



SAN FRANCISCO PLANNING DEPARTMENT

MEMO

DATE: January 8, 2016
TO: Historic Preservation Commission
FROM: Shelley Caltagirone, Preservation Staff, (415) 558-6625
REVIEWED BY: Tim Frye, Preservation Coordinator, (415) 575-6822
RE: **Review and Comment**
January 20, 2016 Hearing
Legacy Business Registry

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LEGACY BUSINESS REGISTRY REVIEW PROCESS

In order to implement the new Legacy Business Registry, the Planning Department must establish with the Historic Preservation Commission (HPC) and Small Business Commission (SBC) a process by which nominations to the Registry can be expeditiously reviewed. Regina Dick-Endrizzi from the Mayor's Office of Small Business will present to the HPC the requirements of the legislation and seek feedback proposed review options. Ms. Dick-Endrizzi has provided a draft application for the HPC's review, which would be required of all businesses nominated by either the Board of Supervisors or the Mayor in order to proceed to a hearing before the SBC.

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 (see Attachment A).

- 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,
- The 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 current 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.

SECTION 2A.242(b) OF THE ADMINISTRATIVE CODE

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.

STAFF ANALYSIS

Planning Staff has reviewed the legislation and the draft application and has outlined several methods for reviewing the nominations within the required 30-day period.

1. The HPC could develop review criteria for qualifying small businesses and delegate the review of nominations to the Planning Department Preservation Staff. In similar fashion to the current Administrative Certificate of Appropriateness process, Staff recommendations could be forwarded to the HPC. A hearing before the HPC would be required only if Staff advises against listing the nominee to the Registry.

Pros: This method would likely result in fewer hearings.

Cons: If the HPC disagrees with staff recommendations, it could be difficult to schedule a hearing within the 30-day window.

2. Upon receipt, nominations could be automatically placed on the next available HPC agenda as a consent item with a brief Staff Memo & Recommendation (1-2 pages).

Pros: This method would best assure that the HPC has the ability to review and discuss nominations within the 30-day window

Cons: This method would require staff to schedule and attend advisory hearings for each nomination.

3. The HPC could delegate the review of nominations to the Cultural Heritage Assets Committee (CHAC), and, upon receipt, nominations could be automatically placed on the next available CHAC agenda with a brief Staff Memo & Recommendation (1-2 pages).

Pros: This method would relieve the full Commission from reviewing each nomination.

Cons: This method would require staff to schedule and attend advisory hearings for each nomination. Also, with only two Committee members, scheduling hearings with a full quorum could be more difficult.

4. The HPC could request that the SBC structure the program to accept applications, except for those requiring immediate attention, on a quarterly or annual basis. The requests would be forwarded in batches to the HPC. Any of the proposed scenarios above could be combined with this scenario to allow for greater streamlining.

Pros: This method would to create more predictability in staff workloads and commission scheduling. It may also allow for a helpful comparison of nominations.

Cons: This method could result in large numbers of nominations being reviewed at once. It may also delay nominations for businesses that are facing eminent risk of displacement.

In any of the review scenarios presented above, it will be important for the Staff and the Commission to clearly articulate how nominees have “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). It may also be desirable to rate nominees, such as through a weighted point system, to provide a comparative framework for future recommendations to the SBC. Both the Staff Memo and Recommendation to the SBC could be primarily formatted as a checklist of questions to expedite and regularize the review. For the purposes of discussion, Staff proposes the following sample checklist questions for review:

- a. When was business founded? *Less than 20 years ago (1pt); 30-40 years ago (2pt); 40-50 years ago (3pt); More than 50 years ago (4pt)*

