Union
- SF SAFECastro Street Fair
- Downtown Streets
- Citizen Film
- People of Parkside Sunset
- Livable City
- Art Span
- CounterPulse
- Bar Association of San Francisco

Community Benefit Districts

- Castro/Upper Market Community Benefit District
- Civic Center Community Benefit District
- Discover Polk Community Benefit District
- Downtown Community Benefit District
- The East Cut Community Benefit District
- Fisherman's Wharf Community Benefit District
- Japantown Community Benefit District
- Lower Polk Community Benefit District
- Mid Market Community Benefit District
- Moscone Expansion District
- Noe Valley Community Benefit District
- Ocean Avenue Community Benefit District
- SoMa West Community Benefit District

OEWD & Invest In Neighborhoods- COVID Response

Economic
Recovery Task
Force

Policy Guidance
Research and
Response

Communications

New Small
Business Relief
Grants

New Small
Business Relief
Loans

Community Hubs

Right to Recover

IIN Activation

- Safe Sleeping
- Testing
- Vaccines

PPE Citywide
Small Business
Distribution
Center

COVID City Relief Grants & Loans to Date

Over **\$24 million** in loan and grant programs to support **1,370+** small businesses.

\$2.5M	Small Business Resiliency Fund
\$1M	Neighborhood Mini-Grants and Women's Mini-Grants
\$1.6M	SF Shines for Reopening
\$12M	Hardship Emergency Loan Program (SF HELP)
\$3.8M	African-American Revolving Loan Fund
\$3.2M	Latino Small Business Fund

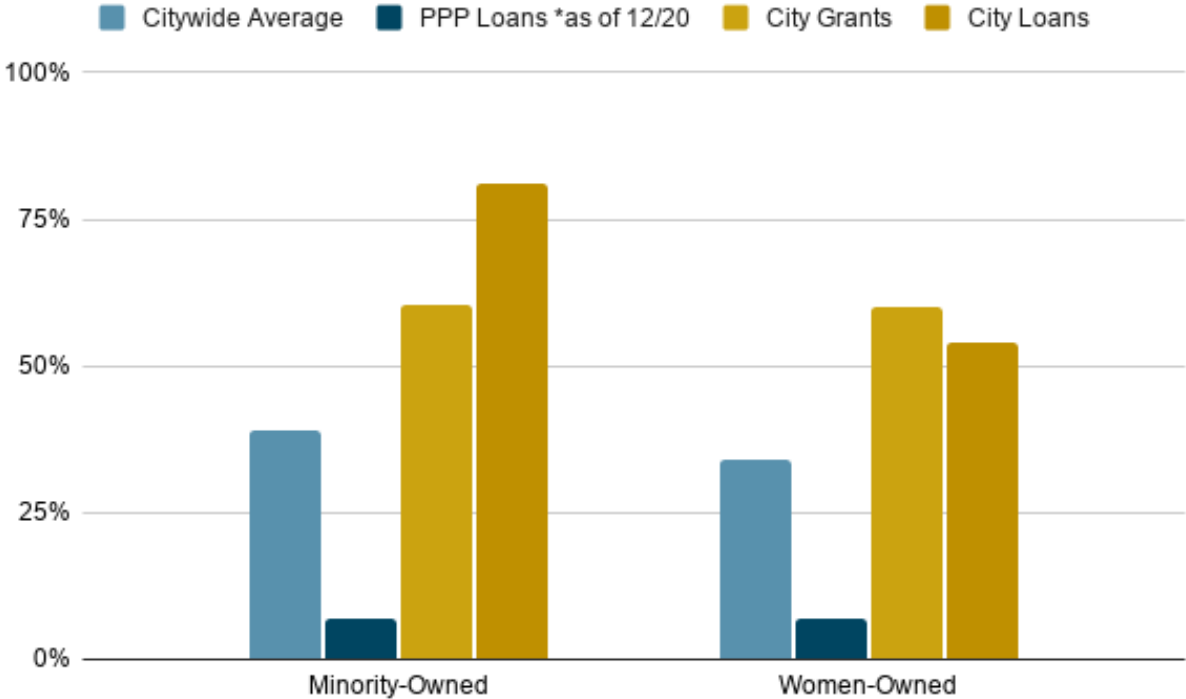
COVID City Relief Grants & Loans to Date

Over **\$24 million** in loan and grant programs
to support **1,370+** small businesses.

COVID PPP & EIDL for San Francisco as of Dec 2020

Over **\$4.1 billion** in loan and grant programs
to support **37, 227** small businesses.

