



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

DATE: April 27, 2016
TO: Historic Preservation Commission
FROM: Shelley Caltagirone, Preservation Staff, (415) 558-6625
REVIEWED BY: Tim Frye, Historic Preservation Officer, (415) 575-6822
RE: **May 4, 2016 HPC Hearing**
Commission Matters: Legacy Business Registry

1650 Mission St.
Suite 400
San Francisco,
CA 94103-2479

Reception:
415.558.6378

Fax:
415.558.6409

Planning
Information:
415.558.6377

LEGACY BUSINESS REGISTRY PROGRAM UPDATE

The Mayor's Office of Small Business has received approximately 10 applications for the Legacy Business Registry to date, and it is expected that these applications will be forwarded to the Historic Preservation Commission for review in June 2016. To prepare the Commission for the upcoming hearing, Planning Department staff has prepared a Draft Case Report Template outlining the information that would accompany a Legacy Business Registry Application for review by the Commission.

BACKGROUND

In March 2015, the Board of Supervisors approved Ordinance No. 29-15 amending the Administrative Code to direct the Small Business Commission to establish a Legacy Business Registry. The purpose of the Legacy Business Registry is to recognize that longstanding, community-serving businesses can be valuable cultural assets to the City. In addition, the City intends that the Registry be a tool for providing educational and promotional assistance to Legacy Businesses to encourage their continued viability and success.

In November 2015, voter-approved Local Measure J modified the definition of a Legacy Business and established the Legacy Business Historic Preservation Fund. The definition of a Legacy Business was expanded to include those that have operated in San Francisco for more than 20 years, are at risk of displacement and meet the other requirements of the Registry; and, a fund was established to provide grants to Legacy Businesses and to building owners who lease space to those businesses for terms of at least 10 years.

The HPC's role in the Legacy Business Registry and Fund is outlined in the amended Administrative Code as follows:

The HPC shall provide an advisory recommendation as to whether the small business has contributed to the neighborhood's history and/or the identity of a particular neighborhood or community. If the HPC does not provide a recommendation within 30 days the business is presumed to meet the requirement.

A "Legacy Business" is defined as a business that has been nominated by a member of the Board of Supervisors or the Mayor and that the Small Business Commission, after a noticed hearing, determines meets each of the following criteria:

(1) The business has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years. The business may have operated in more than one location. If the business has operated in San Francisco for more than 20 years but less than 30 years it may still satisfy this subsection (b)(1) if the Small Business Commission finds that the business has significantly contributed to the history or identity of a particular neighborhood or community and, if not included in the Registry, the business would face a significant risk of displacement.

(2) The business has contributed to the neighborhood's history and/or the identity of a particular neighborhood or community. Prior to the hearing, the Small Business Commission, or the Executive Director of the Office of Small Business on its behalf, shall request an advisory recommendation from the Historic Preservation Commission as to whether the business meets the requirement in this subsection (b)(2). If the Historic Preservation Commission does not provide an advisory recommendation within 30 days of receipt of the request, the Small Business Commission shall treat such nonresponse as an advisory recommendation that the business meets the requirement in this subsection (b)(2).

(3) The business is committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms.

LEGACY BUSINESS REGISTRY REVIEW PROCESS

Upon receipt, nominations are automatically placed on the next available HPC agenda as a consent item with a brief Case Report with a Staff Recommendation (1-2 pages). To the degree possible, the Small Business Office will forward nominations in bundles to the HPC so that several applications can be reviewed simultaneously. At the hearing, the Commission must pass a resolution stating whether or not the nominee has "contributed to the neighborhood's history and/or the identity of a particular neighborhood or community" as described in Administrative Code Section 2A.242(b)(2).

REQUESTED ACTION

1. Provide comments on the Draft Case Report Template.

ATTACHMENTS

- A. Letter from Regina Dick-Endrizzi to Tim Frye, regarding Legacy Business Registry Funding and Staffing, dated April 19, 2016
- B. Draft Case Report Template
- C. Sample Legacy Business Registry Application
- D. Administrative Code Sections 2A.242 (Legacy Business Registry) and 2A.243 (Legacy Business Historic Preservation Fund)



OFFICE OF SMALL BUSINESS
SMALL BUSINESS COMMISSION



CITY AND COUNTY OF SAN FRANCISCO
EDWIN M. LEE, MAYOR

DATE: April 19, 2016
TO: Tim Frye, Historic Preservation Officer
FROM: Regina Dick-Endrizzi, Executive Director, Office of Small Business
RE: Legacy Business Registry

Update to the Historic Preservation Registry:

Do date there are approximately 10 applications that have been submitted. The majority need more explanatory documents to document their history. Noted below are a few of the applicants:

- Precita Eyes
- Specs' Twelve Adler Museum Café
- Toy Boat Café
- Two Jacks
- Doc's Clock
- Gillman Kitchen and Bath
- SF Party
- Community Boards
- Ruby Studio and Gallery
- Lone Star Saloon

On February 23, 2016 Supervisor Campos introduced a budget 15/16 supplement to 1) establish a position for the Legacy Business Program Manager to manage and the Registry and the Historical Preservation Fund, and 2) provide seed money \$281.250 for the Rent Stabilization Fund. The Budget and Finance Committee approved the position (approved by the full board on 4/19/2016), and put the funds on Budget and Finance Committee Budget Reserve.

Hiring for Legacy Business Program Manager is estimated to begin in mid-June. This position is critical in the Office of Small Businesses ability to thoroughly prepare and route the applications to the Historical Preservation Commission.

I have provide three examples of the applications for review and feedback on what additional items the HPC may want included in the application packets. Once this is completed and the applicants provide the information, we can begin the official process of submitting the applications to the HPC.

OFFICE OF SMALL BUSINESS
SMALL BUSINESS COMMISSION



CITY AND COUNTY OF SAN FRANCISCO
EDWIN M. LEE, MAYOR

I would like to have the first 10 applicants complete the application process and be certified for the registry by the end of June 2016.

The OSB 16/17 budget has funding for the Historical Preservation Fund. The amount is being worked on with the Mayor Budget Office at this time, so I cannot provide specifics to that at this time. It also has funding to develop a logo and brand identity for the Registry. When it comes time to decide on the logo and branding program, it would like to solicit the HPC's input for final selection.



SAN FRANCISCO PLANNING DEPARTMENT

Legacy Business Registry Case Report (Draft Template)

HEARING DATE: JUNE 1, 2016

Filing Date: March 1, 2016
Case No.: XXXX
Business Name: Ruby's Clay Studio
Business Address: 552A Noe Street
Zoning: RH-3 (Residential, House, Three-Family)/
40-X Height and Bulk District
Block/Lot: 3583/011
Applicant: Rebecca Sawyer, Proposition J Coordinator
1216 Hampshire Street
San Francisco, CA 94110
Nominated By: Supervisor Scott Wiener, District 8
Staff Contact: Shelley Caltagirone - (415) 558-6625
shelley.caltagirone@sfgov.org
Reviewed By: Tim Frye - (415) 575-6822
tim.frye@sfgov.org

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BUSINESS DESCRIPTION

Ruby's Clay Studio (RCS) is an arts center that promotes the appreciation of ceramic arts and encourages self-expression, as well as technical and artistic development through exhibitions, classes and all the resources provided by a shared learning facility. It is a non-profit community-serving business located in the Castro neighborhood on Noe Street between 18th and 19th Streets. The two-story building is an Italianate-style Victorian-era structure previously used as an ironworks, as noted on the 1915 Sanborn map. The upper story was used as the studio founder's (Ruby O'Burke) residence and is now two separate units. Currently more than 200 people rent storage lockers and workspaces, use drop-in services, and are students at the studio.

PROJECT DESCRIPTION

The Applicant has been nominated as a "Legacy Business" by a member of the Board of Supervisors or the Mayor.

OTHER ACTIONS REQUIRED

Per Administrative Code Section 2A.242, the subject nomination requires review and approval by the Small Business Commission at a public hearing in order to be added to the Legacy Business Registry.

PUBLIC/NEIGHBORHOOD INPUT

The Department has received no public input on the project at the date of this report.

ENVIRONMENTAL REVIEW STATUS

Nomination to the Legacy Business Registry does not constitute a "project" requiring environmental review per the California Environmental Quality Act (CEQA). The nomination act would not result in any physical alteration to the subject property and could not have an effect on the environment.

STAFF ANALYSIS

Review Criteria

1. *When was business founded?*

1967

2. *Is the business unique to San Francisco?*

While the business model is not unique to San Francisco, the studio was founded as a workshop space by Ruby O'Burke, a celebrated Northern California ceramic artist and a Mills College graduate.

3. *Is the business associated with culturally significant events?*

No.

4. *Is the business associated with culturally significant persons?*

Yes. Ruby O'Burke (1897-1983) was a celebrated Northern California ceramic artist and a Mills College graduate.

5. *Is the business associated with a culturally significant art/craft/cuisine/tradition?*

Yes. The business is associated with the ceramic arts.

6. *Is the business associated with a culturally significant building/structure/site/object/interior?*

No. The pre-1900 property has not been previously evaluated by the Planning Department for potential historical significance. The property is considered a "Category B Property" that requires further review per the Planning Department's CEQA review procedures for historical resources.

7. *Is the property associated with the business listed on a local, state, or federal historic resource registry?*

No.

8. *Is the business mentioned in a local historic context statement?*

No.

9. *Has the business been cited in published literature, newspapers, journals, etc.?*

Yes. SF Chronicle, 12/27/1974, "Glazing the Pottery With Lots of Love", by David Kleinberg; Hoodline, 11/18/2015, "Inside Ruby's Clay Studio & Gallery, A Castro Fixture Since 1968", by Win Mixter.

