



CITY AND COUNTY OF SAN FRANCISCO  
LONDON BREED, MAYOR

OFFICE OF SMALL BUSINESS  
REGINA DICK-ENDRIZZI, DIRECTOR

May 12, 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. 210303 - Administrative Code - Creating a Neighborhood Anchor Business Registry

Small Business Commission Recommendation to the Board of Supervisors: Approval with Two Recommends for Amendment:

1. Section 2A.244 (b)(2): Eligible nominees for the Neighborhood Anchoring Businesses Registry are for-profit businesses only.
2. Section 2a.244 (d): Allow the Executive Director of the Office of Small Business to establish through its rulemaking a third means for a business to apply for or be nominated to the Neighborhood Anchoring Business Registry to ensure the broadest representation of businesses to meet the racial and language access equity goals.

This motion passed 6 to 0, with 1 absence.

Dear Ms. Calvillo.

On February 26, 2021 and May 10, 2021, the Small Business Commission (SBC) heard BOS File No. 210303 - Administrative Code - Creating a Neighborhood Anchor Business Registry. At the February 26, 2021, the SBC provided a list of recommendations to amend the legislation. All but one is reflected in the amendments Supervisor Chan presented to the Rules Committee on May 10, 2021. This one recommendation is again reflected in the SBC's May 10, 2021 recommendation above. The SBC is also supportive of additional amendments Supervisor Chan presented, that improves the administration of the program. The SBC is very appreciative of Supervisor Chan and her aide Ian Fregosi for their continued engagement and work with the Office of Small Business and the SBC to ensure the best outcome in establishing a new and inspiring business recognition program.

The SBC strongly recommends this program is for-profit businesses only. The concept of an anchor business is a business that attracts people to a commercial district and therefore helps bring additional customer traffic to nearby businesses. Non-profits located in the defined areas of Section 2A.244 (b)(2) are funded through private and government grant programs that for-profit businesses are not eligible to apply for. In addition, non-profits are not eligible to receive support from traditional business funding and technical assistance programs, such as Legal Services for Entrepreneurs and the Small Business Development Center.

Members of the SBC expressed concerned that the proposed nomination process may still be a barrier for eligible businesses in being nominated, particularly businesses that are owned by and primarily serve immigrant communities. These businesses may not be associated with merchant association or other business entity and their customers are likely to be reluctant to sign a petition that is submitted to a government office. Therefore, the SBC second recommendation is to allow the Executive Director during

the rule making process, establish a third means in Section 2A.244 (d) a business can be nominated. The sole intent of establishing a third process is to ensure the nominations process is inclusive and reflects the City and County of San Francisco's racial and language equity access goals. In short, to ensure the traditionally marginalized and unrepresented businesses are included in the Neighborhood Anchor Business Registry.

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

Sincerely,

A handwritten signature in cursive script, appearing to read "Regina Dick-Endrizzi".

Regina Dick-Endrizzi  
Director, Office of Small Business

cc: Connie Chan, Member, Board of Supervisors,  
Sophia Kittler, Mayor's Liaison to the Board of Supervisors  
Lisa Pagan, Office of Economic and Workforce Development  
Victor Young, Clerk of the Rules Committee