- b. Where is the business located? *Iconic neighborhood (1pt); Off-the-beaten-path neighborhood (2pt); Multiple neighborhoods (3pt)*¹
- c. Is the business unique to San Francisco? *No (0pt); Yes (1pt)*
- d. Is the business associated with culturally significant events? *No (0pt); Yes (1pt)*
- e. Is the business associated with culturally significant persons? *No (0pt); Yes (1pt)*
- f. Is the business associated with a culturally significant art/craft/cuisine/tradition? *No (0pt); Yes (1pt)*
- g. Is the business associated with a culturally significant building/structure/site/object/interior? *No (0pt); Yes (1pt)*
- h. Is the nominee a non-profit organization? *No (0pt); Yes (1pt)*
- i. Is the nominee a family-owned business? *No (0pt); Yes (1pt)*
- j. Has the nominee provided a public petition supporting listing on the Registry? *No (0pt); 100-499 signatures (1pt); 500-999 signatures (2pt); 1000+ signatures (3pt)*
- k. Is the organization relatively financially stable? *No (0pt); Yes (1pt)*
- l. Does the nominee own the property? *No (0pt); Yes (1pt)*
- m. Is the property associated with the business listed on a local, state, or federal historic resource registry? *No (0pt); Yes (1pt)*
- n. Is the business mentioned in a local historic context statement? *No (0pt); Yes (1pt)*
- o. Are there other Legacy Businesses located in the same neighborhood as the nominee? *Yes (0pt); No (1pt)*

¹ Iconic neighborhoods, as defined by SF Travel: Union Square, Fisherman's Wharf, Chinatown, Embarcadero/Ferry Building, North Beach, Marina/ Presidio, Castro, Haight Ashbury

Off-the-beaten-path neighborhoods, as defined by SF Travel: SOMA/ Yerba Buena/ Moscone, Civic Center, Richmond/ Sunset/ Ocean Beach, Golden Gate Park, Mission, Japan Town, Fillmore, Hayes Valley

REQUESTED ACTION

1. Provide comments on the Draft Legacy Business Registry Application.
2. Discuss and recommend one or more of the four methods of application review listed above or propose a different method of review for development.
3. Discuss the effectiveness of a “recommendation checklist” and the usefulness of the sample questions listed above or propose different questions for consideration.

ATTACHMENTS

- A. Administrative Code Sections 2A.242 LEGACY BUSINESS REGISTRY and 2A.243 LEGACY BUSINESS HISTORIC PRESERVATION FUND
- B. Draft Legacy Business Registry Application

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)

INSTRUCTIONS FOR

Legacy Business Registration Application

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

ABOUT THE 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.

BUSINESS ELIGIBILITY CRITERIA

A Legacy Business is 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 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. If the business has operated in San Francisco for more than 20 years but less than 30 years it may still satisfy this criteria 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.
3. The business is committed to maintaining the physical features or traditions that define the business, including craft, culinary, or art forms.

THE REGISTRATION PROCESS

1. A member of the Board of Supervisors or the Mayor submits a letter of nomination to the Office of Small Business (OSB).
2. Upon nomination the applicant submits an application to OSB and filing fee.
3. Once the application is determined to be complete, the application is routed to the Historical Preservation Commission for an advisory recommendation from the Historic Preservation Commission as to whether the business meets the requirements of item number two under the Business Eligibility Criteria. The Historical Preservation Commission has 30 days to provide an advisory recommendation.
4. A final hearing is scheduled at the Small Business Commission. The SBC will hear public testimony and determine if the business meets the criteria for legacy registration. The Commission will then vote whether to certify the business for the Legacy Business Registry.

INSTRUCTIONS FOR THE APPLICATION AND SUBMISSION:

There is a \$50.00 non-refundable application fee. This can be paid by check payable to: City and County of San Francisco - Office of Small Business or (CCSF-OSB)

Complete all four sections of the application. Incomplete applications will be returned.

Section One: Current Owner / Applicant Information. Provide the following information:

- The name, mailing address, and other contact information of the business;
- The name of the person who owns the business. For businesses with multiple owners, identify the person(s) with the highest ownership stake in the business;
- The name, title, and contact information of the applicant;

- The business's San Francisco Business Account Number and entity number with the Secretary of State, if applicable;

Section Two: Business Addresses. Identify the original San Francisco location of the business and the dates of operation at that location, and identify whether that location is where the business was originally founded. If the business has had additional addresses in San Francisco, identify all other addresses and the dates of operation at each address.