Physical Features or Traditions that Define the Business

Recommended by Applicant

- Extensive electrical upgrade studio-wide
- Installation of two large electric kilns and two large gas kilns with appropriate ventilation within a fire-proof room
- The addition of built-in shelving for storage of ceramic materials throughout the studio
- A room dedicated to clay recycling, with pug extruding machine, clay mixer and plumbing specifically capable of handling clay waste particles
- Managers' work station created in the Gallery with extensive closed storage, new baseboards and LED lighting
- Sheet vinyl flooring installed for easy cleaning throughout the public gallery and the community wheel and area

Additional Recommended by Staff

- Facade appearance from 1967-present, including windows, doors, ironwork, cornice, siding, and trimwork
- Ceramic tiles created by RCS artists and applied to front facade
- Wooden sidewalk bench decorated in ceramic tiles
- 5,000-sf workshop

PLANNING DEPARTMENT RECOMMENDATION

Staff recommends that the Historic Preservation Commission find that Ruby's Clay Studio qualifies for the Legacy Business Registry under Administrative Code Section 2A.242(b)(2) and recommends safeguarding of the above listed physical features and traditions as amended by Staff.

ATTACHMENTS

Draft Resolution
Legacy Business Application
Parcel Map
1998 Sanborn Map
Aerial Photograph
Site Photographs

SC: XXXX



SAN FRANCISCO PLANNING DEPARTMENT

Historic Preservation Commission Draft Resolution

HEARING DATE JUNE 1, 2016

1650 Mission St.
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Filing Date: March 1, 2016
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Business Address: 552A Noe Street
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1216 Hampshire Street
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Nominated By: Supervisor Scott Wiener, District 8
Staff Contact: Shelley Caltagirone - (415) 558-6625
shelley.caltagirone@sfgov.org
Reviewed By: Tim Frye - (415) 575-6822
tim.frye@sfgov.org

**ADOPTING FINDINGS RECOMMENDING TO THE SMALL BUSINESS COMMISSION
APPROVAL OF THE LEGACY BUSINESS REGISTRY NOMINATION FOR RUBY'S CLAY STUDIO,
CURRENTLY LOCATED AT 552A NOE STREET (BLOCK/LOT 3583/011).**

WHEREAS, in accordance with Administrative Code Section 2A.242, the Office of Small Business maintains a registry of Legacy Businesses in San Francisco (the "Registry") to recognize that longstanding, community-serving businesses can be valuable cultural assets of the City and to be a tool for providing educational and promotional assistance to Legacy Businesses to encourage their continued viability and success; and

WHEREAS, the subject business has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years; and

WHEREAS, the subject business has contributed to the Castro neighborhood's history and identity; and

WHEREAS, the subject business is committed to maintaining the physical features and traditions that define the business; and

WHEREAS, at a duly noticed public hearing held on June 1, 2016, the Historic Preservation Commission reviewed documents, correspondence and heard oral testimony on the Legacy Business Registry nomination.

THEREFORE BE IT RESOLVED that the **Historic Preservation Commission hereby recommends** that Ruby's Clay Studio qualifies for the Legacy Business Registry under Administrative Code Section 2A.242(b)(2) and recommends safeguarding of the below listed physical features and traditions.

Physical Features or Traditions that Define the Business

- *Extensive electrical upgrade studio-wide*
- *Installation of two large electric kilns and two large gas kilns with appropriate ventilation within a fire-proof room*
- *The addition of built-in shelving for storage of ceramic materials throughout the studio*
- *A room dedicated to clay recycling, with pug extruding machine, clay mixer and plumbing specifically capable of handling clay waste particles*
- *Managers' work station created in the Gallery with extensive closed storage, new baseboards and LED lighting*
- *Sheet vinyl flooring installed for easy cleaning throughout the public gallery and the community wheel and area*
- *Facade appearance from 1967-present, including windows, doors, ironwork, cornice, siding, and trimwork*
- *Ceramic tiles created by RCS artists and applied to front facade*
- *Wooden sidewalk bench decorated in ceramic tiles*
- *5,000-sf workshop*

BE IT FURTHER RESOLVED that the **Historic Preservation Commission hereby directs** its Commission Secretary to transmit this Resolution and other pertinent materials in the case file XXXX to the Office of Small Business.

I hereby certify that the foregoing Resolution was ADOPTED by the Historic Preservation Commission on XXXX.

Jonas P. Ionin
Acting Commission Secretary

AYES:

NOES:

ABSENT:

ADOPTED:

Member, Board of Supervisors
District 8



City and County of San Francisco

SCOTT WIENER
威善高

March 1, 2016

Re: Nomination of Ruby's Clay Studio and Galley to the Legacy Business Registry

Dear Director Regina Dick Endrizzi:

I'm writing to nominate Ruby's Clay Studio and Gallery for the Legacy Business Registry. Founded in 1967, Ruby's Clay Studio is an arts center that promotes the appreciation of ceramic arts and encourages self-expression, as well as technical and artistic development. Located in the Castro, Ruby's Clay Studio is a community serving non-profit business that benefits members of our community who take classes and use the space for their own artistic pursuits. RCS takes an active role in improving both the building the business occupies, but also the community it serves.

Ruby's Clay Studio has served the Castro for decades, and would benefit greatly from being a part of San Francisco's Legacy Business Registry. I thank you for your consideration.

Sincerely,

A handwritten signature in dark ink that reads "Scott Wiener". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Scott Wiener
Member, San Francisco Board of Supervisors

APPLICATION FOR

Legacy Business Registration

Legacy Business registration is authorized by Section 2A.242 of the San Francisco Administrative Code. The registration process includes nomination by a member of the Board of Supervisors or the Mayor, a written application, and approval of the Small Business Commission.

1. Current Owner / Applicant Information

NAME OF BUSINESS:		
RUBY'S CLAY STUDIO + GALLERY (RCS)		
BUSINESS OWNER(S) (Identify the person(s) with the highest ownership stake in the business)		
Richard Crocker - President of the BOARD of Directors RCS is a 501(c)(3) with dozens of voting members - names available upon request.		
CURRENT BUSINESS ADDRESS:		TELEPHONE:
552 A Noe Street		(415) 558-9819
SF CA 94114		EMAIL:
		rubysclaystudio@yahoo.com
WEBSITE:	FACEBOOK PAGE:	YELP PAGE:
RUBYSCLAYSTUDIO.ORG	Rubys Clay Studio and Gallery	Same as

APPLICANT'S NAME	
REBECCA SAWYER	
<input type="checkbox"/> Same as Business Owner	
APPLICANT'S TITLE	
PROP J coordinator	
APPLICANT'S ADDRESS:	TELEPHONE:
1216 HAMPSHIRE ST	(415) 641-0112
SF CA 94110	EMAIL:
	REBSAW@GMAIL.COM

SAN FRANCISCO BUSINESS ACCOUNT NUMBER:	SECRETARY OF STATE ENTITY NUMBER (if applicable):
0400115	C118033

BACKGROUND INFORMATION	
Founding Location:	552 A NOE ST, SF CA 94114
Current Headquarters Location:	" "
Operating in San Francisco since:	1967

NAME OF NOMINATOR:	DATE OF NOMINATION:
Sup. Scott Wiener	

2. Business Addresses

ORIGINAL SAN FRANCISCO ADDRESS:	ZIP CODE:	DATES OF OPERATION:
552 A NOE ST	94114	1967 - PRESENT
IS THIS LOCATION THE FOUNDING AND/OR HEADQUARTERED LOCATION? (check all that apply)		
<input checked="" type="checkbox"/> Founding Location	<input checked="" type="checkbox"/> Current Headquarters	

OTHER ADDRESSES (if applicable):	ZIP CODE:	DATES OF OPERATION:
OTHER ADDRESSES (if applicable):	ZIP CODE:	DATES OF OPERATION:
OTHER ADDRESSES (if applicable):	ZIP CODE:	DATES OF OPERATION:
OTHER ADDRESSES (if applicable):	ZIP CODE:	DATES OF OPERATION:

3. Eligibility Criteria

Attach the business's historical narrative.

4. San Francisco Taxes, Business Registration, Licenses, Labor Laws, and Public Information Release

Please read the following statements and check each to indicate that you agree with the statement. Then sign below in the space provided.

- ☒ I am authorized to submit this application on behalf of the business.
- ☒ I attest that the business is current on all of its San Francisco tax obligations.
- ☒ I attest that the business's business registration and any applicable regulatory license(s) are current.
- ☒ I attest that the Office of Labor Standards and Enforcement (OLSE) has not determined that the business is currently in violation of any of the City's labor laws, and that the business does not owe any outstanding penalties or payments ordered by the OLSE.
- ☒ I understand that documents submitted with this application may be made available to the public for inspection and copying pursuant to the California Public Records Act and San Francisco Sunshine Ordinance.
- ☒ I hereby acknowledge and authorize that all photographs and images submitted as part of the application may be used by the City without compensation.

REBECCA SAWYER 3/1/2016 Rebecca Sawyer
 Name (Print): Date: Signature:

3. Eligibility Criteria

Description of the essential features and history:

Ruby's Clay Studio (RCS) is an arts center with the primary objective of promoting appreciation of ceramic arts and encouraging self-expression as well as technical and artistic development through exhibitions, classes and all the resources provided by a shared learning facility. Ruby's Studio is a member-maintained, 501(C)(3) non-profit business led by a small staff, many volunteers and a Board of Directors elected by members.

Ruby O'Burke was a celebrated Northern California ceramic artist and a Mills College graduate who established the workshop in 1962 and moved to the present location at 552 A Noe Street in 1967. After running the entire workshop single-handedly for many years, Ruby established a manager system in 1977 to distribute the workload. Under that arrangement several workshop members were hired to collect fees, fire kilns, answer questions, deal with the public and keep the place clean. Ruby stayed on until 1980, when she turned over the reins to several part-time managers. Ruby died in October 1983 at age 86, but her vision lives on in a unique and thriving ceramics studio that serves hundreds of budding and serious ceramic artists.

In 1984 the members changed Ruby's Clay Studio from a privately owned ceramic business to a non-profit organization. RCS continues to make ceramics available to an ever growing community of local artists. Currently more than 200 people rent storage lockers and workspaces, use drop-in services, and are students who are always eager to fill the eight-week classes that are offered year round.

Contribution to the history and identity of the neighborhood. How does the building occupied by the business relate to the immediate neighborhood?

RCS is located in a two-story building similar to the typical family houses in the surrounding Castro neighborhood. The top floor originally was Ruby's residence, and today it has two rental units. During the nearly 50 years that RCS has operated at 552A Noe Street, studio members have made significant additions and improvements to the rental premises.

The building's façade features hundreds of individual ceramic tiles created by RCS artists. The tiles decorate the front door, windows and the studio's sign as well as the surface of a wooden sidewalk bench that offers a resting spot to pedestrians half-way up the steep hill between 18th and 19th Streets. There is another bench and numerous large plants in giant ceramic planters near the front entrance.

The studio is open to the public seven days a week. We welcome both visitors interested in seeing how ceramics are made and those who are looking to purchase a handmade gift

by a local artist. Neighborhood engagement includes regular participation in SF Open Studios as well as over 20 other gallery shows open to the public annually. Most shows feature the work of individual ceramic artists. Special group shows include the Holiday Show and Sale, the July Sidewalk Sale (offering thousands of handmade ceramic bargains), and a Spring fundraiser featuring ceramics made on the premises, donated by studio artists. Gallery shows are well attended by neighbors and citywide residents who have been patronizing the Gallery for decades.

Special exterior and interior physical characteristics of the space occupied by the business.

Within Ruby's multi-level 5,000 square foot workspace, the studio has undertaken major and minor upgrades and improvements over many years. These include:

- Extensive electrical upgrade studio-wide
- Installation of two large electric kilns and two large gas kilns with appropriate ventilation within a fire-proof room
- The addition of built-in shelving for storage of ceramic materials throughout the studio
- A room dedicated to clay recycling, with a pug extruding machine, clay mixer and plumbing specifically capable of handling clay waste particles
- Managers work station created in the Gallery with extensive closed storage, new baseboards and LED lighting
- Sheet vinyl flooring installed for easy cleaning throughout the public gallery and the community wheel and area

The Community the Business Serves

The membership is a broad mix of San Franciscans. On a typical day, it is possible to hear conversations in Spanish, French, Japanese, Swedish or German about local restaurants, current museum exhibits and neighborhood safety, as well as techniques for working in clay.

A recent survey of people who use RCS reveals the following demographics:

- 42% walk or bike to Ruby's
- 55% are age 51 or older
- 40% have belonged to Ruby's for 11 years or more
- 67% have full- or part-time employment outside of their ceramics work
- 37% earn \$50,000 or less annually
- 29% spend 11 hours or more each week working in ceramics at Ruby's
- 51% chose Ruby's because the studio is located in the Castro neighborhood
- 92% do not want to join another ceramics studio

Commitment to the Community

RCS offers ongoing outreach services for non-profit organizations and schools that have difficulty funding arts programs. These services include free clay, free firing and curriculum development.

From 2010 – 2012, RCS initiated and operated an innovative mobile ceramic studio – the Mud Bus program – that provided free ceramic art classes to children in low-income neighborhoods. With funding in 2010-2011 from the San Francisco Arts Commission and the Walter and Elise Haas Fund, RCS provided Mud Bus sessions for children ages 6 -12 from the Boys and Girls Clubs of San Francisco. In 2012, thanks to a grant from the National Endowment for the Arts, RCS taught fall and spring sessions with the San Francisco Department of Recreation and Parks, which now runs the program using the model created by members of RCS.

Schools that participate in our outreach services include:

- Yick Wu Elementary School
- BuriBuri Elementary School
- Fairmont Elementary School
- Ulloa Elementary School
- Harvey Milk Civil Rights Academy

Ceramic projects using RCS outreach services have been conducted by:

- The Potrero Hill Housing Tile Project
- Homeless Prenatal
- ARC: A Center for People with Developmental Disabilities
- Leap Arts in Education,
- Creativity Explored
- Hospitality House
- Hospice by the Bay

Community Impact without Prop J support for RCS:

We are facing a new 10-year lease that includes a rent increase of 5% annually. Over the life of the lease, our rent will nearly double and create significant hardships for the studio's operating budget as well as for individual members. Due to the extensive improvements the business has installed over the last 48 years, strong member commitment to the Castro area and the difficulty of establishing a new ceramics studio, it is very unlikely that RCS could relocate.

Increases in rent must be passed on to the Studio users, students and members. This yearly increase in rental cost will dramatically alter the essential character of those currently served. It is likely that the extensive outreach services to schools and local not-

for-profit organizations that RCS currently provides will be curtailed or eliminated entirely. Higher costs for ceramic classes will eliminate all but the wealthiest students. The monthly rent increases could make it impossible for many current members, especially seniors on fixed incomes, to continue their ceramic activities.

The Prop J authorized Landlord Grant would be the salvation of this long-standing San Francisco institution. Our landlord has agreed to permit any grant received to offset the increase in the new lease.

Historical Legal Documents:

- IRS letter establishing 501(c)(3) status started in 1987.
- PG&E letter stating that utility service began in 1969.
- San Francisco Business Registration Renewal printout.

Photographs documenting:

Community engagement illustrating our outreach programs:

- KidServe Thank You Letter and project photos.
- Clarendon Elementary School Thank You Letter and project photos
- Fairmont School Thank You Letter and project photos
- Ruby's Clay Studio Mudbus Program brochure

Newspaper Clippings:

Kleinberg, David. "Glazing the Pottery With Lots of Love." The San Francisco Chronicle, San Francisco, CA. Dec. 27, 1974

<http://hoodline.com/2015/11/inside-ruby-s-clay-studio-gallery-a-castro-fixtue-since-1968>

<http://www.castrocourier.com/rubysclay.html>

<http://www.yelp.com/biz/rubys-clay-studio-and-gallery-san-francisco>

OGDEN UT 84201-0038

In reply refer to: 0441977571
June 14, 2011 LTR 4168C E0
94-2943623 000000 00
00037662
BODC: TE

RUBYS CLAY STUDIO & GALLERY
552 NOE ST A
SAN FRANCISCO CA 94114-2528

Employer Identification Number: 94-2943623
Person to Contact: Ms. Patino
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your June 03, 2011, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(03) of the Internal Revenue Code in a determination letter issued in December 1987.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section 509(a)(2).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website www.irs.gov/eo for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.



*Pacific Gas and
Electric Company**

PO Box 997300
Sacramento, CA 95899-7300

January 13, 2016

Ruby Oburke
552 Noe St
San Francisco, CA 94114

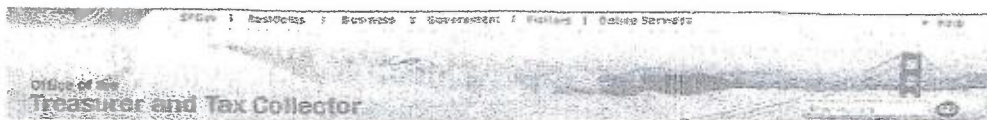
To Whom It May Concern:

This letter is to confirm that the customer of record for the above address commenced service with PG&E on 01-01-1969.

If you have any further questions please call our toll-free number at **1-800-743-5000**. Our customer service is open 24 hours a day.

Sincerely,

Pacific Gas and Electric Company
Customer Service Department

**2015 - 2016 Business Registration Renewal**

19-Jun-2015

Review Summary

A copy of your completed statement has been sent to the email address on file along with a payment coupon and a link to online payment options.

[Print](#) This Filing Now[Email](#) This Filing to an Additional Email Address**Filing Summary**

2015-2016 Registration Renewal Due (including any penalties and interest)	\$0.00
Date this Filing was submitted	6/19/2015 12:57:47 PM
Date this Filing was started	6/19/2015 12:44:54 PM

Click 'Continue' to pay online or print your payment coupon to pay by mail, and to print a copy of your filing for your records.

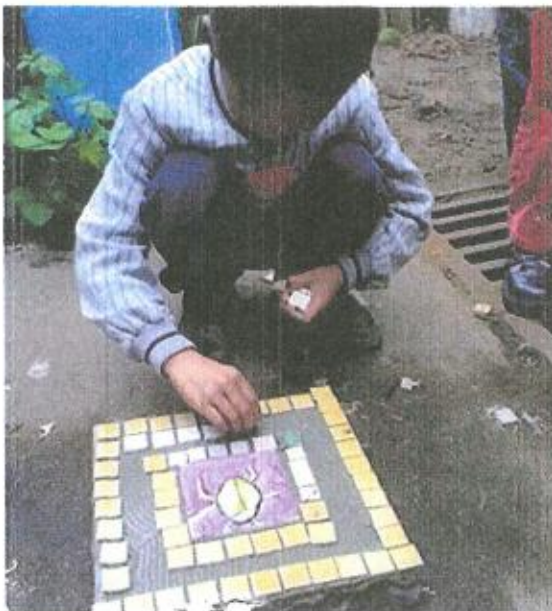
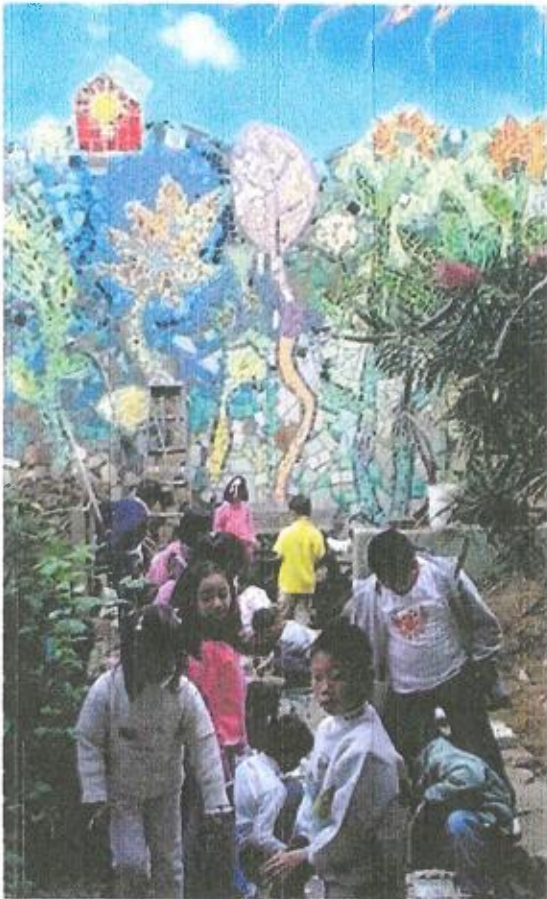
[Continue](#)

KIDSERVE PUBLIC ART by Young People

a project of the Every Child Can Learn Foundation

From February to June 2004 children from San Miguel Children's Center and James Denman Middle School created Mosaic Stepping Stones for their outdoor school garden.

Special Thanks to **RUBY'S CLAY STUDIO** for their generous help in firing over 350 ceramic tiles for our youthproject.





Dear Ruby's,
 Domo arigato gozaimasu
 Thank you very much!
 From,
 Mr. Kunisaki's third
 grade class
 at Clarendon
 Elementary School





June 10, 2011

Dear Marnie, Richard, Andrew
and everyone at Ruby's,

Thank you so much for firing
the clay pots and animals
created by my students at
Fairmount school. I know it
required extra time and effort
to get such a huge quantity
done. I hope these photos convey,
in a small way, how much the
students appreciated ~~this~~ your
part in this Leap residency -
their only art class for this
year. Without your support we
could not have done it. They
just loved being about to
create in clay and were so
proud of their completed work!

Sincerely,
Leslie

Leslie Fleming, Leap Teaching Artist

Community Clay Art Workshops

If you are interested in hosting Mud Bus but do not fall with in our requirements for free classes we also offer Mud Bus classes as community clay art workshops for a minimal fee.

Fee includes materials, firings, travel allowance and instructor time.



A two-session class, running 1.5 hours costs \$20/person.

A four-session class, 1.5 hours each session costs \$35/person.

A six-session class, 1.5 hours each session costs \$50/person.

Minimum 10 students.

(These are only suggestions, the numbers of classes and class lengths are flexible, and rates are adjusted accordingly.)

Contact a Ruby's manager to get involved at:

rubyclaystudio@yahoo.com

or visit us on the web at:

www.rubyclaystudio.org



RUBY'S CLAY STUDIO MUD BUS



A CLAY STUDIO ON WHEELS

The Mud Bus is Ruby's community outreach project:

To inspire participants to learn about, appreciate and become proficient in the ceramic arts

Visit us on the web at
www.rubyclaystudio.org

What is the Mud Bus?

The **Mud Bus** is a mobile ceramic studio equipped with all the materials and tools needed to conduct arts education through hands-on classes in clay, to diverse sites and populations throughout San Francisco. Tools and materials are brought to host sites where artist teachers conduct classes with enrolled students. Artworks are transported to and from Ruby's for firings and a culminating exhibition.

The host organization provides a suitable workspace, modest storage and a staff person who regularly works with the students to assist Mud Bus artists.

Families and friends are invited to attend an opening reception for the professionally presented display of the students' work at Ruby's gallery at the end of each module of classes.



What the Mud Bus Provides



Mud bus classes teach basic skills in hand building (with coils and slabs of clay), throwing on the potter's wheel, and glazing. Classes are conducted in the after-school setting, and projects are designed so that students can make a clay artwork in one day.

The Mud Bus targets communities that have little or no access to ceramic arts and provide programs that are accessible and affordable. Through active 'hands-on' art activities, participants will have a unique opportunity to develop skills in concentration, communication, observation and focus.

We have witnessed first-hand the success of engaging youth with clay projects through which, they find a voice to tell their stories, contribute constructively to their communities and explore a new approach to directing their lives.

All of the organizations we have worked with see how positively their students responded to the opportunity for a creative experience in the context of the ceramic arts.

Funding permitting, non-profit 501(C) 3 community organizations and public schools enrolled in our programs receive Mud Bus clay classes free of charge. Currently our target audiences are the underserved low-income youth in San Francisco.

How to get involved

The Mud Bus is a new program. There are opportunities to be involved in the following ways:

If you are a non profit 501(C) 3 or public school interested in being considered as a Mud Bus partner send an email to a Rubys' manager who will forward your request to our outreach co-coordinator. Your email should include in the subject: **Request for Mud Bus services.**

State your contact information. Describe your organization and the community you serve.

State why you are interested in Mud Bus and How your community will benefit from our services.

If you qualify for our free program our outreach coordinator will contact you regarding our contract and partner commitment requirements.



Host a Community Clay Art Workshop.

Please follow the same application instructions for non-profit organizations above.

See overleaf for availability and rates.

Become a Volunteer.

Members of Rubys' are welcome to help with firing kilns, making flyers and exhibition set up and breakdown. Ceramic artists who have teaching experience are invited to contribute to our community outreach project by assisting with classes. For those who have already volunteered it is a rewarding and fun experience.

Financial contributions.

Our services are offered through grants and donations. The Mud Bus appreciates your contributions. Your gift is tax deductible.

Contact a Ruby's manager to get involved at:

rubysclaystudio@yahoo.com

Glazing the Pottery With Lots of Love

By David Kleinberg

Ruby O'Burke sometimes gets a little testy when conditions at her ceramic studio degenerate, and like a mother reproving her children, she will snap at the young potters hunched over their wheels.

"There's a bunch of little pigs around here," she'll say, a not so subtle hint to the engrossed potters to clean up.

Ruby, however, is far more often a saint than a sergeant-at-arms. And, at the age of 74, she enjoys her matriarchal relationship to the more than 100 potters and students who use her Eureka Valley studio, which is 35 feet by 175 feet (bigger than a basketball court) and the largest pottery facility in San Francisco.

Working 14 hours a day to get through the holiday rush, piling up ceramic piece after piece in any one of six around-the-clock firing kilns, Ruby (as she's called by all) hardly had time to retreat to her living quarters above the shop for an interview. It appeared she had not had visitors recently.

"I don't work up here," she said, dusting off an old oak chair. "I live and sleep up here, but I've had very little time for that lately."

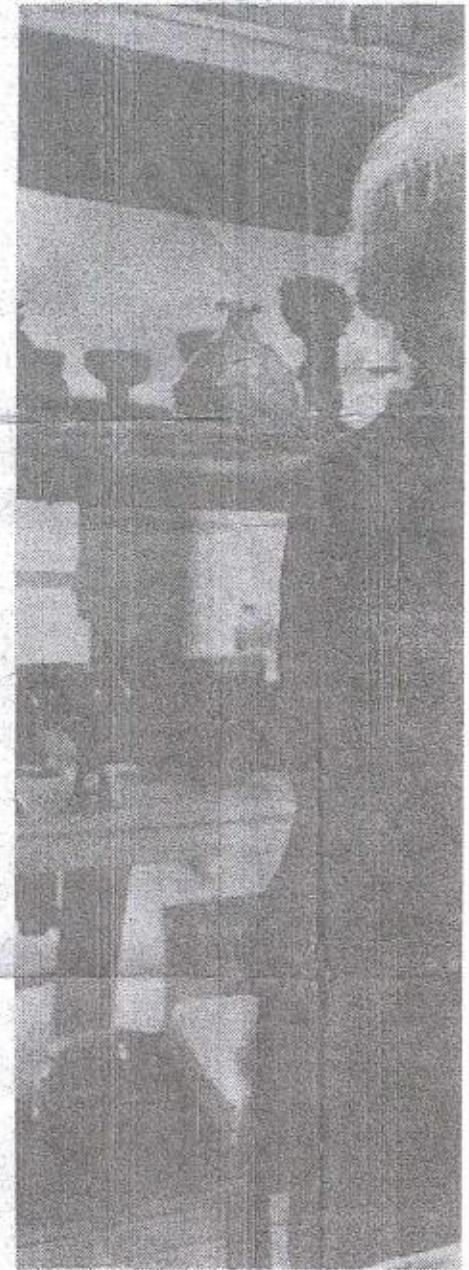
Her rooms were filled with fine ceramic pieces, her collection of years, and Ruby herself wore blue slacks and a loose worn blue cotton shirt which already showed signs of soil from her working early in the morning.

Even as Ruby held back and waited to be questioned before speaking, potters were busy downstairs,



Photos by Susan Ehmer

A totem pole (left) of busts that represent different periods in life of Ruby O'Burke (right), who at 74 continues to work at her ceramic studio in Eureka Valley



for and about
people

riods, and had a daughter, Patricia, out of the first marriage.

"I never got married again," she said. "I have no judgment about picking men. I always picked a man who needed me more than I needed him."

Ruby came to her vocation late in life, following a great personal tragedy, the death

function after Patricia's death, but a friend introduced her to a ceramics class. She went every night of the week and for a year worked on clay images of her daughter.

Once during the period, her teacher introduced the class to works by the French artist Georges Rouault. Much of it reflected misery and pain

metal and was characteristic asserts that really excellent arts.

She worked clerk and inventory company until her retirement working at night, on wheeling vacations.

She put in 1 studio in 1953, children on the moved into her tion in 1968. fulltime potter for use of the no one disputes claims she's even.

