



SMALL BUSINESS COMMISSION
OFFICE OF SMALL BUSINESS



CITY AND COUNTY OF SAN FRANCISCO
EDWIN M. LEE, MAYOR

January 5, 2012

Ms. Angela Calvillo, Clerk of the Board
Board of Supervisors
City Hall room 244
1 Carlton B. Goodlett Place
San Francisco, CA 94102-4694

Re: File No. 111104 [Health Code- Regulating Commercial Dog Walkers on Park Property]

Small Business Commission Recommendation: **Approval**

Dear Ms. Calvillo:

On November 14, 2011, the Small Business Commission (SBC) unanimously voted 6-0 to recommend approval of Board of Supervisors File No. 110152 with modifications. The Commission supports regulation of this profession and finds that regulation will further professionalize an industry that has seen significant growth over the past several years.

Since SBC's November 14, 2011 meeting, a number of the Commissions recommendations, noted below, have been accepted as amendments. Therefore, after reviewing the accepted amendments, the Commissions recommendation is for the Board of Supervisors to approve the ordinance as currently drafted in version 2. The SBC commends Supervisor Wiener for his work in drafting the ordinance and for working with the Commission and stakeholders to refine the ordinance.

Commission Recommendations

The Commission proposed several modifications:

Delay the implementation date

There are logistical aspects of implementing of the program that will occur for both the business and the City that warrant a longer period between the effective date and operative date, such as, creating training programs, the potential upgrade and/or purchase of vehicles and accessories that meet requirements, potential reduction in the number of dogs a licensee may walk, and others. Additionally, businesses do need time to adjust their business model. This is an industry that was established with a fare amount of flexibility built in to its business model so that it could to provide for and accommodate their client needs. The Commission recommends a delayed implementation to allow these businesses the opportunity to effectively plan for the future.

Animal Care and Control will also require time to prepare and implement the program and appropriate



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staff must be brought online. The SBC did not provide a specified length of time between the adoption and operative date, but the Commission does recommend amending Section 39.13 to provide for additional implementation time.

This recommendation was accepted as an amendment in section 39.13 at the December 12, 2011 Land Use and Economic Development Committee meeting, extending the operative date from April 1, 2012 to January 1, 2013.

Allow 8 dogs per licensed dog walker

The SBC appreciates Supervisor Wiener working to find a balance between stakeholders on the number of paid dogs that a permittee may walk at a time. Significant written and in person public comment was made on this topic and after reviewing feedback, the Commission finds that 8 dogs is a reasonable and achievable number. This will be a reduction for many dog walkers and therefore will accomplish the goals of this ordinance. As with all new programs the Commission does recommend that one year after the ordinance is enacted, Department of Animal Care and Control report to the Commission and the Board of Supervisors on the status of achieving the results.

This recommendation was accepted by the Land Use and Economic Committee and adopted as an amendment at the December 12, 2011 Committee meeting.

Allow a personal non-compensated dog per licensed dog walker

The SBC determined that a number of dog walkers bring their personal animal on the walks with paid dogs. In addition to providing a healthier lifestyle for their personal animal, these dogs help control the pack and provide a fixed and steady presence for the paid dogs, whose makeup often change on a day to day basis. Therefore, the Commission recommends that the regulations on the number of dogs only apply to paid animals and that a personal animal not be counted towards the licensed dog walker's count.

This recommendation was accepted by the Land Use and Economic Committee and adopted as an amendment at the December 12, 2011 Committee meeting.

Work to establish an apprenticeship program

The Commission recommends that an apprenticeship program or established guidelines be implemented to provide guidance and uniformity in the apprentice process. This will ensure that new dog walkers received adequate training.

An amendment was accepted under section 390.06 at the December 12, 2011 Land Use and Economic Committee meeting. The language of the ordinance has provided direction on what training the program shall include and has ensured consistency and uniformity in both the training course and apprenticeship program.



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Remove the requirement to wear the permit so that it is readily visible

While supported by a segment of the dog walking community, the Commission determined that this regulation is not necessary and may prove to be a safety concern as dogs may pull off the lanyard that accompanies the license.

This recommendation was accepted as an amendment at the December 12, 2011 Land Use and Economic Development Committee meeting.

Remove the requirement that only licensed dogs may be walked by licensed dog walkers

While the SBC supports the licensing of dogs, the Commission finds that obligating licensed dog walkers to verify and only walk licensed dogs is an onerous and un-necessary requirement. Dog walkers may voluntarily provide licensing information to dog owners, a practice that is already common.

This recommendation was accepted as an amendment at the December 12, 2011 Land Use and Economic Development Committee meeting.

Additional Director Recommendations/Notes:

Modify the requirement of having to have a business registration for 3 years to be grandfathered.

There are dog walkers that have apprenticed and/or worked for experienced dog walkers for well over 40 hours that now have their own business, but may have had their business registration certificate, for less than three years. I recommend that the Director of ACC have the flexibility to permit dog walkers with business registrations of less than 3 years apply the time spent apprenticing or working for another dog walker as long as it is equivalent to the 40 hours apprenticeship program.

This recommendation was not accepted; however Supervisor Wiener provided the Director of ACC some flexibility in accepting license or other types of permits from other jurisdictions.

Allow Dog walking businesses to have permitted employees.

When new regulations are developed for an industry/business sector, the Office of Small Business and Small Business Commission advise that the new regulations to be designed with flexibility to allow the industry to operate and grow in a manner that reflects the industry's needs.

Currently requiring all dog walkers to have a business registration assumes that there is only one type of business model for this business sector and that each dog walker is a sole proprietor and/or an independent contractor. While most likely the vast majority of dog walkers are and will be sole proprietors / independent contractor, the regulations drafted as is do not allow for any other business structures to exist. It will not allow for a dog walking business to grow with hired employees (and I understand there may be



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one or two existing entities), but only through independent contractors. There for it is recommended that the department establishes a category of permittees that are permitted under their employer's business registration and the responsibility of the permit is with the employer.

This recommendation was accepted as an amendment at the December 12, 2011 Land Use and Economic Development Committee meeting.

Include independent dog walkers in drafting the guidelines for the apprenticeship program.

I like to request that the Department of Animal Care and Control also include input from independent dog walkers in drafting the guidelines for the apprenticeship program. From my many conversations with independent dog walks their contribution will strengthen the guidelines.

This recommendation is advisory and is not required to be in the ordinance.

Wage earning impacts.

While considering the impacts on potential wage earnings of a walker, in order to take a holistic view, please note that a majority of dog walkers have to provide for their own health insurance, do not receive vacation or sick pay and pay for their own state and federal taxes in addition to their business operational expenses.

This recommendation is advisory and is not required to be in the ordinance.

Sincerely,

Regina Dick-Endrizzi
Director, Office of Small Business

cc. Supervisor Wiener
Jason Elliott, Mayor's Office
Rebecca Katz, Animal Care and Control