Section Three: Eligibility Criteria. Provide a narrative describing the businesses eligibility per the *BUSINESSES ELIGIBILITY CRITERIA* listed below. The narrative should be no longer than 6 pages and it is recommended the responses follow the criteria listed below to demonstrate eligibility. Where applicable, please provide supporting documentation.

1. Criterion 1:

- Describe the business and the essential features that define its character.
- Provide a short history of the business from the date the business opened in San Francisco to the present day, including the ownership history. For businesses with multiple locations, include the history of the original location in San Francisco (including whether it was the business's founding and or headquartered location) and the opening dates and locations of all other locations.
- Describe any circumstances that required the business to cease operations in San Francisco for more than six months

2. Criterion 2:

- Describe the business's contribution to the history and/or identity of the neighborhood. How does the building occupied by the business relate to the immediate neighborhood?
- Describe any special exterior and interior physical characteristics of the space occupied by the business (e.g., signage, murals, architectural details, neon signs, etc.).
- Provide a description of the community the business serves.

3. Criterion 3:

- How does business demonstrate a commitment to maintaining the special physical features that define the business?
- How does business demonstrate commitment to maintaining the traditions that define the business, including business model, goods and services, craft, culinary, or art forms?
- How does the business demonstrate its commitment to the community?
- How would the community be diminished if the business were to be sold, relocated, shut down, etc.?

In addition to the narrative, please include the following supplemental documents and/or materials, if available:

Historic legal documents, such as:

- San Francisco Business Registration Certificate
- Change in Ownership

Photographs documenting:

- community engagement
- historical events
- unique craft, arts, cuisines, or traditions related to the business

Ephemera and memorabilia:

(Example: advertising print, audio and video, advertising trade cards, bookmarks, catalog, greeting cards, letters, magazines, matchbooks, menus, pamphlets, postcards, posters, prospectuses, and tickets.)

Newspaper Clippings

Audio and Video News stories

Section Four: San Francisco Taxes, Business Registration, Licenses, Labor Laws and Public Information Release.

This section is verification that all San Francisco taxes, business registration, and licenses are up to date and there are no current violations of San Francisco labor laws. In addition, we are required to inform you that all information provided in the application will become subject to disclosure under the California Public Records Act.

INSTRUCTIONS FOR SUBMISSION

Please submit the completed application and the \$50.00 non-refundable application fee to:

(paid by check payable to: City and County of San Francisco - Office of Small Business or (CCSF-OSB)

Office of Small Business

Attn: Legacy Business Registration Application

City Hall, Room 110

1 Dr. Carlton B. Goodlett Place

San Francisco, 94102

You will receive an email confirming receipt of your application and a follow-up response within two weeks of the application receipt.

QUESTIONS?

If you have any of the questions or need assistance regarding the application requirements and process, please contact Office of Small Business staff by phone at (415) 554-6134 or by email at SBAC@SFGOV.ORG.

APPLICATION FOR

Legacy Business Registration

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

1. Current Owner / Applicant Information

NAME OF BUSINESS:		
BUSINESS OWNER(S) (identify the person(s) with the highest ownership stake in the business)		
CURRENT BUSINESS ADDRESS:	TELEPHONE:	
	()	
	EMAIL:	
WEBSITE:	FACEBOOK PAGE:	YELP PAGE

APPLICANT'S NAME	
<div style="text-align: right;">€ Same as Business Owner</div>	
APPLICANT'S TITLE	
APPLICANT'S ADDRESS:	TELEPHONE:
	()
	EMAIL:

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

NAME OF NOMINATOR:	DATE OF NOMINATION:

2. Business Addresses

ORIGINAL SAN FRANCISCO ADDRESS:	ZIP CODE:	DATES OF OPERATION
IS THIS LOCATION THE FOUNDING LOCATION?		
<input type="checkbox"/> Yes <input type="checkbox"/> No		

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

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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.

Name (Print):

Date:

Signature: