Resolution supporting the immediate prioritization of small business economic relief in the appropriation of discretionary funds.

WHEREAS, The City and County of San Francisco and the State of California are under a State of Emergency requiring a shelter in place that has limited or halted small businesses activity; and

WHEREAS, The City of San Francisco is experiencing an economic crisis of an unprecedented magnitude; and

WHEREAS, In 2019 there were more than 90,000 registered small businesses operating in San Francisco that employed more than 350,000 workers; and

WHEREAS, San Francisco small businesses, as compared to other localities, are experiencing some of the most severe COVID-related recession impacts with an observed ~41% reduction in small business hours and an observed 33% small business closures; and

WHEREAS, San Francisco is observed to have the worst declines in sales tax revenue in the State of California with a 43% reduction in sales tax revenue between April and June of this year; and

WHEREAS, Temporary closures required by State and local officials have disproportionately impacted the leisure and hospitality, food and beverage, entertainment, and personal services industries, which have resulted in layoffs and furloughs of workers in those industries; and

WHEREAS, Most San Francisco small businesses have not benefited from federal relief programs with just 22,215 businesses in San Francisco benefitting from Paycheck
Protection Program (PPP) loans and with more than 80% of those loans falling under the amount of $150,000; and

WHEREAS, Just 4% of PPP loans were awarded to women-owned businesses with an average loan amount of $127,000 and 3% went to self-reported minority owned businesses with an average loan amount of $124,000; and

WHEREAS, San Francisco’s unemployment rate is currently 6.9%, slightly higher than the national average and more than twice as high as it was pre-COVID;

WHEREAS, Local jobless claims are disproportionately affecting women, minorities, and those without college degrees who are overrepresented in the industries where we’ve seen the sharpest economic declines including hotels, restaurants, arts and entertainment, and personal services; and

WHEREAS, San Franciscans have filed 295,000 unemployment insurance claims since February 2020, which is approximately 50% of the City’s workforce and 38% of the City’s adult population;

WHEREAS, 68,000 of those 295,000 unemployment insurance claims have been for Pandemic Unemployment Insurance which supports the self-employed and gig workers; and

WHEREAS, According to Opportunity Insight’s Economic Tracker, as of November 30, 2020, small business revenue in San Francisco was down 46.5% as compared to January 2020; and

WHEREAS, Economic challenges related to COVID-19 have disproportionately adversely impacted small business owners and those they employ; and

WHEREAS, Economic health is inextricably linked to housing and food security, and access to healthcare is directly linked to employment; and

WHEREAS, According to US Census Data collected from November 25-December 7, 36% of adults in the US reported that it was somewhat or very difficult for their household to
cover usual expenses such as food, rent or mortgage, car payments, medical expenses, or student loans in the past seven days; and

WHEREAS, According to United States (U.S.) Census Data collected from November 25 through December 7, an estimated 14.3 million adult renters (1 in 5) reported that they were not caught up on rent in the past seven days; and

WHEREAS, According to U.S. Census Data collected from November 11 through 23, an estimated 44% of all children live in a household that reported it was somewhat or very difficult to cover usual expenses in the past seven days; and

WHEREAS, According to US Census Data, Black and Latino adults were more than twice as likely as white adults to report that their household did not get enough to eat, with rates of 22% and 21%, respectively, compared to 9% for white adults; the rate was 19% for American Indian, Alaska Native, Native Hawaiian, Pacific Islander, and multiracial adults taken together; and

WHEREAS, According to U.S. Census Data, renters of color were more likely to report that their household was not caught up on rent, with Black renters facing the greatest hardship: 29% of Black renters, 26% of Latino renters, and 21% of Asian renters said they were not caught up on rent, compared to 14% of white renters; the rate was 18% for American Indian, Alaska Native, Native Hawaiian, Pacific Islander, and multiracial adults taken together; and

WHEREAS, According to U.S. Census Data, half of Black adults (52%) and Latino adults (50%) reported difficulty paying for usual household expenses, compared to 29% of white adults; among American Indian, Alaska Native, Native Hawaiian, Pacific Islander, and multiracial adults taken together, the rate was 45%; and

WHEREAS, Women and communities of color are disproportionately represented in the leisure and hospitality, entertainment, and personal services industries, and are also
disproportionately affected by the loss of jobs in those industries and the closures of small businesses; and

WHEREAS, Immediate and direct economic relief for small businesses related to their fixed costs and employee wages must be a funding priority for the City and County of San Francisco in order to prevent the permanent closure of small businesses who serve and employ their local communities; now, therefore, be it

RESOLVED, That the Board of Supervisors supports making small business economic relief a priority for any discretionary funds from this and next fiscal year that are available or become available; and, be it

FURTHER RESOLVED, That the Board of Supervisors directs the Clerk of the Board to transmit copies of this Resolution to the Mayor’s Budget Office, Office of the Controller, Office of Small Business, and Small Business Commission.
Resolution supporting the immediate prioritization of small business economic relief in the appropriation of discretionary funds.

January 05, 2021 Board of Supervisors - ADOPTED
Ayes: 11 - Fewer, Haney, Mandelman, Mar, Peskin, Preston, Ronen, Safai, Stefani, Walton and Yee

I hereby certify that the foregoing Resolution was ADOPTED on 1/5/2021 by the Board of Supervisors of the City and County of San Francisco.

Angela Calvillo
Clerk of the Board

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, or time waived pursuant to Board Rule 2.14.2, became effective without her approval in accordance with the provision of said Section 3.103 of the Charter or Board Rule 2.14.2.

Angela Calvillo
Clerk of the Board