File No	201414	Committee Item No.	9
		Board Item No.	

## **COMMITTEE/BOARD OF SUPERVISORS**

AGENDA PACKET CONTENTS LIST

Committee:	Budget & Finance Committee	Date_	February 3, 2021
Board of Su	pervisors Meeting	Date _	
Cmte Boar	Motion Resolution Ordinance Legislative Digest Budget and Legislative Analyst Re Youth Commission Report Introduction Form Department/Agency Cover Letter a MOU Grant Information Form Grant Budget Subcontract Budget Contract/Agreement Form 126 – Ethics Commission Award Letter	eport	port
OTHER	Application Public Correspondence (Use back side if additional space	is needec	1)
-	by: <u>Linda Wong</u> Da by: <u>Linda Wong</u> Da	<del></del>	1ary 29, 2021

1	[Administrative	Code - San Francisco Music and Entertainment Venue Recovery Fund]
2		
3	Ordinance am	ending the Administrative Code to establish the San Francisco Music and
4	Entertainment Venue Recovery Fund to provide grants to certain music and	
5	entertainment	venues whose operations have been negatively impacted by the COVID-
6	19 emergency	•
7 8	NOTE:	Unchanged Code text and uncodified text are in plain Arial font.  Additions to Codes are in <u>single-underline italics Times New Roman font</u> .  Deletions to Codes are in <u>strikethrough italics Times New Roman font</u> .  Board amendment additions are in <u>double-underlined Arial font</u> .
9 10		Board amendment additions are in <u>additioned Arial font.</u> Board amendment deletions are in strikethrough Arial font.  Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.
11		
12	Be it ord	ained by the People of the City and County of San Francisco:
13		
14	Section	1. Article XIII of Chapter 10 of the Administrative Code is hereby amended by
15 16	adding Section	10.100-308, to read as follows:
17	SEC. 10.	100-308. SAN FRANCISCO MUSIC AND ENTERTAINMENT VENUE
18	RECOVERY FU	<u>'ND.</u>
19	(a) Estal	blishment of Fund. The San Francisco Music and Entertainment Venue Recovery
20	Fund (the "Fund") is hereby established as a category eight fund to provide financial support to San	
21	Francisco-based live music and entertainment venues in order to prevent their permanent closure due	
22	to the pressures of	of the COVID-19 pandemic. Donations to the Fund are deemed approved for
23	acceptance and e	expenditure.
24	(b) Adm	inistration and Use of Fund.
25		

1	(1) Responsible Agency. The Office of Small Business ("OSB") shall administer the
2	Fund to provide grants to entertainment venues whose operations have been significantly impacted by
3	the COVID-19 emergency, and shall adopt rules for the distribution of monies in the Fund consistent
4	with this Section 10.100-308, in consultation with the Controller's Office, the Office of Economic and
5	Workforce Development ("OEWD"), and the Entertainment Commission. In its discretion, OSB may
6	also consult with businesses and community organizations representing the interests of venues
7	regarding the Fund's implementation, and with other City agencies. OSB may adopt rules regarding
8	administration of the Fund and shall make all such rules available on its website and at its office.
9	(2) Criteria for Disbursement. OSB shall distribute monies from the Fund only to
10	Eligible Venues, as defined in subsection (A), below, giving priority for distribution to Eligible Venues
11	that meet two or more of the additional criteria set forth in subsection (B) below, and giving higher
12	priority within the group of Eligible Venues that meet two or more such additional criteria to Eligible
13	Venues that meet a higher number of priority criteria.
14	(A) "Eligible Venues" are San Francisco businesses that meet all of the
15	following criteria:
16	(i) The principal function of the business is to provide live entertainment
17	programming, as indicated by the presence of all of the following elements:
18	a. Defined performance and audience spaces within the venue;
19	b. Sound and lighting systems within the venue; and
20	c. Marketing of specific performers by name in print and digital
21	publications, communications and/or social media;
22	(ii) The business held a Place of Entertainment permit from the
23	Entertainment Commission as of February 25, 2020;
24	(iii) The business has demonstrated a commitment to maintaining the
25	venue with its principal function to provide live entertainment programming;

1	(iv) The business is not owned, in whole or in part, managed, or
2	exclusively booked by any organization that is a company whose shares of stock are publicly traded on
3	a stock exchange; and
4	(v) The business has submitted an application signed under penalty of
5	perjury by the owner or owners of the venue that establishes all of the following:
6	a. the grant request is based on rent, mortgage, payroll,
7	unsecured property taxes, liability insurance, and/or utility costs that initially became due since
8	<u>February 25, 2020;</u>
9	b. the venue is struggling to pay these expenses due to COVID-19-
10	related income loss or expenses; and
11	c. the business presently maintains its lease for the venue space
12	and intends to maintain the lease into the future and continue to use the venue for live entertainment.
13	(B) Priority. OSB shall give priority to Eligible Venues that meet two or more of
14	the following additional criteria, giving higher priority among such Eligible Venues to Eligible Venues
15	that meet a higher number of additional criteria:
16	(i) The venue is in imminent danger of closure;
17	(ii) The venue has been in operation for at least 15 years;
18	(iii) The venue is a "Legacy Business" under Section 2A.242 of the
19	Administrative Code;
20	(iv) The venue has a maximum occupancy of less than 1000 patrons, as
21	established by the most recent Place of Assembly permit issued for the venue under Chapter 1 of the
22	Fire Code; and
23	(v) The venue has historical importance to, or in recent years has been
24	an important economic force in, one or more Cultural Districts, as defined in Chapter 107 of the
25	Administrative Code.

1	(c) Transition of Fund After January 31, 2022. OSB shall award grants from the Fund under
2	the criteria set forth in subsection (b) until January 31, 2022. After January 31, 2022, OSB shall use
3	monies in the Fund to support the relocation and reopening of Eligible Businesses as defined in
4	subsection (b)(2)(A) that the OSB finds have significantly contributed to the history or identity of a
5	particular neighborhood or community, and have been forced to move from their previous location due
6	to the COVID-19 pandemic and/or significant rent increases tied to gentrification, with priority given
7	to Legacy Businesses. OSB is authorized to adopt rules regarding the post-January 31, 2022,
8	distribution of funds, and may set additional priorities for distribution, consistent with this section.
9	
10	Section 2. Effective Date. This ordinance shall become effective 30 days after
11	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
12	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
13	of Supervisors overrides the Mayor's veto of the ordinance.
14	
15	APPROVED AS TO FORM:
16	DENNIS J. HERRERA, City Attorney
17	By: /S/ Sarah A. Crowley
18	SARAH A. CROWLEY Deputy City Attorney
19	n:\legana\as2020\2100232\01501853.docx
20	
21	
22	
23	
24	

25

#### **LEGISLATIVE DIGEST**

[Administrative Code - San Francisco Music and Entertainment Venue Recovery Fund]

Ordinance amending the Administrative Code to establish the San Francisco Music and Entertainment Venue Recovery Fund to provide grants to certain music and entertainment venues whose operations have been negatively impacted by the COVID-19 emergency.

#### **Existing Law**

There is currently no City fund focused on providing relief to San Francisco entertainment venues that are facing the possibility of permanent closure due to economic pressures related to the COVID-19 emergency.

#### Amendments to Current Law

The proposed ordinance would create a fund into which the City can receive or appropriate money to distribute as grants to music or entertainment venues whose operations have been significantly impacted by the COVID-19 emergency. OSB would be authorized to administer the fund, in consultation with the Controller, the Office of Economic and Workforce Development, and the Entertainment Commission.

Businesses eligible to receive grants would be live entertainment venues that held a Place of Entertainment permit from the Entertainment Commission as of February 25, 2020, that have demonstrated a commitment to maintaining the venue to provide live entertainment, that are not owned (in whole or in part), managed, or exclusively booked by a publicly traded company, and that have documented in an application, signed under penalty of perjury: (1) a need to cover business costs that have become due since February 25, 2020, and which costs the business is struggling to pay due to COVID-19-related income loss or expenses; and (2) a present lease for the venue space and a commitment to maintain the lease into the future for live entertainment purposes.

Among eligible venues, priority would be given to eligible venues that meet two or more of the following additional criteria, with higher priority given to eligible venues that meet a higher number of additional criteria: (1) the venue is in imminent danger of closure; (2) the venue has been in operation for at least 15 years; (3) the venue is a "Legacy Business" under Section 2A.242 of the Administrative Code; (4) the venue has a maximum occupancy of less than 1000 patrons, as established by the most recent Place of Assembly permit issued for the venue under Chapter 1 of the Fire Code; and (5) the venue has historical importance to, or in recent years has been an important economic force in, one or more Cultural Districts, as defined in Chapter 107 of the Administrative Code.

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BOARD OF SUPERVISORS Page 1





January 21, 2021

Ms. Linda Wong, Clerk Board of Supervisors, Budget and Finance Committee City Hall Room 244 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102

RE: BOS File No. 201414 – Administrative Code - San Francisco Music and Entertainment Venue Recovery Fund

Entertainment Commission Recommendation to the Budget and Finance Committee: **Support with recommendations.** 

Dear Ms. Wong:

On January 19, 2021 the Entertainment Commission (the "Commission" or "EC") heard BOS File No. 201414 – Administrative Code - San Francisco Music and Entertainment Venue Recovery Fund.

Honey Mahogany, Legislative Aide to Supervisor Matt Haney, presented an overview of the proposed legislation to the Commission and its objectives to recover music and entertainment venues that have been negatively impacted by the COVID-19 emergency. She reported that the Office of Small Business (OSB) would administer the fund and that the Small Business Commission had recommended that the Board of Supervisors appropriate \$1.5 million to create the fund.

If enacted, this legislation would advance the policy recommendation of "Provide Financial Relief for Independent Venues" in the <a href="Entertainment Commission's December 15">Entertainment Commission's December 15</a>, 2020 Letter of <a href="Support">Support</a> submitted to the Mayor and the Board of Supervisors. In addition, it would advance the recommendations from the SF Economic Recovery Task Force (ERTF), the SF Venue Coalition, and the Independent Venue Alliance.

The Commission voted (7-0) to recommend that the Board of Supervisors support the legislation with the following recommendations to improve implementation of the grant program and ultimately assist to restore the economic vitality of San Francisco's small, independent venues:



#### 1. Define Entertainment Commission's Role in Supporting Administration

While the legislation calls for the Commission to consult on the administration of the fund, it does not define its role in supporting OSB in this administration.

These activities could strengthen this collaboration:

- Create an interdepartmental staff working group (OSB, EC, OEWD, Controller) to advise on implementation and assessment of the program.
- OSB would provide status updates to commissioners at Entertainment Commission meetings. Consider quarterly updates.
- The Commission promotes grant opportunities to venue operators, and provides technical assistance and educational materials on the grant application process as needed to support OSB.
  - Commission does proactive outreach to Cultural Districts, Community Benefit Districts, as well as industry associations including the Independent Venue Alliance, SF Venue Coalition, and the SF Queer Nightlife Fund.
- As a regulatory agency, the Commission will abstain from any decision-making authority and influence in the awarding of grants to entertainment permit holders.

#### 2. Identify and Secure Sources of Funding

The legislation does not identify possible sources of funding, or how the funding would be secured—from both private and public sources. Identifying an agency or working group to do a timely assessment and create a funding strategy, potentially modeled after Give2SF or other public-private partnerships, could help this legislation achieve its goal. Securing seed funding, as the SBC is proposing, or a City-sponsored challenge grant could incentivize private sector donations.

#### 3. Plan for Long-term Sustainability of Fund

The legislation proposes to transition the fund's distribution criteria and priorities after January 2022, but there is no language that addresses sustaining fundraising. Given the long-term recovery needs of independent venues, and the intense economic pressures on them before the pandemic, continued investment in this fund beyond the proposed end date could help protect San Francisco's venues from displacement.

#### 4. Consult and Recognize the Industry

The legislation gives OSB discretion to consult with businesses and community organizations representing the interests of venues regarding the Fund's implementation, and with other City agencies. Ensuring there is consistent entertainment industry consultation in implementation of the grant program could help serve the industry's changing needs. Furthermore, if the City can maintain recognition of San Francisco's small, independent venues as economic and cultural assets - and continue elevating them as key voices at the table - then the City can better position them for long-term stability.



Thank you in advance for considering the Commission's recommendations. Feel free to contact me with any questions or if you need any additional information.

Sincerely,

Maggie Weiland Executive Director San Francisco Entertainment Commission

cc: Matt Haney, Member, Board of Supervisors – Budget and Finance Committee Chair Gordon Mar, Member, Board of Supervisors – Budget and Finance Committee Member Ahsha Safaí, Member, Board of Supervisors – Budget and Finance Committee Member Shamann Walton, President, Board of Supervisors
Andres Power, Policy Director, Office of Mayor London N. Breed Sophia Kittler, Liaison to the Board of Supervisors, Office of Mayor London N. Breed Martha Cohen, Director, Special Events, Office of Mayor London N. Breed Joaquín Torres, Director, Office of Economic and Workforce Development Regina Dick-Endrizzi, Director, Office of Small Business
Ben Rosenfield, Controller, Office of the Controller



CITY AND COUNTY OF SAN FRANCISCO LONDON BREED, MAYOR

OFFICE OF SMALL BUSINESS REGINA DICK-ENDRIZZI, DIRECTOR

January 14, 2021

Ms. Angela Calvillo, Clerk of the Board City Hall Room 244 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

RE: BOS File No. 201414 – Administrative Code - San Francisco Music and Entertainment Venue Recovery Fund

Small Business Commission Recommendation to the Board of Supervisors: **Support with recommendations.** 

Dear Ms. Calvillo,

On January 11, 2021 the Small Business Commission (SBC or Commission) heard BOS File No. 201414 – Administrative Code - San Francisco Music and Entertainment Venue Recovery Fund.