Ruby suffered in a car accident

Inside Ruby's Clay Studio & Gallery, A Castro Fixture Since 1968



Photos: Win Mixter

Wed. November 18, 2015, 1:52pm



by Win Mixter
@mistermixter
(<http://twitter.com/mistermixter>)
website (<http://www.winmixter.com>)



neighborhoods
Castro (/neighborhoods/castro)



location
552 Noe St, San Francisco, CA



(/ads/26/73/2)

Perched on a steep stretch of Noe Street, **Ruby's Clay Studio & Gallery**

(<http://www.rubysclaystudio.org/www.rubysclaystudio.org/Home.html>) has been a Castro institution for nearly half a century. We stopped by to explore the history of the nonprofit studio, its current offerings, and the community that it provides to artists and locals alike.

Initially founded in 1961

(<http://www.rubysclaystudio.org/www.rubysclaystudio.org/History.html>) by well-regarded Northern California ceramicist and Mills College graduate Ruby O'Burke, the studio was originally a private school for art, located in Hayes Valley. Just a few years later, though, it was forced to relocate when the property was seized by eminent domain to enable the construction of the **Central Freeway** ([http://hoodline.com/2015/08/hayes-valley-the-central-freeway?](http://hoodline.com/2015/08/hayes-valley-the-central-freeway?utm_source=story&utm_medium=web&utm_campaign=stories)

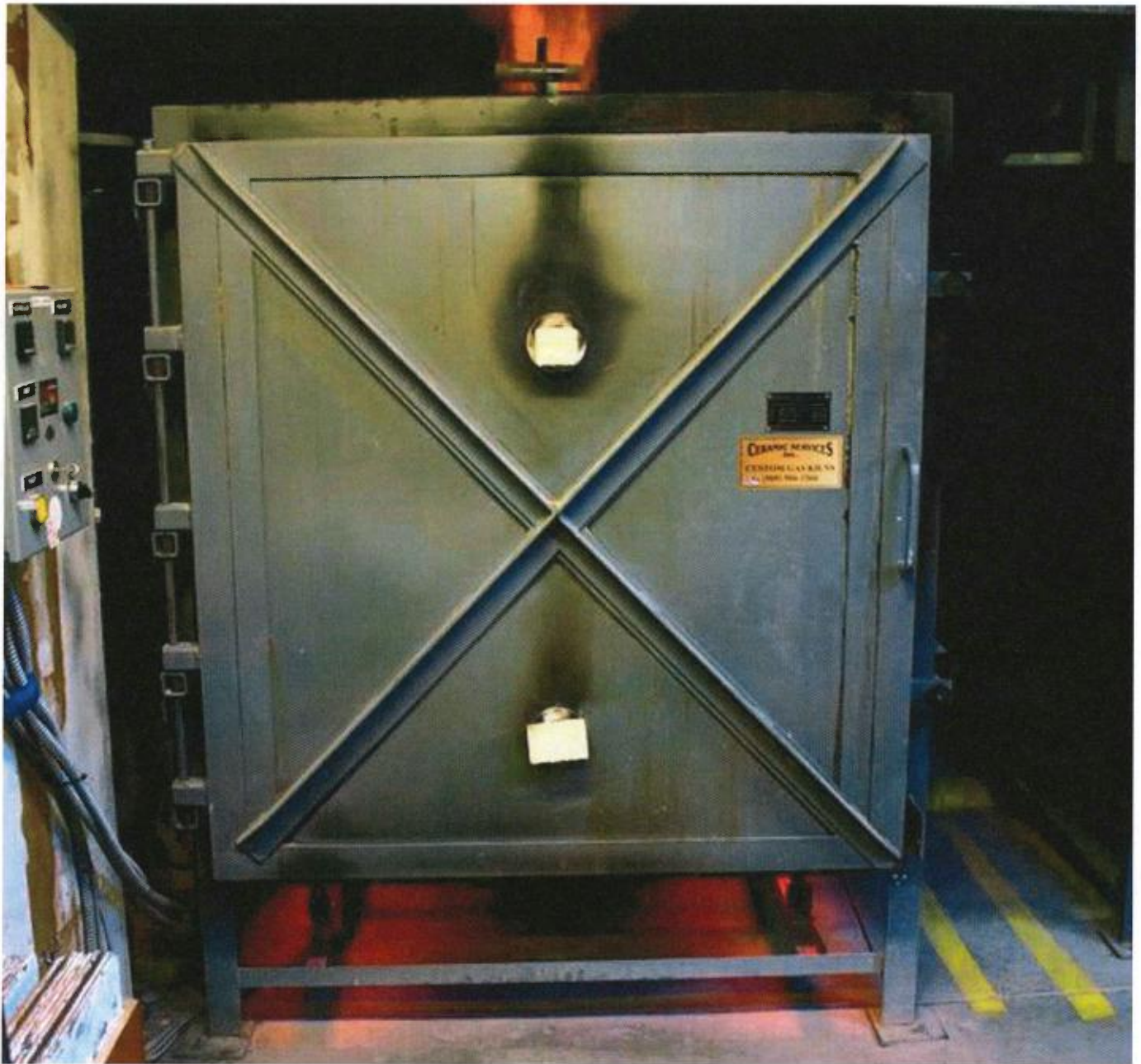
[utm_source=story&utm_medium=web&utm_campaign=stories](http://hoodline.com/2015/08/hayes-valley-the-central-freeway?utm_source=story&utm_medium=web&utm_campaign=stories)). "Ruby's has operated on Noe Street since around 1968," manager and longtime member Richard Williams told us.

Williams, who has been part of the studio since 1981, said that O'Burke was a fixture at the studio. "She lived upstairs with her two dachshunds. I wish I could say she was a sweet old lady [laughs], but she was quite knowledgeable, especially about glazes. We owe her an enormous debt of thanks for re-establishing the workshop there in that building."



After O'Burke's death in 1985, the studio transformed into a membership-based 501(c)3 nonprofit organization that caters to local artists and students. Its members range from novice enthusiasts to master craftsmen and women.

Ruby's is situated across two compact levels. The top floor is used for drop-ins and serves current students enrolled in the studio's eight-week courses, while artists and senior members of the studio use the basement level, which offers a casual display and drying space for their completed and in-progress works.



Ruby's largest kiln, firing at nearly 2,300 degrees Fahrenheit.

The studio's computerized kilns (both electric and gas) are situated at the rear of the space, firing pieces created by the broader Ruby's community at least once a month. As a perk of membership, individual members can fire whenever there is space and someone to tend to the process.

The kilns were built over outdoor space, as an addition to the old Victorian. "The building originally ended with the glazing area," Williams said. "When I first came here, there was an old guy down the street who remembered that when he was a kid, the space would get deliveries by horse and wagon. Our kiln area was the stable for the horse."

In total, Ruby's accommodates approximately 75 locker holders, 32 "space holders," 40 students, and drop-in studio users "too numerous to count." The space is overseen by acting operations manager Marnia Johnston, along with a board of directors comprised of nine members.



Terrie Raphael and one of her bowls.

"People are very generous with their time, information, and tools," said Terrie Raphael, the board's leader. "They're willing to share tips about composition and working with clay. It adds to the friendliness of the whole experience."



"I love the community," Johnston said. "I think that's what draws people to this place, and to clay in general. Kilns, clay mixers and other equipment are pretty expensive, and can be expensive to run. So potters share equipment. This creates a collaborative, supportive and creative community. Being an accepting, creative and supportive community, the Castro is just a great fit," she added.

Johnston admired the efforts that patrons go to in order to help make Ruby's continue to work for everyone. "We have a very small staff—even the studio managers are part-time. It's all supported by membership fees, allocated by the finance committee. The success of the studio is only made possible by people who give their time and their love to our space."



Artist space around the studio.

Ruby's is so popular that there's currently a three-year-long list of hopefuls clamoring to be part of the space. Responsibilities include paying annual dues and participation in one of Ruby's many committees, which organize everything from marketing to education to the gallery space. "It's relatively affordable," said Raphael. "We work very hard to keep fees as modest as possible, to make it accessible to people with a variety of backgrounds."

Ruby's has gallery shows that change approximately every two to four weeks, providing a unique opportunity for many artists to learn how to display their work, price it appropriately, and gain exposure. The eight-week courses, which are open to the community, cater to all ability levels simultaneously, giving students the chance to drop in and use studio space in their spare time.



"I'm just making some little mugs for my own project," said Daniel, a current Ruby's student. "I'm a drop-in, so I come here once a week, usually on a Saturday. It's a great way to find peace of mind." Originally from England, he admires that students come from all over. "It's a little microcosm of the world."



Sunny's CCC's: Cute Cat Cups.

His fellow student Sunny, who started classes this year, also enjoys the diverse crowd. "In the same class, you have beginners and very advanced ceramicists ... you all learn from each other."

Ruby's also tries to provide services to the wider community. "We are currently firing work for several elementary schools in San Francisco, as well as the **Homeless Prenatal program** (<http://www.homelessprenatal.org/>)," Johnston said. "And we'll be working with SEED to provide clay and firing to schools in Bayview/Hunter's Point."

"As a nonprofit, we are always balancing the needs of our community members while making sure we are a fiscally healthy organization," she continued. "With so many nonprofit arts organizations leaving the city, we are very aware that our mission is more important than ever."



