
Legislative Review: BOS File #240088 – Legacy Business Assistance Program
Sponsor: Mayor
Date Introduced: 1/30/24
Scheduled for BOS Committee: Rules Committee, date TBD

Legislative Overview: This ordinance would create a Legacy Business Assistance Program and Fund within the Administrative Code to be used for grants and financial and business assistance to Legacy Businesses and landlords of Legacy Businesses, as well as marketing, promotions, branding, and programmatic expenses to support Legacy Businesses. The current Legacy Business Historic Preservation Fund would remain in place.

Amendments to Current Law

This ordinance creates a new Legacy Business Assistance Program and Fund under which a new grant similar to the existing Rent Stabilization Grant could be developed to give greater financial support to Legacy Businesses directly. The new Program and Fund would be administered through the Office of Small Business. Funding for the new Program would come from the existing annual budget allocation for the Legacy Business Program. In addition, the Legacy Business Assistance Program and Fund could accommodate other potential sources of funding.

Background, Issues, and Considerations

The Legacy Business Historic Preservation Fund was established by voters via Prop J in 2015 to preserve and protect long standing businesses through a Legacy Business Registry. Businesses that have existed for over 30 years are eligible for the Registry.

Two types of grants have been administered through the Historic Preservation fund:

- Business Assistance Grants - Eligible businesses received funds based on the number of full-time equivalent employees
- Rent Stabilization Grants - Property owners receive funds for entering in long-term leases with Legacy Businesses

In 2020-21, because of limited funding, the Legacy Business Historic Preservation Fund stopped administering Business Assistance Grants. Since then, only Rent Stabilization Grants to property owners have been awarded. Many, but not all, property owners share a portion or all of the Rent Stabilization Grants directly with Legacy Businesses. The new Program and Fund would ensure that at least 50 percent of the grant funding goes directly to Legacy Businesses for new applicants.

- Who benefits from or will be burdened by your proposal (geographically, ethnically, linguistically)? What are your strategies for advancing racial equity or mitigating unintended consequences?
 - The new Fund will provide more financial assistance to Legacy Businesses directly, not just property owners. Legacy Businesses are a geographically and ethnically diverse group of businesses.
- What was the development process of this proposal? Whose input have you sought out? What feedback did you hear and did you incorporate it into this proposal? If not, why not?
 - This legislation grew from a concern that not enough Rent Stabilization Grant funding was going directly to Legacy Businesses.
- Is this proposal punitive or enforcement based? What are the other alternatives for proactive compliance?
 - This proposal is not punitive.
- Given the diversity of San Francisco, how would this policy play out in different cultural settings? How does it accommodate cultural norms?
 - This proposal expands financial support to longstanding businesses who play a vital role in the San Francisco community.