Honey Mahogany, Legislative Aide to Supervisor Matt Haney, provided the SBC with an overview of the legislation. She assured the Commission that small venues would be prioritized and that the Office of Small Business would have the authority to be more discerning in their prioritization of vulnerable venues. The Commission proposed forming a subcommittee to work with the Office of Small Business that is inclusive of music and entertainment venue operators to assure that the rulemaking for this fund and its administration is fair and equitable.

With respect to the appropriation of funds for this proposal, the Commission recommended that the Board of Supervisors allocate \$1.5 million to support this recovery fund. They also encouraged Community Benefit Districts to support this recovery fund.

The SBC voted (7-0) to recommend that the Board of Supervisors support the legislation and the recommendation to allocate \$1.5 million to the recovery fund, and urge Community Benefit Districts to support the recovery fund.

Thank you for considering the Commission's recommendation. Please feel free to contact me should you have any questions.

Sincerely,

Regina Dick-Endrizzi

Director, Office of Small Business

AMDick- Endergi

cc: Matt Haney, Member, Board of Supervisors

Sophia Kittler, Mayor's Liaison to the Board of Supervisors

Joaquin Torres, Director, Office of Economic and Workforce Development

Maggie Weiland, Director, Entertainment Commission

Linda Wong, Clerk, Budget and Finance Committee

#### BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
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Tel. No. 554-5184
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TDD/TTY No. 554-5227

## MEMORANDUM

TO: Ben Rosenfield, City Controller, Office of the Controller

Joaquin Torres, Director, Office of Economic and Workforce Development

Maggie Weiland, Executive Director, Entertainment Commission

FROM: Linda Wong, Assistant Clerk

**Budget and Finance Committee** 

DATE: January 8, 2021

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Budget and Finance Committee has received the following proposed legislation, introduced by Supervisor Haney:

File No. 201414

Ordinance amending the Administrative Code to establish the San Francisco Music and Entertainment Venue Recovery Fund to provide grants to certain music and entertainment venues whose operations have been negatively impacted by the COVID-19 emergency.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: <a href="mailto:linda.wong@sfgov.org">linda.wong@sfgov.org</a>.

c: Todd Rydstrom, Office of the Controller
Peg Stevenson, Office of the Controller
J'Wel Vaughan, Office of Economic and Workforce Development
Anne Taupier, Office of Economic and Workforce Development
Lisa Pagan, Office of Economic and Workforce Development
Crystal Stewart, Entertainment Commission

# **Introduction Form**

By a Member of the Board of Supervisors or Mayor

I hereby submit the following item for introduction (select only one):

Time stamp or meeting date

1. For reference to Committee. (An Ordinance	e, Resolution, Motion or Charter Amendment).	
2. Request for next printed agenda Without Reference to Committee.		
3. Request for hearing on a subject matter at C	Committee.	
4. Request for letter beginning: "Supervisor	inquiries"	
5. City Attorney Request.		
6. Call File No.	from Committee.	
7. Budget Analyst request (attached written m	otion).	
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 propose	ed legislation should be forwarded to the following:	
∑ Small Business Commission   □	Youth Commission Ethics Commission	
Planning Commission	Building Inspection Commission	
Note: For the Imperative Agenda (a resolution	not on the printed agenda), use the Imperative Form.	
Sponsor(s):		
Haney		
Subject:		
Administrative Code - San Francisco Music and Entertainment Venue Recovery Fund		
The text is listed:		
Ordinance amending the Administrative Code to establish the San Francisco Music and Entertainment Venue Recovery Fund to provide grants to certain music and entertainment venues whose operations have been negatively impacted by the COVID-19 emergency.		
Signature of Spo	onsoring Supervisor: MATT HANEY	

For Clerk's Use Only

From: Mcdonald, Courtney (BOS) Chung, Lauren (BOS) To:

Cc: Morris, Geoffrea (BOS); Wong, Linda (BOS)

Re: Co-Sponsor -201414 San Francisco Music and Entertainment Venue Recovery Fund Subject:

Date: Wednesday, January 13, 2021 5:38:12 PM

Thank you Lauren! Cc'ing the Budget Clerk Linda.

Hi Linda, can you please add Sup Safai as a co-sponsor?

Thanks.