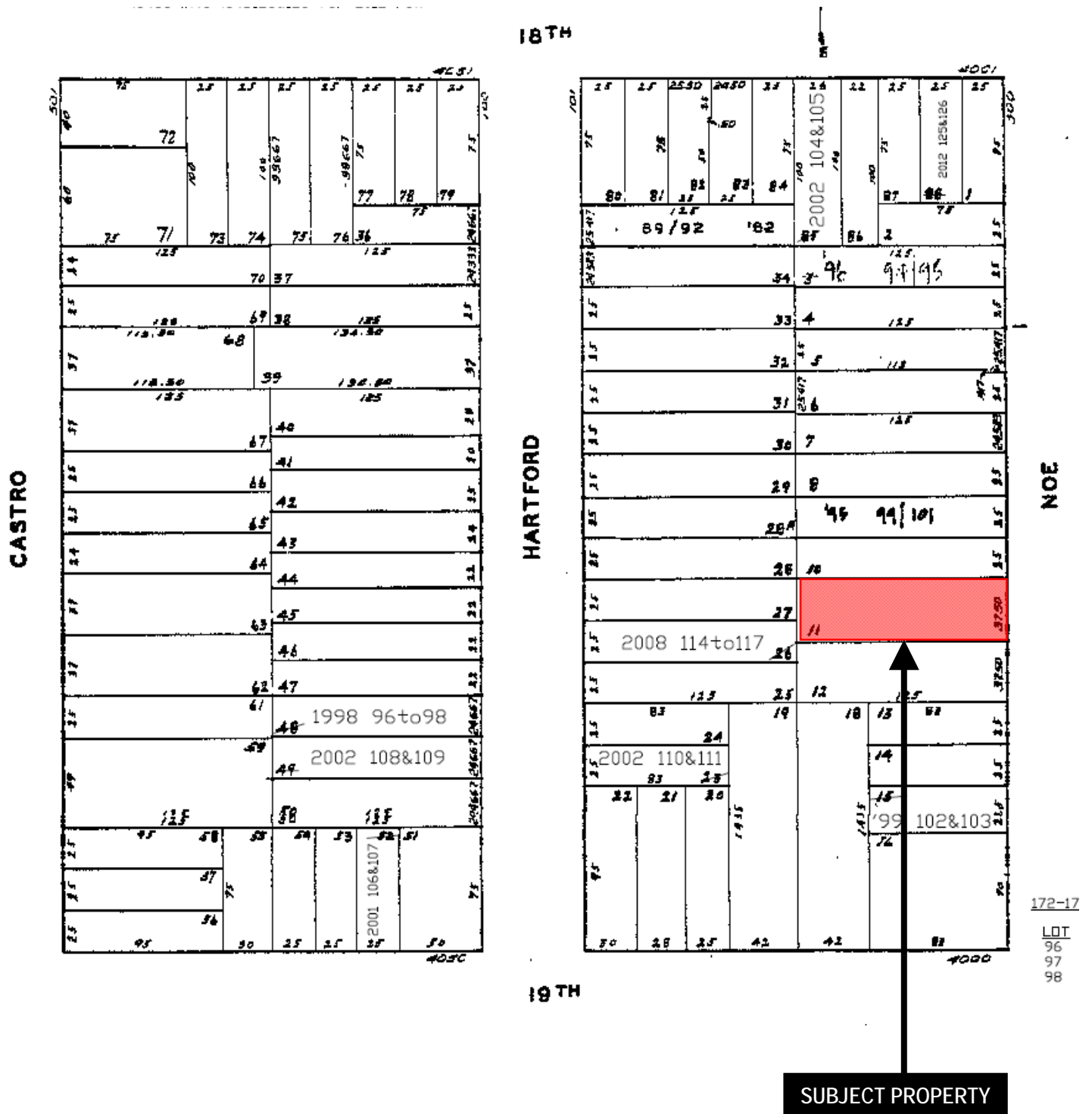
The studio holds several shows throughout the year where members can sell work created in the studio, including the Holiday Sale, which runs for several weeks, starting today. "The Holiday Sale has about 25 participants, each with their own petite space in the gallery," Johnston told us. The sale will be up through January 5th, with proceeds going directly to the artists.



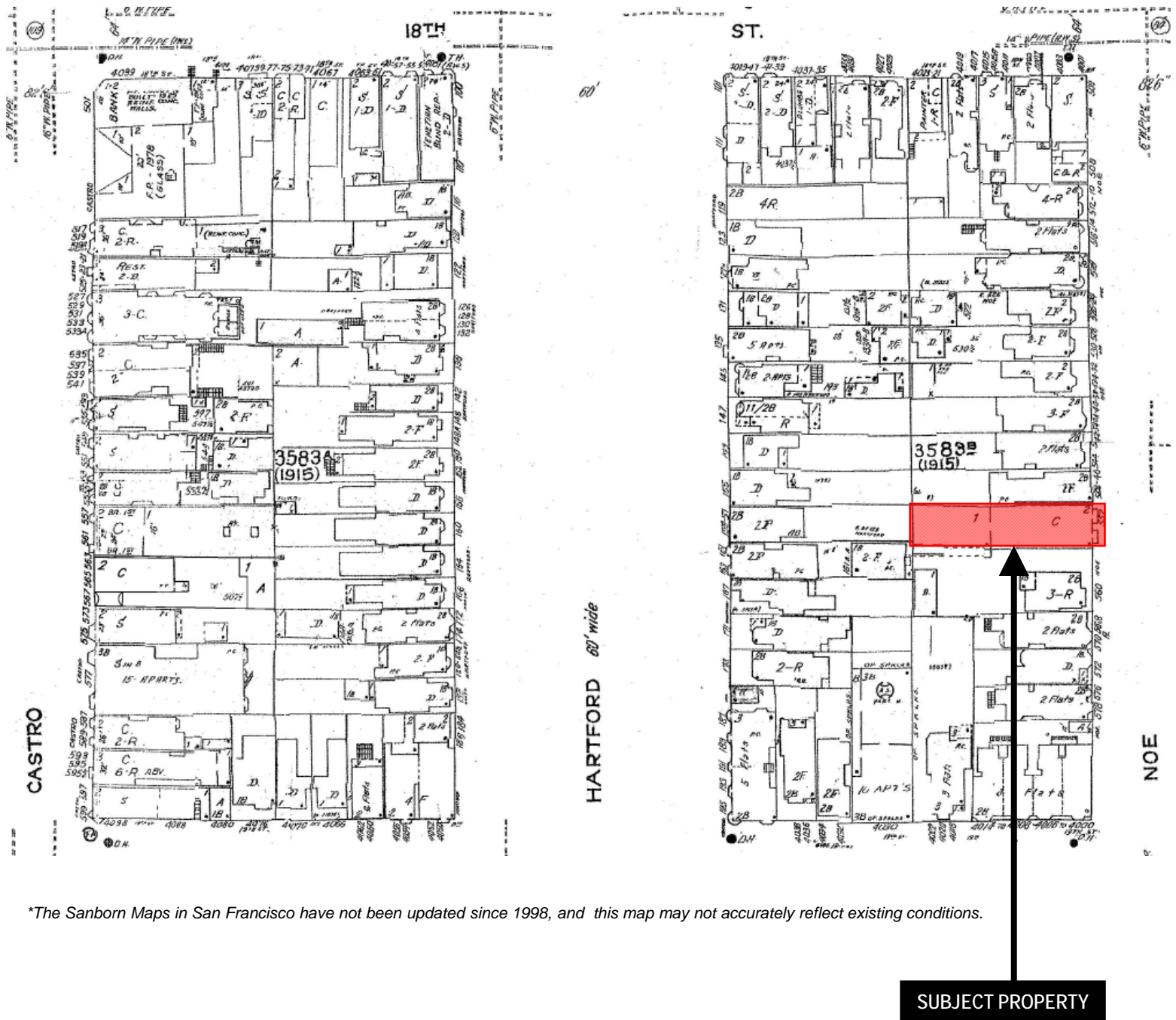
"Honestly, we're so lucky," Johnston said. "Lucky to have a great building to rent, with landlords who accommodate us; lucky to have such a supportive community; and lucky to have members who are willing and able to pick up the slack when things need to get done. I like to say that Ruby's is a 'do-ocracy,' and our members really are the ones who make things happen here."

*Ruby's Clay Studio & Gallery is located at 552 Noe St. Its Holiday Sale begins today, November 18th, and runs through January 5th. A full schedule of classes and events, as well as details on the membership process and art shows, is available on the studio's **website** (<http://www.rubysclaystudio.org/>).*

Parcel Map



Sanborn Map*



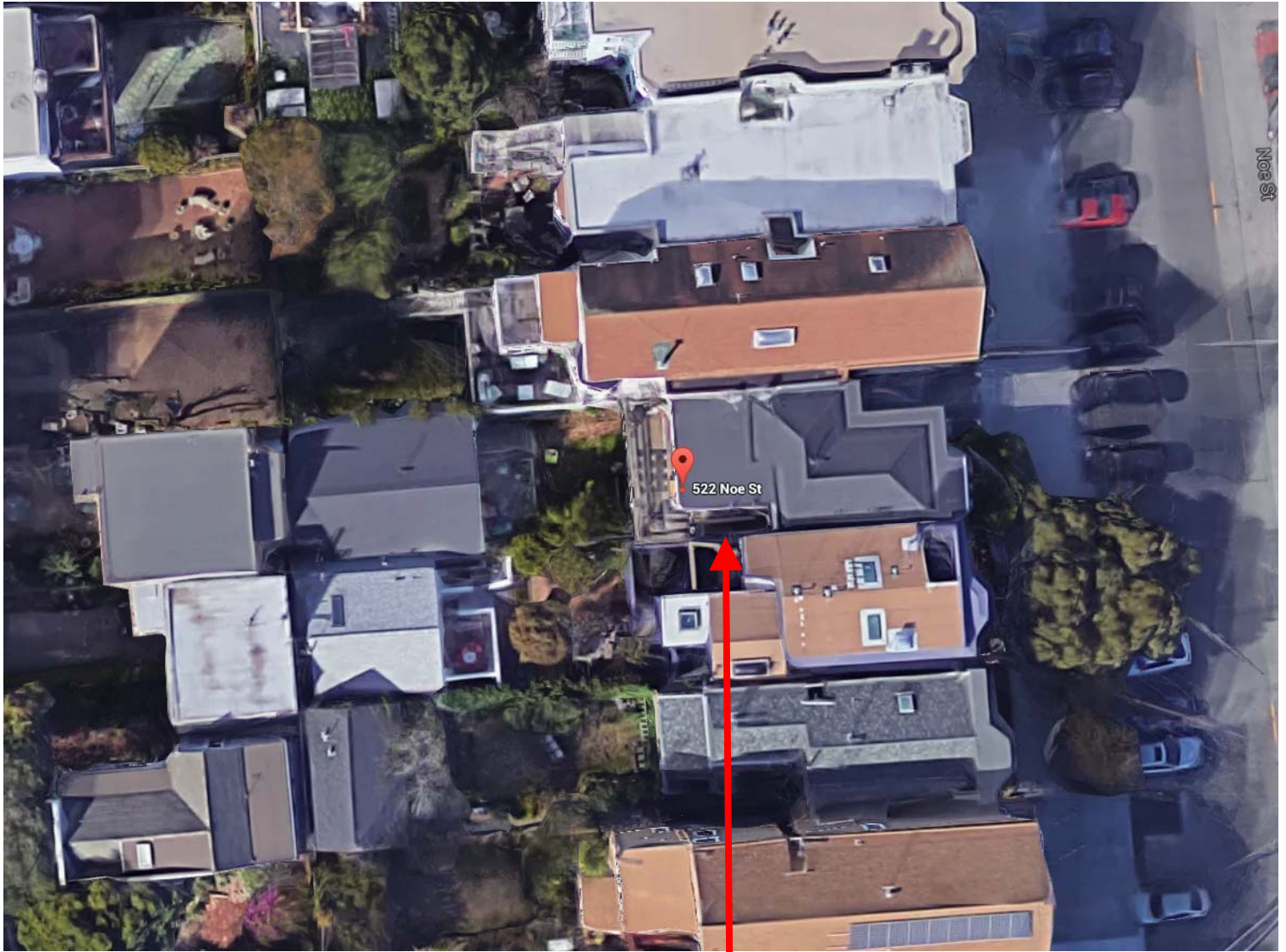
*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



