

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 related to COVID-19 relief 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.

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

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

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

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

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

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

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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 Cultural District (Administrative Code
6 Chapter 107), or in a location that has subsequently been recognized as a Neighborhood Commercial
7 District, Historic District, ~~or~~ Conservation District, or Cultural District. For purposes of this
8 Section 2A.244, "Neighborhood Commercial District" shall include a Neighborhood
9 Commercial Transit District and any other class of district established by Planning Code
10 Section 702.

11 (3) The business has a total of 100 or fewer employees across all locations.

12 (c) A business shall not be eligible for inclusion in the Registry if there are any pending
13 complaints against the business related to the violation of any worker protection law filed in
14 court or it has an unpaid judgment with the California Division of Labor Standards Enforcement
15 (DLSE), if there are any pending complaints against the business with the San Francisco Office
16 of Labor Standards Enforcement (OLSE) or if the OLSE, the California Division of Occupational
17 Safety and Health (Cal/OSHA), or the California Division of Workers' Compensation
18 (hereinafter, "labor enforcement agencies"); if any court or labor enforcement agency has
19 issued findings of misconduct against the business within the past five years that the business
20 has violated any worker protection law, unless the relevant court or agency OLSE determines in
21 writing that the misconduct has since been corrected or resolved; or if the business has any unpaid
22 judgment against it based on a finding by a court or labor enforcement agency that the
23 business violated any worker protection law. If a court or labor enforcement agency the OLSE
24 issues such findings of misconduct against a business already included in the Registry, the inclusion of
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1 that business in the Registry shall automatically be suspended until the court or labor enforcement
2 agency ~~OLSE~~ determines that the misconduct has been corrected or resolved.

3 (1) Any business nominated to the Neighborhood Anchor Business Registry
4 must first, as condition of that nomination, submit a signed, sworn statement under penalty of
5 perjury, in a form to be provided by the Office of Small Business, that the business is in
6 compliance with this subsection (c). The business shall also disclose as a part of the
7 statement whether it has any pending complaints against it before a court or labor
8 enforcement agency for violation of a worker protection law.

9 (2) Any business included in the Registry must notify the Office of Small
10 Business of any subsequent change in circumstances that would render its previous sworn
11 statement inaccurate within 30 days of becoming aware of those changes.

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

14 (1) The proposed Neighborhood Anchor Business must first be nominated by a local
15 merchants association representing the neighborhood where the Business is located, or recommended
16 by petition signed by 50 or more residents who live within a one-mile radius of the Business;. The
17 Executive Director of the Office of Small Business may, by regulation, identify additional
18 community-based organizations that may nominate businesses for inclusion in the Registry,
19 where the Executive Director determines that such organizations have an established
20 connection to the local business community and that the addition of such organizations would
21 advance the City's racial equity and language access goals.

22 (2) No merchants association or community-based organization may nominate
23 more than 10 businesses for inclusion in the Registry in any year. There shall be no cap on
24 the number of nominations by petition permitted in a year;

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

4 (4)(3) The Executive Director specifies in the Registry the location or locations of the
5 Neighborhood Anchor Business that meet the requirements of subsection (b)(d)(2), above.

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

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

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

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

21 (a) It shall be City policy to include and, as appropriate, give priority to Neighborhood Anchor
22 Businesses in the award and administration of any grant or loan program for San Francisco businesses
23 related to relief or recovery from the COVID-19 emergency, subject to any applicable legal
24 restrictions and consistent with the City's racial equity and language access goals. All City
25 officers and departments shall cooperate with the Office of Small Business in carrying out this policy.

1 No later than 30 days after the Office of Small Business issues an application form for the
2 Registry program~~the effective date of this Section 2A.245, the Office of Small Business shall~~
3 prepare a report identifying all such programs that have as of that date formally adopted and
4 promulgated and their eligibility requirements. If the City adopts any such grant or loan
5 programs after the effective date of this Section 2A.245, the Office of Small Business shall
6 add the programs to the report no later than 30 days after the formal adoption of eligibility
7 criteria for those programs. The Office of Small Business shall inform Neighborhood Anchor
8 Businesses of such opportunities and assist them, as appropriate, in applying and qualifying for such
9 programs.

10 (b) It shall be City policy to include and, as appropriate, give priority to Neighborhood Anchor
11 Businesses in any commercial lease assistance, conflict resolution, or commercial eviction defense
12 programs for San Francisco businesses, subject to any applicable legal restrictions and consistent
13 with the City's racial equity and language access goals. All City officers and departments shall
14 cooperate with the Office of Small Business in carrying out this policy. No later than 30 days after the
15 Office of Small Business issues an application form for the Registry program~~the effective date~~
16 ~~of this ordinance, the Office of Small Business shall prepare a report identifying all such programs~~
17 that have as of that date formally adopted and promulgated and their eligibility requirements. If
18 the City adopts any such commercial lease assistance, conflict resolution, or commercial
19 eviction defense programs after the effective date of this Section 2A.245, the Office of Small
20 Business shall add the programs to the report no later than 30 days after the formal adoption
21 of eligibility criteria for those programs. The Office of Small Business shall inform Neighborhood
22 Anchor Businesses of such programs and assist them, as appropriate, in applying and qualifying for
23 such programs.

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

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

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10 APPROVED AS TO FORM:
11 DENNIS J. HERRERA, City Attorney

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

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