City vs Federal PPP



COVID City Relief Grants to Date

\$2.5M

Small Business Resiliency Grant Fund

- 358 grants
- Average grant \$6,997

\$1.0M

Neighborhood and Women's Mini Grants

- 399 grants
- Average grant \$2,474

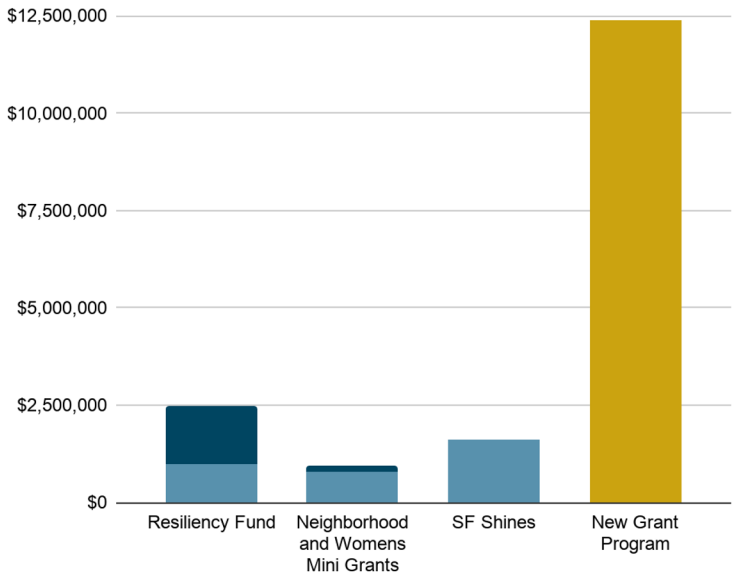
\$1.4M

SF Shines for Reopening Mini Grants

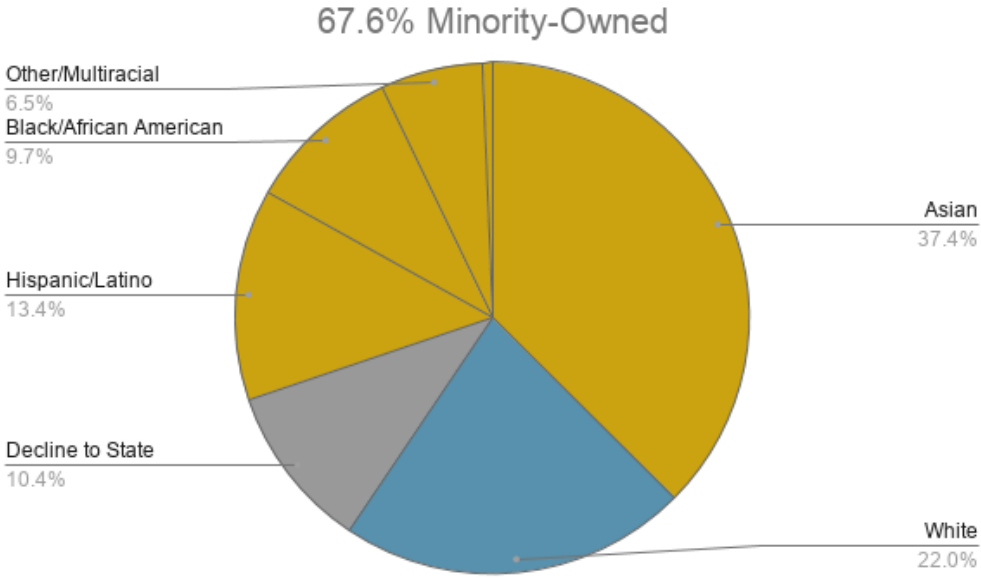
- Over 350 grants
- The average grant size is \$4,013

\$4.9M

COVID Relief Grants



City Grant Award Reach



57.6% women owned

“With the funding we were able to retain our employees and continue to feed front line workers.”



Shani, Owner of Peaches Patties

<https://oewd.org/covid-19-program-highlights>

Past Prioritization Factors

Geography

- Opportunity Neighborhoods (TL/Mid Market, Mission, Chinatown, Lower Fillmore, Bayview, Excelsior)
- Citywide access/Supervisorial District

Income/Revenue

- Low Income Business Owner/Households
- Less than \$2.5M GR in 2019
- Access to other government funding (ie. PPP, Resiliency Fund, etc.)

