

1 [Expend Grants - Qualified Legacy Businesses - Legacy Business Program - Amounts Up to
2 \$1,000,000]

3 **Resolution authorizing the Office of Small Business to expend grant funds in the**
4 **amount of up to \$1,000,000 to disburse grants to Qualified Legacy Businesses who**
5 **apply for business assistance grants between October 1, 2016, and December 15, 2016.**
6

7 WHEREAS, The Office of Small Business (“OSB”) operates under the Small Business
8 Commission, which oversees grants and programs concerning and benefiting small
9 businesses in San Francisco; and

10 WHEREAS, In 2015, the voters adopted Proposition J, codified at Administrative Code
11 Sections 2A.242-243, which seeks to recognize longstanding, community-serving businesses
12 by directing OSB to establish and maintain a Registry of the Legacy Businesses in San
13 Francisco; and

14 WHEREAS, Proposition J defines a Legacy Business as a business that the Small
15 Business Commission following a noticed hearing has found meets certain criteria, as detailed
16 in Administrative Code Section 2A.242(b), following a nomination by the Mayor or a Member
17 of the Board of Supervisors; and

18 WHEREAS, Proposition J established the Legacy Business Historic Preservation Fund
19 (the "Fund"), and directs OSB to award annual business assistance grants from the Fund to
20 all Qualified Legacy Businesses in an amount based on the number of full-time equivalent
21 employees employed by the Qualified Legacy Business as of the immediately preceding
22 June 30, with the limitation that the total combined grants paid to all Qualified Legacy
23 Businesses in a fiscal year shall not exceed appropriations, as set forth in Administrative
24 Code Section 2A.243(b)(3); and
25

1 WHEREAS, Under Administrative Code, Section 2A.243(b)(1), a Qualified Legacy
2 Business is a Legacy Business that (A) annually files an application for the grant with OSB
3 between July 1 and September 30; (B) has no amounts owing to the City as a result of fines,
4 penalties, interest, assessments, taxes, fees, or any other financial obligations imposed by
5 law, regulation, or contract that were delinquent as of the date of application; and (C) meets
6 all other requirements for the grant established by Administrative Code, Section 2A.243 and
7 by any rules and regulations of the Small Business Commission; and

8 WHEREAS, On July 26, 2016, the Board of Supervisors adopted Ordinance
9 No. 145-16, signed by the Mayor on August 1, 2016, which appropriated \$1,000,000 for
10 grants and \$20,400 for related administrative expenses to implement the Legacy Business
11 Registry and the Fund; and

12 WHEREAS, OSB and the Small Business Commission are implementing the Registry
13 and the Fund but will be unable to finish processing all Legacy Business nominations in time
14 for the nominated businesses to meet the September 30, 2016, deadline for filing applications
15 for business assistance grants; and

16 WHEREAS, To accommodate Legacy Businesses who are unable to apply for
17 business assistance grants before September 30, 2016, and as part of its implementation of
18 Proposition J, OSB seeks authorization to expend any Fund proceeds that remain, following
19 the disbursement of business assistance grants to Qualified Legacy Businesses who did file
20 grant applications between July 1, 2016, and September 30, 2016, on business assistance
21 grants to additional Legacy Businesses who file grant applications between October 1, 2016,
22 and December 15, 2016, provided that those businesses meet all other criteria for being
23 deemed Qualified Legacy Businesses under Administrative Code, Section 2A.243(b)(1); and

24 WHEREAS, Allowing OSB to disburse business assistance grants to additional
25 Qualified Legacy Businesses who have filed grant applications between October 1, 2016, and

1 December 15, 2016, would effectuate the purposes of Ordinance No. 145-16 and
2 Proposition J; now, therefore, be it

3 RESOLVED, That OSB is hereby authorized to expend any amounts appropriated to
4 the Fund for grants by Ordinance No. 145-16 that remain, following the disbursement of
5 business assistance grants to Qualified Legacy Businesses who filed applications between
6 July 1, 2016, and September 30, 2016, on business assistance grants to additional Legacy
7 Businesses that (a) have filed an application for a grant with OSB between October 1, 2016,
8 and December 15, 2016; (B) have no amounts owing to the City as a result of fines, penalties,
9 interest, assessments, taxes, fees, or any other financial obligations imposed by law,
10 regulation, or contract that were delinquent as of the date of application; and (C) meet all
11 other requirements for the grant established by Administrative Code, Section 2A.243 and by
12 any rules and regulations of the Small Business Commission; and, be it

13 FURTHER RESOLVED, That OSB is hereby authorized to expend any further amounts
14 that may be lawfully appropriated to the Fund on business assistance grants to additional
15 Legacy Businesses that have filed an application for a grant with OSB between
16 October 1, 2016, and December 15, 2016, and meet the above criteria for receiving a grant.

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18 Recommended By:

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21 _____
22 Regina Dick-Endrizzi
23 Executive Director
24 Office of Small Business
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