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***PRESS RELEASE***
SUPERVISOR MELGAR AND BUDGET AND LEGISLATIVE ANALYSTS’ OFFICE RELEASE REPORT ON HOW WOMEN-OWNED BUSINESSES FARED IN RECEIVING COVID-19 RELIEF

San Francisco women-owned businesses did not receive fair share of Federal funds, but received higher share of locally-funded loans and grants

SAN FRANCISCO, CA— The Budget and Legislative Analyst’s Office (BLA) published a report on how women-owned businesses in San Francisco benefitted from COVID-19 financial assistance in comparison with other firms at the request of Supervisor Myrna Melgar.

In the report published today, the BLA estimated that there are approximately 22,500 to 41,005 women-owned firms in San Francisco. The BLA found that women-owned businesses received fewer and smaller loans on average from the federal Paycheck Protection Program (PPP) in 2020. The program provided forgivable loans to help businesses retain their workforce during the COVID-19 pandemic and was available to both employer businesses and self-employed individuals. According to the San Francisco Office of Economic and Workforce Development (OEWD), a total of $3.2 billion was provided in PPP loans to San Francisco firms from March through December 2020. The analysis found that women-owned firms received a disproportionately smaller share of all PPP loans: an estimated 25 percent though they comprise an estimated 37 to 42 percent of all firms in San Francisco. This translates into an estimated 2,666 to 3,777 women-owned firms that did not receive financial assistance, given their share of all businesses in San Francisco and the total number of PPP loans provided.

The other finding made by this report was that it was difficult to track down demographic data of the beneficiaries from Local, State, or Federal financial assistance programs. While businesses applying for funds cannot be mandated to share demographic information, they can be encouraged to provide that data voluntarily to help tailor approaches to meet the unique needs of business owners.

“Thank you so much to Fred Brousseau and Rashi Kesarwani with the BLA for all their hard work on trying to answer my questions with this report. What was a seemingly simple question proved to be unfortunately complex. From the Federal government down to our own municipality, we still lack cohesive information about racial and gender breakdowns of
businesses; creating incomplete answers on data and scope of resources. Despite not having a full data set, there is one major takeaway: women-owned businesses are receiving less financial support all around, which is simply unacceptable. I am glad we have answers on where to improve and I will be working on legislation to fill gaps in our systems,” said Supervisor Melgar.

“I am thankful for Supervisor Melgar’s dedicated approach to ensuring gender equity in our economic recovery,” said Kimberly Ellis, Director of the San Francisco Department on the Status of Women. “While this report provides critical information to identify the gaps and barriers to the success of women and women of color-owned businesses, it also confirms what we already know: that without accurate data, we cannot be sure that women are equitably served by San Francisco. The Department on the Status of Women will continue to advocate for better data and more services to address the needs of women and non-binary people across the city and beyond. And we look forward to working collaboratively with our City leaders and agencies to make sure women are not only not left behind in San Francisco’s recovery from this pandemic and economic crisis, but that they are centered in it.”

**Key Findings of the report include:**

- Women-owned businesses in San Francisco Received 37% Less than the average Paycheck Protection Program Loan amount for Men in 2020
- While estimates vary, at least 37% of San Francisco businesses are owned by women; assuming there are between 60,984 to 97,631 total businesses in San Francisco
- 37% to 42% of San Francisco businesses are owned by women
- Women comprise 42% of self-employed individuals
- Women recipients of OEWD loans and/or grants received an average award that was 23 percent less than the average award provided to men ($15,082 for men versus $11,649 for women)

**Key Recommendations of the report include:**

- Request that the Treasurer and Tax Collector report to the Board of Supervisors on the feasibility of collecting optional demographic information on the gender and race of business owner(s) during the business registration and renewal process or other options for obtaining this information.
- Request that the Office of Economic and Workforce Development (OEWD) and the Office of Small Business prioritize and build on existing practices for: (a) tracking economic impact indicators in order to measure outreach and financial aid that women small business owners receive, particularly from federal and state sources of Covid-19 assistance and (b) assisting women-owned businesses to obtain financial assistance from various sources separate from pandemic relief efforts.

The full report can be found [here](#).

For more information about the BLA report or contact Fred Brousseau, Director of Policy Analysis, at the Budget and Legislative Analyst’s Office.

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