Industry/Business Type

- Businesses who have not been able to open or opened later SIP timeline (i.e. nail salons, barber shops, etc)
- Business open to the public/storefront

Application Review Process

- First-come, first-serve
- Lottery
- Priority factors, point system
- Dedicated funding

\$20M Appropriation

\$12.4M Small Business Grants

\$7.3 Small Business Loan Pilot

\$300K Business Application Technical Assistance

\$20M

Stakeholder Feedback Summary

Process

- Application Fatigue
- Selection Criteria Transparency
- Chance of Receiving Funds
- Small Award Amounts

Barriers

- Newer Businesses
- Language
- Digital Divide

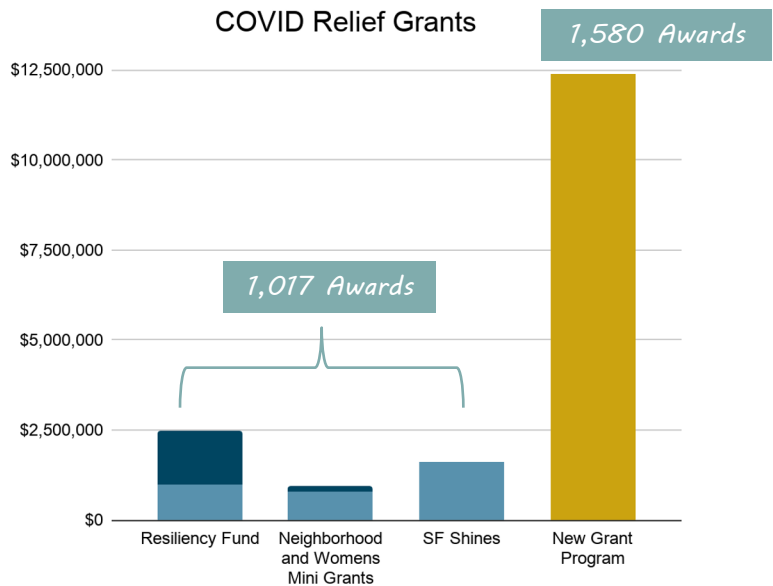
Prioritization

- Financial Need
- Ongoing Operation
- Long Standing Businesses
- Jobs Generated
- Entertainment Venues

COVID Relief Grant Proposal

\$12.4 Million estimated 1,580 businesses

- Immediate Relief for small businesses to stabilize their operations
- Citywide but with a focus on:
 - BIPOC-owned
 - Most impacted by SIP Orders
 - Have not accessed other government funds
- Existing Grants \$4.9 M
- Amount Awarded: \$4.7 M
- Awards: 1,017



Grant Amounts Per Award	
\$2,000	\$5,000
\$5,000	\$10,000
\$10,000	\$25,000

Proposed Grant Program Framework

The Small Business Storefront Equity Grant

- **Goal:** To assist businesses part of low-income households that have been unable to access State or Federal programs, those that have been particularly hard-hit by shelter in place mandated closures, and businesses serving low-income, historically disinvested neighborhoods.

Community Storefront Anchors

- **Goal:** To provide relief to businesses that uniquely contribute to the culture and vibrancy of San Francisco and its commercial corridors.

New considerations:

- Two distinct pathways to target different business profiles
- Storefront-based businesses only

Proposed Grant Program Framework

Grant Awards: 1,580			
Grant Program	Small Business Storefront Equity	Community Storefront Anchors	
Total Allocation	\$4 M	\$7.4 M	\$1 M
Full Time Employees (pre-pandemic)		5-9	10+
Grant Amount Per Business	\$5,000	\$10,000	\$25,000
Total Awards	800	740	40

Proposed Grant Program Framework

The Small Business Storefront Equity Grant

Must be in at least one of the following categories:

- Business types that were mandated to close for at least 6 months due to City Health Orders including salons, gyms, bars, and indoor entertainment
- Located in an Opportunity Neighborhood commercial corridors (Bayview, Central Market/Tenderloin, Chinatown, Excelsior, Lower Fillmore, Mission)
- Not received any financial assistance from Federal, State, or City programs including PPP, EIDL, CA Relief Grant, SF HELP, Resiliency Fund, or other City COVID financial resource

New considerations:

- Minimum requirements that limit the application pool to better match available funding

Proposed Grant Program Framework

The Small Business Storefront Equity Grant

Additional Minimum Requirements

- Storefront Businesses
- Less than \$2.5M Gross Revenue in 2020
- Not received any loans of more than \$20,000 or grants of more than \$5,000
- Low/Extremely Low Household Incomes
- Business start date on or before 12/31/2020
- No required paperwork

