File No. 201419

Committee Item N	No	
Board Item No.	24	

COMMITTEE/BOARD OF SUPERVISORS

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OTHER			
Prepared by: Prepared by:	Lisa Lew	Date: Date:	December 31, 2020

ı	[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 350,0000 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
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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

WHEREAS, Women and communities of color are disproportionately represented in

the leisure and hospitality, entertainment, and personal services industries, and are also

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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.
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Introduction Form

By a Member of the Board of Supervisors or Mayor

Time stamp or meeting date I hereby submit the following item for introduction (select only one): 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment). 2. Request for next printed agenda Without Reference to Committee. 3. Request for hearing on a subject matter at Committee. 4. Request for letter beginning: "Supervisor inquiries" 5. City Attorney Request. 6. Call File No. from Committee. 7. Budget Analyst request (attached written motion). 8. Substitute Legislation File No. 9. Reactivate File No. 10. Topic submitted for Mayoral Appearance before the BOS on Please check the appropriate boxes. The proposed legislation should be forwarded to the following: Small Business Commission ☐ Youth Commission Ethics Commission **Building Inspection Commission** Planning Commission Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Imperative Form. Sponsor(s): Haney Subject: Supporting Immediate Economic Relief for Small Businesses The text is listed: Resolution supporting the immediate prioritization of small business economic relief in the appropriation of discretionary funds.

Signature of Sponsoring Supervisor: MATT HANEY

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