

1 [Administrative Code - Creating a Neighborhood Anchor Business Registry]

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3 **Ordinance amending the Administrative Code to create a Neighborhood Anchor**
 4 **Business Registry under the Office of Small Business and make it City policy to**
 5 **promote participation by Neighborhood Anchor Businesses in City grant programs for**
 6 **small businesses and for commercial eviction defense.**

7 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
 8 **Additions to Codes** are in *single-underline italics Times New Roman font*.
 9 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
 10 **Board amendment additions** are in double-underlined Arial font.
 11 **Board amendment deletions** are in ~~strikethrough Arial font~~.
 12 **Asterisks (* * * *)** indicate the omission of unchanged Code
 13 subsections or parts of tables.

14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. Article XVI of Chapter 2A of the Administrative Code is hereby amended by
 16 adding Sections 2A.244 and 2A.245, to read as follows:

17 **SEC. 2A.244. NEIGHBORHOOD ANCHOR BUSINESS REGISTRY.**

18 *(a) The Office of Small Business shall establish and maintain a registry of Neighborhood*
 19 *Anchor Businesses in San Francisco (“the Registry”).*

20 *(b) For purposes of this Section 2A.244 and Section 2A.245, “Neighborhood Anchor Business”*
 21 *means a business that either (1) is included in the Legacy Business Registry under Section 2A.242 of*
 22 *this Article, or (2) is designated pursuant to subsection (d), below, and meets all of the following*
 23 *criteria:*

24 *(1) The business has been in continuous operation in San Francisco for 15 or more*
 25 *years at the time of nomination, meaning there has been no break in San Francisco operations*

1 exceeding two years, provided that a period of non-operation during the COVID-19 pandemic shall not
2 be considered a break in operations;

3 (2) The business has operated for that period in at least one physical location within a
4 Neighborhood Commercial District (Planning Code Art. 7), Historic District (Planning Code Art. 10),
5 or Conservation District (Planning Code Art. 11), or in a location that has subsequently been
6 recognized as a Neighborhood Commercial District, Historic District, or Conservation District.

7 (3) The business has 100 or fewer employees.

8 (c) A business shall not be eligible for inclusion in the Registry if it has an unpaid judgment
9 with the California Division of Labor Standards Enforcement (DLSE), if there are any pending
10 complaints against the business with the Office of Labor Standards Enforcement (OLSE) or if the OLSE
11 has issued findings of misconduct against the business within the past five years, unless the OLSE
12 determines in writing that the misconduct has since been corrected. If the OLSE issues findings of
13 misconduct against a business already included in the Registry, the inclusion of that business in the
14 Registry shall automatically be suspended until the OLSE determines that the misconduct has been
15 corrected.

16 (d) The Office of Small Business shall enter a proposed Neighborhood Anchor Business in the
17 Registry as follows:

18 (1) The proposed Neighborhood Anchor Business must first be nominated by a local
19 merchants association representing the neighborhood where the Business is located, or recommended
20 by petition signed by 50 or more residents who live within a one-mile radius of the Business;

21 (2) The Executive Director of the Office of Small Business shall determine whether the
22 nomination meets the requirements of subsection (d)(1), above, and the proposed Neighborhood
23 Anchor Business meets the requirements of subsection (b), above; and

24 (3) The Executive Director specifies in the Registry the location or locations of the
25 Neighborhood Anchor Business that meet the requirements of subsection (d)(2), above.

1 (e) In order to remain on the Registry, a Neighborhood Anchor Business must continue to meet
2 the criteria set in subsection (b).

3 (f) In addition to its duties under Section 2A.245, and subject to the fiscal and budgetary
4 provisions of the Charter, the Office of Small Business may develop and submit to the Mayor and the
5 Board of Supervisors for approval programs to preserve and grow Neighborhood Anchor Businesses,
6 including programs for business and technical assistance, lease renewal and acquisition assistance,
7 public education and commendation initiatives to recognize and honor the contributions of
8 Neighborhood Anchor Businesses, and additional business stabilization and neighborhood continuity
9 initiatives.

10 (g) The Office of Small Business may, after a noticed hearing, adopt such rules, regulations
11 and forms that are not inconsistent with this Section 2A.244 or its purposes and that will assist and
12 guide departments in implementing this Section and Section 2A.245.

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14 **SEC. 2A.245. NEIGHBORHOOD ANCHOR BUSINESS REGISTRY; BUSINESS GRANTS AND**
15 **LOANS; COMMERCIAL EVICTION DEFENSE.**

16 (a) It shall be City policy to include and, as appropriate, give priority to Neighborhood Anchor
17 Businesses in the award and administration of any grant or loan program for San Francisco
18 businesses, subject to any applicable legal restrictions. All City officers and departments shall
19 cooperate with the Office of Small Business in carrying out this policy. No later than 30 days after the
20 effective date of this Section 2A.245, the Office of Small Business shall prepare a report identifying all
21 such programs and their eligibility requirements. The Office of Small Business shall inform
22 Neighborhood Anchor Businesses of such opportunities and assist them, as appropriate, in applying
23 and qualifying for such programs.

24 (b) It shall be City policy to include and, as appropriate, give priority to Neighborhood Anchor
25 Businesses in any commercial lease assistance, conflict resolution, or commercial eviction defense

1 programs for San Francisco businesses, subject to any applicable legal restrictions. All City officers
2 and departments shall cooperate with the Office of Small Business in carrying out this policy. No later
3 than 30 days after the effective date of this ordinance, the Office of Small Business shall prepare a
4 report identifying all such programs and their eligibility requirements. The Office of Small Business
5 shall inform Neighborhood Anchor Businesses of such programs and assist them, as appropriate, in
6 applying and qualifying for such programs.

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8 Section 2. Section 2A.244 of the Administrative Code is renumbered without change
9 as Section 2A.249.

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11 Section 3. Effective Date. This ordinance shall become effective 30 days after
12 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
13 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
14 of Supervisors overrides the Mayor's veto of the ordinance.

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17 APPROVED AS TO FORM:
18 DENNIS J. HERRERA, City Attorney

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By: /s/ Thomas J. Owen
 THOMAS J. OWEN
 Deputy City Attorney

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