New considerations:

- Gross Revenue requirement based on 2020 numbers

Proposed Grant Program Framework

Community Storefront Anchors

Must be in at least one of the following categories:

- Start date before 3/1/2006 (15+ years old)
- Entertainment venues
- Start date before 3/1/2016 (5+ years old) **AND** located in a Cultural District (Japantown, Calle 24, SoMa Pilipinas, Transgender, Leather/LGBTQ, Castro LGBTQ, American Indian and African American Arts and Cultural District) **OR** Opportunity Neighborhood/Commercial Corridor (Bayview, Central Market/Tenderloin, Chinatown, Excelsior, Lower Fillmore, Mission)

New considerations:

- Minimum requirements that limit the application pool to better match available funding
- Live Entertainment Venues (\$1.5M set aside)

Proposed Grant Program Framework

Community Storefront Anchors

Additional Minimum Requirements

- Storefront Businesses
- Less than \$2.5M Gross Revenue in 2020
- Prove at least 25% loss of revenue
- Business had at least 5 employees in February 2020
- Nonprofits ok
- Need to provide proof of eligibility (documents like tax returns, EDD forms, and P&L statements)

New considerations:

- Gross Revenue requirement based on 2020 numbers

Proposed Grant Program Framework

Application Process

- Application hosted on sf.gov
- Pre-application form with fewer than 10 questions to determine eligibility
- Applications open/close format (not rolling)

Review Process

- Set minimum and maximum number of awards for each Supervisorial District to reach businesses across the city
- Applicants notified of decision as soon as review is complete

Apply for an equity small business grant*

Get a grant of \$5,000 to \$10,000 for your local small business. *

Grant requirements

Your business must have less than \$2.5M in gross revenue in 2020, 5 or fewer employees, and not have received more than \$5,000 in grants or \$10,000 in loans from other programs.

Grant amounts

We will give out grants of \$5,000 to \$10,000.

What to do *

1. Check if your business is eligible

Your business must:

- Have less than \$2.5M in gross revenue in 2020
- Have 5 or fewer employees
- Not received any federal or state loans more than \$10,000
- Not received any federal or state grants more than \$5,000

Your household must qualify as low or extremely low income, based on the [Area Median Income](#).

Your business must also meet 1 of these requirements:

- Started between June 1, 2019 and December 31, 2020
- Be a business [\(opening in Phase 2\)](#) (like a salon, gym, or bar) or
- Be located in a Cultural District or Opportunity Neighborhood

2. Gather information about your business

We will ask you for:

- Your Business Account Number (BAN). If you don't know it, you can [look it up](#).

Get help *

Phone

Office of Small Business
415-554-6134

Email

Office of Small Business
sfosb@sfgov.org

Related content

[Apply for a storefront small business grant](#)

COVID City Loans to Date

\$9.45M

SF Hardship Emergency Loan Program

- 302 loans
- Average loan \$7,850

\$2.70M

African American Small Business Revolving Loan Fund

- 36 loans
- Average grant \$44,389

\$2.47M

Latino Small Business Fund (SF HELP 2)

- 15 loans
- The average grant size is \$34,400

\$14.6M

**Additional
Appropriation
\$7.3 M**

The Loan Proposal

\$7.3 Million for loans to small businesses

- \$3.4M Immediate investment in State's California Rebuilding Fund
 - \$2M in Capital results in up to 2x - 5x leverage for lending capital
 - \$1.4M in Interest Rate buydown for up to \$10M in loans
- \$3.9M available for the next phase of the program

The Loan Proposal

Pilot Partnership with California Rebuilding Fund

- Loan details
 - Maximum \$100,000
 - Interest rate 0.00% (bought down by City from 4.25%)
 - 5 year or 3 year terms
 - No principal payment for 12 months
 - Examples Uses: rent, utilities, working capital, inventory, marketing, refitting for new social distancing guidelines, and other appropriate business purposes.
- Eligibility
 - 50 or fewer employees prior to March 2020
 - Gross revenue requirements based on 2019
 - Net positive income in 2019
 - Been in operation since at least June 30, 2019
- More details: <https://www.connect2capital.com/p/californiarebuildingfund/california-rebuilding-fund-faqs/>

Application Technical Assistance

\$300,000 to Support Small Businesses in Applying to all Loan and Grant Programs

- This proposed funding will staff multilingual hotlines and application workshops, webinars, and “drop-in” office hours to better assist businesses in completing local, state and federal applications and collecting the required documents.

Thank You

Questions?