SAN FRANCISCO
PLANNING DEPARTMENT

Legacy Business Registry Nomination
Case Number ####
Ruby's Clay Studio
522A Noe Street

Aerial Photograph



SUBJECT PROPERTY



Legacy Business Registry Nomination
Case Number ####
Ruby's Clay Studio
522A Noe Street

Photograph



Print

San Francisco Administrative Code

SEC. 2A.242. LEGACY BUSINESS REGISTRY.

(a) The Office of Small Business shall establish and maintain a registry of Legacy Businesses in San Francisco (the "Registry"). The purpose of the Registry is to recognize that longstanding, community-serving businesses can be valuable cultural assets of the City. In addition, the City intends that the Registry be a tool for providing educational and promotional assistance to Legacy Businesses to encourage their continued viability and success.

(b) For purposes of this Section 2A.242, "Legacy Business" means a business that has been nominated by a member of the Board of Supervisors or the Mayor in accordance with subsection (c) below, and that the Small Business Commission, after a noticed hearing, determines meets each of the following criteria:

(1) The business has operated in San Francisco for 30 or more years, with no break in San Francisco operations exceeding two years. The business may have operated in more than one location. If the business has operated in San Francisco for more than 20 years but less than 30 years it may still satisfy this subsection (b)(1) if the Small Business Commission finds that the business has significantly contributed to the history or identity of a particular neighborhood or community and, if not included in the Registry, the business would face a significant risk of displacement.

(2) The business has contributed to the neighborhood's history and/or the identity of a particular neighborhood or community. Prior to the hearing, the Small Business Commission, or the Executive Director of the Office of Small Business on its behalf, shall request an advisory recommendation from the Historic Preservation Commission as to whether the business meets the requirement in this subsection (b)(2). If the Historic Preservation Commission does not provide an advisory recommendation within 30 days of receipt of the request, the Small Business Commission shall treat such nonresponse as an advisory recommendation that the business meets the requirement in this subsection (b)(2).

(3) The business is committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms.

If the Small Business Commission makes all three findings, it shall include the business in the Registry as a Legacy Business.

(c) Nominations for the Registry shall be limited to a total of 300 businesses per fiscal year (July 1 through June 30). A nomination is deemed to have been made on the date the Small Business Commission receives the nomination in writing from a member of the Board of Supervisors or the Mayor. Nominations received after the close of business on June 30 shall be considered received in the following fiscal year. The nominations for any fiscal year shall be the first 300 received in that fiscal year.

There is no limit on the number of nominations that may be made by the Mayor or a Member of the Board of Supervisors. Notwithstanding the previous sentence, the Small Business Commission may adopt regulations under subsection (e) below to ensure that the Mayor and

each member of the Board of Supervisors have the same opportunity to submit nominations, and to prescribe procedures as appropriate for the nomination process.

(d) The Executive Director of the Office of Small Business, in consultation with the Controller, shall establish a one-time non-refundable administrative fee, to offset the costs of administering the program, which shall not exceed \$50, to be paid by businesses that are nominated for inclusion in the Registry and that wish to be included in the Registry.

(e) The Small Business Commission may, after a noticed hearing, adopt such rules, regulations and forms necessary to implement this Section 2A.242. Any rules and regulations adopted under this authority shall be subject to disapproval of the Board of Supervisors by ordinance. The Small Business Commission shall provide written notice to the Clerk of the Board of Supervisors of its adoption of any rule or regulation under this subsection (e), along with a copy of said rule or regulation. If a Member of the Board of Supervisors does not introduce an ordinance to disapprove the rule or regulation within 30 days of the date of delivery of such notice to the Clerk of the Board of Supervisors, or if such an ordinance is introduced within the 30-day period but the ordinance is not enacted by the Board of Supervisors within 90 days of the date of the Commission's delivery of notice to the Clerk of the Board of Supervisors, the rule or regulation shall go into effect.

(f) The Small Business Commission shall survey San Francisco's Legacy Businesses and, no later than September 30, 2015, make substantive recommendations to the Board of Supervisors for programs for Legacy Businesses. Such programs may include business and technical assistance, lease renewal and acquisition assistance, public education and commendation initiatives to recognize and honor the contributions of Legacy Businesses to San Francisco, financial incentives to encourage the stability of Legacy Businesses, and additional business stabilization and neighborhood continuity initiatives.

(Added by Ord. [29-15](#), File No. 141038, App. 3/19/2015, Eff. 4/18/2015; amended by [Prop. J](#), App. 11/3/2015)

SEC. 2A.243. LEGACY BUSINESS HISTORIC PRESERVATION FUND.

(a) Findings and Purpose.

(1) According to a September 2014 report by San Francisco Architectural Heritage (San Francisco Heritage) entitled "Sustaining San Francisco's Living History: Strategies for Conserving Cultural Heritage Assets," long-operating businesses in San Francisco foster civic engagement and pride as neighborhood gathering spots, and contribute to San Francisco's cultural identity.

(2) In San Francisco's current economic climate, many otherwise successful, long-operating businesses are at risk of displacement, despite continued value to the community and a record of success.

(3) In recent years, San Francisco has witnessed the loss of many long-operating businesses because of increased rents or lease terminations.

(4) To the extent that property owners have little incentive to retain longstanding tenants, a long-operating business that does not own its commercial space or have a long-term lease is particularly vulnerable to displacement. A viable strategy for securing the future stability of San

Francisco's long-operating businesses is to provide incentives for them to stay in the community, and incentives for their landlords to enter into long-term leases with such businesses.

(5) The purpose of the Legacy Business Historic Preservation Fund, therefore, is to maintain San Francisco's cultural identity and to foster civic engagement and pride by assisting long-operating businesses to remain in the City.

(b) Grants To Legacy Businesses.

(1) **Qualifications for Grant.** Subject to the budgetary and fiscal provisions of the City Charter, the Office of Small Business shall award a Legacy Business, as defined in Section 2A.242, an annual grant as calculated in subsection (b)(3) below, provided that the Legacy Business: (A) annually files an application for the grant with the Office of Small Business between July 1 and September 30; (B) has no amounts owing to the City as a result of fines, penalties, interest, assessments, taxes, fees, or any other financial obligations imposed by law, regulation, or contract that were delinquent as of the date of application; and (C) meets all other requirements for the grant established by this Section 2A.243 and by any rules and regulations of the Small Business Commission. A Legacy Business qualifying under this subsection (b)(1) shall be referred to as a "Qualified Legacy Business" for purposes of this Section 2A.243.

(2) **Grant Application.** A Legacy Business seeking a grant under subsection (b) of this Section 2A.243 shall submit an application on a form prepared by the Office of Small Business, and shall certify: (A) the number of full-time equivalent employees employed in San Francisco by the Legacy Business as of the immediately preceding June 30; and (B) that the Legacy Business meets all of the requirements for the grant established by this Section 2A.243 and by any rules and regulations of the Small Business Commission. For purposes of this Section 2A.243, the number of full-time equivalent employees employed in San Francisco by a Legacy Business as of the immediately preceding June 30 is determined by adding, for each employee employed as of that date, the employee's average weekly hours over the preceding 12 months (July 1-June 30), dividing the result by 40, and rounding to the nearest full employee.

(3) **Amount of Grant.** After the September 30 application deadline, the Office of Small Business shall award to a Qualified Legacy Business a grant equal to \$500 per full-time equivalent employee employed in San Francisco by the Qualified Legacy Business as of the immediately preceding June 30, up to a maximum of 100 full-time equivalent employees, except that the total combined grants paid to all Qualified Legacy Businesses in a fiscal year (July 1-June 30) shall not exceed the appropriations into the Legacy Business Assistance Account in the Legacy Business Historic Preservation Fund. If in a fiscal year the total grants requested by Qualified Legacy Businesses under this Section 2A.243 exceed the amount of the appropriations into the Legacy Business Assistance Account, the Office of Small Business shall allocate the grants to be paid to all Qualified Legacy Businesses proportionately based on the number of full-time equivalent employees employed in San Francisco by each Qualified Legacy Business as of the immediately preceding June 30. The Office of Small Business shall pay the grants from the Legacy Business Assistance Account in the Legacy Business Historic Preservation Fund.

