



SMALL BUSINESS COMMISSION MEETING MINUTES

Monday, September 23, 2024, 4:30 P.M.
City Hall, Room 400, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102

1. Call to order and roll call

Meeting called to order at 4:35pm.

Present: Cornet, Dickerson, Huie, Ortiz-Cartagena, Zouzounis

2. Approval of Legacy Business Registry Applications and Resolutions (Discussion and Action Item)

The Commission discussed the following Legacy Business Registry applications, presented by Richard Kurylo, Legacy Business Program Manager, Office of Small Business:

- a. Da Flora (Application No.: [LBR-2024-25-003](#))
- b. Fabrix (Application No.: [LBR-2024-25-011](#))
- c. New India Bazar (Application No.: [LBR-2023-24-012](#))
- d. Russian Hill Dog Grooming (Application No.: [LBR-2024-25-005](#))
- e. Sabella and La Torre (Application No.: [LBR-2021-22-030](#))
- f. Savoy Tivoli (Application No.: [LBR-2024-25-004](#))
- g. Ten-Ichi Japanese Restaurant and Sushi Bar (Application No.: [LBR-2024-25-006](#))
- h. Treasure Island Museum (Application No.: [LBR-2023-24-039](#))

Public Comment:

Mike Hennahane, President, Treasure Island Museum

Keelin Reddy, Fabrix

Angelina Yu, Legislative Aide to Supervisor Connie Chan, in support of Fabrix

Saori Amano, Ten Ichi

Auro Bhatt, New India Bazaar

Paul Rosely, Savoy Tivoli

Donald McFarland, Sabella and La Torre

Steve Felucia, in support of Ten Ichi

Jen McMann, La Flora

Leonard Montgomery, Russian Hill Dog Grooming

Commissioners thanked applicants for their dedication to small businesses in SF.

Motion to approve recommendations: Dickerson

2nd: Zouzounis

Ayes: Cornet, Dickerson, Huie, Ortiz-Cartagena, Zouzounis

Motion passes 5-0-2

3. BOS File 240909 - Interim Zoning Controls - Legacy Businesses in Neighborhood Commercial Districts (Discussion and Action Item)

Nate Horell, Legislative Aide, Board President Aaron Peskin presented on a Resolution imposing interim zoning controls for an 18-month period to require conditional use authorization prior to replacing a Legacy Business in Neighborhood Commercial Districts and Neighborhood Commercial Transit Districts, and the Chinatown Community Business, Chinatown Visitor Retail, and Chinatown Residential Neighborhood Commercial Districts.

Commissioner Comments:

Zouzounis: What if a Legacy Business owns the building and wants to change their business? Will the CU be required? Nate was unsure. If they remove themselves from the registry than the CU will not apply.

Ortiz-Cartagena: CUs are complicated. Let's focus on building ownership.

Zouzounis: Does this apply retroactively? Yes

Huie: How does this impact vacancies? With a Commercial Vacancy Tax, we're discouraging vacancies, but with this, we might make a space harder to fill? Can we do something that's not a deterrent? Nate noted this legislation is not perfect, but does serve as a deterrent.

Tang: Reviewed current Office of Small Business services to help address displacement- via lease review, etc. What if a Legacy Business wants to replace a space of a former Legacy business? Could we amend to include that possibility without a CU? Yes.

Public Comment:

Auro Bhatt, New India Market: Could we offer right to return? Nate explained they are exploring that option.

Steve Amano, Ten Ichi: My business didn't have any of these options – we wanted \$ to relocate, or find a new space.

Steve Felucia: help these businesses

Motion to support BOS File 240909 with recommendations to explore right of return language and allow a Legacy Business to move into a space formerly used by a different Legacy Business without CU: Ortiz-Cartagena
2nd: Dickerson

Ayes: Cornet, Dickerson, Huie, Ortiz-Cartagena, Zouzounis

Motion Passes 5-0-2

4. **BOS File 240798 – Change of Use Designation and Permit Exemptions (Discussion and Action Item)**

Katy Tang, Director, Office of Small Business presented an ordinance amending the Building Code to exempt the requirement for architectural drawings for building permits to change use designations that do not increase occupant load or occupancy class, or entail physical improvements; add to the list of work exempt from needing building permits. She noted the example of a Limited Restaurant that gets a liquor license, making no changes to their floorplan, but still needing a Change of Use permit accompanied by architectural drawings, which are costly and take time.

Public Comment:

Simon Bertrand , Executive Director, SF New Deal in support

Alma Castellanos, Clecha, in support

Commissioner Comments:

Ortiz Cartagena – it can take 6 months to get an architect. It really slows down the process.

Motion to support BOS File 240798: Dickerson

2nd: Cornet

Ayes: Cornet, Dickerson, Huie, Ortiz-Cartagena, Zouzounis

Motion Passes 5-0-2

5. **BOS File 240901 - Impact Fees for Changes of Use From Production, Distribution, and Repair to other Non-Residential Uses (Discussion and Action Item)**

Katy Tang, Director, Office of Small Business presented an Ordinance amending the Planning Code to eliminate impact fees for changes of use from PDR (Production, Distribution, and Repair) to other Non-Residential Uses, as specified.

Commissioner Comments:

Ortiz-Cartagena was curious which community groups had been consulted on this proposal: MEDA, North Mission Creek NEMBA, and SF MADE.

Motion to support BOS File 240901: Ortiz-Cartagena

2nd: Cornet

Ayes: Cornet, Dickerson, Huie, Ortiz-Cartagena, Zouzounis

Motion Passes 5-0-2

6. Approval of Draft Meeting Minutes (Discussion and Action Item)

The Commission will discuss and possibly take action to approve the July 22, 2024 draft meeting minutes.

Motion to approve draft minutes: Huie

2nd: Dickerson

Ayes: Cornet, Dickerson, Huie, Ortiz-Cartagena, Zouzounis

Motion Passes 5-0-2

7. General Public Comment (Discussion Item)

No members of the public requested to speak.

8. Director's Report (Discussion Item)

Heritage Happy Hours

Following are upcoming Legacy Business Mixer and Heritage Happy Hour events:

October 10, 2024: The Blue Light, 1979 Union St. in District 2.

November 14, 2024: Butter, 354 11th St. in District 6

December 12, 2024: Specs' Twelve Adler Museum Café, 12 William Saroyan Pl. in District 3

9. Commissioner Discussion and New Business (Discussion Item)

Ortiz-Cartagena: Requests an update on Compact Mobile Food permitting in conjunction with the State legislation allowing them. City is currently enforcing on food vendors, but they don't have a path forward without a CMFO permit.

Zouzounis: Got a question about the best way to contact the City if vendors are in front of storefronts- contact 311.

Huie: Been thinking of the best way to organize a working group to discuss small business displacement strategies and pathways to allow small businesses to own their buildings. She also flagged that upcoming ballot measures would change or remove many Commissions, including potentially SBC. She has also been thinking about how to support merchant groups and associations.

10. Adjournment

Meeting adjourned at 6:52pm.