Courtney McDonald Legislative Aide Office of Supervisor Matt Haney

C: 858-663-0564

**From:** Chung, Lauren (BOS) < lauren.l.chung@sfgov.org>

Sent: Wednesday, January 13, 2021 2:18:44 PM

To: Mcdonald, Courtney (BOS) <courtney.mcdonald@sfgov.org>

Cc: Morris, Geoffrea (BOS) < geoffrea.morris@sfgov.org>

Subject: Co-Sponsor -201414 San Francisco Music and Entertainment Venue Recovery Fund

Hi Courtney,

It was nice to meet you last week.

Supervisor Safai asked me to reach out regarding co-sponsoring Supervisor Haney's ordinance on the San Francisco Music and Entertainment Venue Recovery Fund. Could you please add Supervisor Safai as a co-sponsor?

Please let me know if you have any questions. Thank you!

Best,

Lauren

Lauren Chung 鍾洛藍 | Legislative Aide Office of District 11 Supervisor Ahsha Safai 1 Dr. Carlton B. Goodlett Pl, San Francisco | Room 256

**Direct**: 415-554-7910 | **Office**: 415-554-6975

From: Gee, Natalie (BOS)

To: Wong, Linda (BOS); BOS Legislation, (BOS)

Cc: Mahogany, Honey (BOS)

Subject: Please add Sup. Walton to 201414

Date: Monday, December 28, 2020 12:56:56 PM

Good afternoon Linda,

Please add Supervisor Walton as a co-sponsor to File No. 201414 [Administrative Code – SF Music and Entertainment Venue Recovery Fund]

Thank you, Natalie

Natalie Gee 朱凱勤, Chief of Staff

Office of District 10 Supervisor Shamann Walton

1 Dr. Carlton B. Goodlett Pl, San Francisco | Room 282

**Direct:** 415.554.7672 | **Office:** 415.554.7670

I am working from home due to the **COVID-19 Stay Safer At Home order** and will be most responsive by email.

From: Mahogany, Honey (BOS)

To: BOS Legislation, (BOS)

Cc: Haney, Matt (BOS); Somera, Alisa (BOS); CROWLEY, SARAH (CAT); PEARSON, ANNE (CAT)

Subject: Fw: Ordinance for introduction - San Francisco Music and Entertainment Venue Recovery Fund

**Date:** Tuesday, December 22, 2020 11:49:39 AM

Attachments: Administrative Code - San Francisco Music and Entertainment Venue Recovery Fund - Ordinance 12.22.20.DOCX

Administrative Code - San Francisco Music and Entertainment Venue Recovery Fund - Leg. Digest 12.22.20.DOCX

Introduction Form SF Venue Recovery Fund.pdf

Hello Clerks,

Please find attached an Ordinance that Supervisor Haney is introducing at today's meeting. Please let me know if you need anything else from me.

Best,

Honey Mahogany, MSW Pronouns: she/her or they/them Legislative Aide Supervisor Matt Haney

From: Crowley, Sarah (CAT) <Sarah.Crowley@sfcityatty.org>

Sent: Tuesday, December 22, 2020 11:28 AM

**To:** Haney, Matt (BOS) <matt.haney@sfgov.org>; Mahogany, Honey (BOS)

<honey.mahogany@sfgov.org>

**Cc:** PEARSON, ANNE (CAT) <Anne.Pearson@sfcityatty.org>; ZAREFSKY, PAUL (CAT) <Paul.Zarefsky@sfcityatty.org>; BUTA, ODAYA (CAT) <Odaya.Buta@sfcityatty.org>; GIVNER, JON (CAT) <Jon.Givner@sfcityatty.org>; SAPERSTEIN, ALLIE (CAT) <Allie.Saperstein@sfcityatty.org>;

Somera, Alisa (BOS) <alisa.somera@sfgov.org>

Subject: Ordinance for introduction - San Francisco Music and Entertainment Venue Recovery Fund

Supervisor Haney,

Attached please find electronic (Word) versions of the following ordinance and legislative digest for submission to the Clerk of the Board upon introduction:

Ordinance amending the Administrative Code to establish the San Francisco Music and Entertainment Venue Recovery Fund to provide grants to certain music and entertainment venues whose operations have been negatively impacted by the COVID-19 emergency.

Please note my electronic signature at the end of the ordinance reflects that I have approved this ordinance as to form. Let me know if you have any questions or would like any additional information.

Thanks,

#### Sarah

### Privileged and Confidential Communication – Do Not Disclose



Sarah A. Crowley
Deputy City Attorney
Office of City Attorney Dennis Herrera
(646) 498-5521 Cell
www.sfcityattorney.org

Find us on: <u>Facebook Twitter Instagram</u>

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