(c) Grants To Landlords.

(1) **Qualifications for Grant.** Subject to the budgetary and fiscal provisions of the City Charter, the Office of Small Business shall award an annual grant to a landlord that, on or after January 1, 2016, enters into an agreement with a Legacy Business that leases real property in San Francisco to the Legacy Business for a term of at least 10 years or extends the term of the Legacy Business's existing lease to at least 10 years, for each year of a lease entered into on or

after January 1, 2016, or each year that was added to an existing lease on or after January 1, 2016 (e.g., an existing five-year lease that is extended to 20 years on January 1, 2016 would entitle the landlord to 15 years of grants), as calculated in subsection (c)(3) below, provided that: (A) the landlord files an initial application for the grant with the Office of Small Business after execution of the qualifying lease, and annually files an application for the grant prior to the anniversary date of the landlord's first grant payment; (B) the lease meets all other criteria required by rules and regulations of the Small Business Commission, including criteria tied to the amount of rent and other lease provisions that may impact the long-term stability of the Legacy Business; (C) the landlord has no amounts owing to the City as a result of fines, penalties, interest, assessments, taxes, fees, or any other financial obligations imposed by law, regulation, or contract that were delinquent as of the date of application; (D) the landlord is not related by ownership, either directly or indirectly, to the Legacy Business to which the landlord leases the property; and (E) the landlord meets all other requirements for the grant established by this Section 2A.243 and by any rules and regulations of the Small Business Commission. Any lease or lease extension between a landlord and a Legacy Business shall not fail to meet the requirements of this subsection (c)(1) as a result of a provision in the lease making the lease, or any portion thereof, contingent upon the landlord receiving a grant from the City under this subsection (c)(1) equal to \$4.50 per square foot, up to a maximum of 5,000 square feet per location, of the improvements in San Francisco leased to the Legacy Business from which the Legacy Business operates its business. A landlord qualifying under this subsection (c)(1) shall be referred to as a "Qualified Landlord" for purposes of this Section 2A.243.

(2) **Grant Application.** A landlord seeking a grant under subsection (c)(1) of this Section 2A.243 shall submit an application on a form prepared by the Office of Small Business, and shall include: (A) a certification of the total square footage of the improvements in San Francisco leased to the Legacy Business from which the Legacy Business operates its business; (B) a copy of the lease with the Legacy Business; and (C) a certification that the landlord meets all of the requirements for the grant established by this Section 2A.243 and by any rules and regulations of the Small Business Commission. The landlord shall submit any subsequent annual applications for grants under subsection (c)(1) by the anniversary date of their first grant payment under subsection (c)(1) on a form prepared by the Office of Small Business, and shall include: (A) a certification of the total square footage of the improvements in San Francisco leased to the Legacy Business from which the Legacy Business operates its business; (B) a certification that there have been no changes to the lease that would impact the Qualified Landlord's eligibility for the grant; and (C) a certification that the Qualified Landlord continues to meet all of the requirements for the grant established by this Section 2A.243 and by any rules and regulations of the Small Business Commission. If the Office of Small Business denies a landlord's application for a grant, the Office of Small Business shall, to the extent permitted by law, keep confidential any lease submitted by that landlord under this subsection (c)(2) in connection with the application. If the Office of Small Business approves a landlord's application for a grant, the Office of Small Business shall, to the extent permitted by law, keep confidential all provisions in any lease submitted by that landlord under this subsection (c)(2) in connection with the application to the extent that such provisions did not form some or all of the basis for the Office of Small Business's decision to award the grant to the landlord.

(3) **Amount of Grant.** Following a landlord's initial application and on the anniversary date of a Qualified Landlord's first grant payment thereafter, the Office of Small Business shall pay to a Qualified Landlord a grant equal to \$4.50 per square foot, up to a maximum of 5,000 square feet per location, of the improvements in San Francisco leased to the Legacy Business from which the Legacy Business operates its business, except that the total grants paid to all Qualified

Landlords in a fiscal year shall not exceed the appropriations into the Legacy Business Rent Stabilization Account in the Legacy Business Historic Preservation Fund. The Office of Small Business shall pay the grants from the Legacy Business Rent Stabilization Account in the Legacy Business Historic Preservation Fund. The Office of Small Business shall allocate funds from the Legacy Business Rent Stabilization Account among Qualified Landlords as follows:

(A) The Office of Small Business shall first allocate amounts in the Legacy Business Rent Stabilization Account to cover all grants to be made during the fiscal year to Qualified Landlords from prior years that have years remaining on their leases with respect to which the Qualified Landlords are entitled to grants. If sufficient funds do not exist to cover all grants to be made during the fiscal year to these Qualified Landlords from prior years, the Office of Small Business shall allocate the amount in the Legacy Business Rent Stabilization Account to these Qualified Landlords from prior years proportionately based on the square footage of the improvements in San Francisco leased to the Legacy Businesses from which the Legacy Businesses operate their businesses.

(B) If there are sufficient funds in the Legacy Business Rent Stabilization Account to pay all grants during the fiscal year to Qualified Landlords from prior years, grants to new Qualified Landlords will be made out of any amount remaining in the Legacy Business Rent Stabilization Account (after subtracting amounts necessary to pay all grants during the fiscal year to Qualified Landlords from prior years) in the order that the Office of Small Business receives the Qualified Landlords' completed grant applications, beginning on July 1 of each fiscal year. If any Qualified Landlord from a prior year fails to apply for a grant in a subsequent year or fails to qualify in a subsequent year, the amount of funds that would have been paid to that previously Qualified Landlord shall be available to pay grants to new Qualified Landlords under this subsection (c)(3) (B).

(C) If the Small Business Commission determines that a Legacy Business faces an immediate risk of displacement and that a grant under subsection (c)(1) of this Section 2A.243 would prevent such displacement, but there are insufficient funds in the Legacy Business Rent Stabilization Account (after subtracting any amounts to be paid during the fiscal year to Qualified Landlords from prior years) to make such a grant, the Small Business Commission may request a supplemental appropriation from the Board of Supervisors. Such supplemental appropriation will be used first to pay the grant to the Legacy Business that faces an immediate risk of displacement, with any remaining amount being available to pay grants to new Qualified Landlords.

(d) Implementation.

(1) After holding a public hearing, the Small Business Commission, in consultation with the Controller, shall adopt rules and regulations to establish the procedures to implement this Section 2A.243. Any rules and regulations adopted under this authority shall be subject to disapproval of the Board of Supervisors by ordinance. The Small Business Commission shall provide written notice to the Clerk of the Board of Supervisors of its adoption of any rule or regulation under this subsection (d)(1), along with a copy of said rule or regulation. If a Member of the Board of Supervisors does not introduce an ordinance to disapprove the rule or regulation within 30 days of the date of delivery of such notice to the Clerk of the Board of Supervisors, or if such an ordinance is introduced within the 30-day period but the ordinance is not enacted by the Board of Supervisors within 90 days of the date of the Commission's delivery of notice to the Clerk of the Board of Supervisors, the rule or regulation shall go into effect.

(2) The Office of Small Business shall have the authority to verify all information provided by a Legacy Business or landlord in connection with an application for a grant under this Section 2A.243. Failure of a Legacy Business or landlord to comply with information requests from the Office of Small Business, or the provision of false information in connection with an application or in response to such requests, shall result in the denial of any grant under this Section 2A.243.

(e) Reports.

(1) By the first business day of June of each year commencing with June 2017, the Executive Director of the Office of Small Business shall file a written report with the Board of Supervisors on the implementation of this Section 2A.243. The report shall include a list of: (A) each Qualified Legacy Business and the amount of the grant paid to each Qualified Legacy Business for the prior fiscal year; and (B) each Qualified Landlord, the Legacy Business to which the Qualified Landlord leased the real property, and the amount of the grant paid to each Qualified Landlord for the prior fiscal year. The report may include other information relevant to implementation of this Section 2A.243, at the discretion of the Executive Director of the Office of Small Business.

(2) Commencing in fiscal year 2020-2021 (July 2020-June 2021), the Controller shall perform an assessment and review of the effect of this Section 2A.243 on the stability of Legacy Businesses for the prior five fiscal years. Based on such assessment and review, the Controller shall file a written analysis with the Board of Supervisors by no later than the first business day of October 2020, and by the first business day of October at five-year intervals thereafter. The analysis shall be based on criteria deemed relevant by the Controller, and may include, but is not limited to, data contained in the annual reports that the Office of Small Business submits to the Board of Supervisors under subsection (e)(1) above.

(f) For fiscal year 2017-2018 and each second succeeding fiscal year thereafter, the Office of Small Business shall increase the amount per full-time equivalent employee (rounded to the nearest dollar) and the amount per square foot (rounded to the nearest cent) in subsections (b)(3) and (c)(3), respectively, of this Section 2A.243, to reflect increases in the Consumer Price Index: All Urban Consumers for the San Francisco/Oakland/San Jose Area for All Items as reported by the United States Bureau of Labor Statistics, or any other index that, in the discretion of the Controller, better reflects increases in commercial rents, for each of the preceding two years. These revised figures shall be used prospectively to calculate grants under subsections (b)(3) and (c)(3) of this Section 2A.243.

(g) The Board of Supervisors may, without a vote of the people, amend this Section 2A.243 to increase the amount per full-time equivalent employee and the amount per square-foot in subsections (b)(3) and (c)(3) of this Section 2A.243, or to change the metric by which grants are made to Qualified Legacy Businesses and Qualified Landlords consistent with the purposes enumerated in subsection (a) of this Section 2A.243.

(Added by [Prop. J](#), App. 11/3/2015)