

SMALL BUSINESS COMMISSION MEETING MINUTES

Monday, July 28, 2025 4:30 P.M.

City Hall, Room 416, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102

1. Call to order and roll call

Meeting called to order at 4:35pm

Present: Benitez, Cornet, Dickerson, Herbert, Huie, Zouzounis

Absent: Ortiz Cartagena

President requested to open Item 8: Director's Report

Item 8. Director's Report

Anne Taupier, Director of the Office of Economic and Workforce Development introduced herself and explained her vision and goals for the Department.

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

Richard Kurylo, Legacy Business Program Manager, Office of Small Business reviewed the following Legacy Business Registry applications:

- a. 111 Minna Gallery (Application No.: [LBR-2024-25-066](#))
- b. American Institute of Architects, San Francisco (Application No.: [LBR-2024-25-065](#))
- c. Bernal Cutlery (Application No.: [LBR-2024-25-044](#))
- d. Murio's Trophy Room (Application No.: [LBR-2024-25-039](#))
- e. Peasant Pies (Application No.: [LBR-2024-25-043](#))
- f. Treasure Island Yacht Club (Application No.: [LBR-2024-25-058](#))

Public Comment:

- Supervisor Dorsey's office, in support of 111 Minna Gallery and Treasure Island Yacht Club
- Sharon Yep, Treasure Island Yacht Club
- Amy Resin, American Institute of Architects
- Michelle Delaney, 111 Minna Gallery
- Josh Donald, Bernal Cutlery
- Ali Keshavarz, Peasant Pies

Commissioners congratulated applicants.

Motion to approve Legacy Business Registry Applications: Dickerson

2nd: Herbert

Ayes: Benitez, Cornet, Dickerson, Herbert, Huie, Zouzounis

Absent: Ortiz Cartagena

Motion passes 6-0-1

3. BOS File 250682 - Consolidating the North Beach Special Use and Neighborhood Commercial Districts and Expanding Allowable Uses and Use Size Limits in Certain Zoning Districts (Discussion and Action Item)

Michelle Andrews, Legislative Aide to Supervisor Sauter presented an Ordinance amending the Planning Code to: 1) eliminate the North Beach Special Use District and consolidate certain controls into the North Beach

Neighborhood Commercial District, expand allowable uses and increase use size limits in the North Beach Neighborhood Commercial District, 2) expand allowable uses and increase use size limits in the Polk Street Neighborhood Commercial District, 3) expand allowable uses in the Pacific Avenue Neighborhood Commercial District, 4) expand allowable uses and increase use size limits in the Nob Hill Special Use District, and 5) reduce limitations on Restaurants and Bars in the Jackson Square Special Use District; amending the Zoning Map to reflect removal of the North Beach Special Use District; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare under Planning Code, Section 302.

Public comment:

- Christin Evans, Small Business Forward, commented on lack of public outreach
- Vitro Stevens, Telegraph Hill Dwellers, in opposition

Commissioner comment:

Zouzounis: We appreciate the clarification that formula retail is still not allowed in North Beach. Is your office still meeting with stakeholders? Yes. D3 is meeting with neighborhood groups now through September when this goes to Planning Commission.

Huie: What are the specific concerns you have heard about? Questions about use size and the relationship between this proposal and Sup. Melgar's proposal regarding use size. We've also heard concerns about bars on Pacific Ave. Given that there are preschools nearby.

Huie: How long does a Conditional Use take? With the CB3P process, it would ensure a Planning Commission hearing within 90 days.

Zouzounis: Would Polk street allow formula retail? No. The focus on Polk St. is relaxing controls for health services and allowing storefront mergers.

Huie: Does this make North Beach controls more consistent with citywide controls? Yes.

Cornet: It sounds like we're still waiting for data and feedback.

Herbert: This sounds pro business and pro restaurant.

Motion to support BOS File 250682 with a recommendation that the Supervisor continue to do merchant outreach: Herbert

2nd: Zouzounis

Ayes: Benitez, Cornet, Dickerson, Herbert, Huie, Zouzounis

Absent: Ortiz Cartagena

Motion passes 6-0-1

Item 4 and 5 were called together:

4. BOS File 250700 BOS Zoning Map – Family Zoning Plan (Discussion and Action Item)

Lisa Chen and Sarah Richardson, San Francisco Planning Department presented an Ordinance amending the Zoning Map to implement the Family Zoning Plan by amending the Zoning Use District Maps to: 1) reclassify certain properties currently zoned as various types of Residential to Residential Transit Oriented - Commercial (RTO-C); 2) reclassify properties currently zoned Residential Transit Oriented (RTO) to Residential Transit Oriented - 1 (RTO-1); 3) reclassify certain properties from Residential districts other than RTO to RTO-1; 4) reclassify certain properties currently zoned Neighborhood Commercial (NC) or Public (P) to Community Business (C-2); and 5) reclassify certain properties from Public to Mixed-Use or Neighborhood Commercial Districts; amending the Height and Bulk Map to: 1) reclassify properties in the Family Zoning Plan to R-4 Height and Bulk District; 2) change the height limits on certain lots in the R-4 Height and Bulk District; and 3) designating various parcels to be included in the Non-Contiguous San Francisco Municipal Transportation Agency Special Use District (SFMTA SUD); amending the Local Coastal Program to: 1) reclassify all properties in

the Coastal Zone to R-4 Height and Bulk District; 2) reclassify certain properties to RTO-C and Neighborhood Commercial District; 3) designate one parcel as part of the SFMTA SUD; and 4) directing the Planning Director to transmit the Ordinance to the Coastal Commission upon enactment; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of public necessity, convenience, and welfare under Planning Code, Section 302; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings under the City's Local Coastal Program and the California Coastal Act of 1976.

5. BOS File 250701 Family Zoning Plan (Discussion and Action Item)

Lisa Chen and Sarah Richardson, San Francisco Planning Department presented The Commission will hear and may take action on an Ordinance amending the Planning Code to: 1) create the Housing Choice-San Francisco Program to incent housing development through a local bonus program and by adopting a Housing Sustainability District, 2) modify height and bulk limits to provide for additional capacity in well-resourced neighborhoods, and to allow additional height and bulk for projects using the local bonus program, 3) require only buildings taller than 85 feet in certain Districts to reduce ground level wind currents, 4) make conforming changes to the RH (Residential, House), RM (Residential, Mixed), and RC (Residential-Commercial) District zoning tables to reflect the changes to density controls, and parking requirements made in this ordinance, 5) create the RTO-C (Residential Transit Oriented-Commercial) District, 6) implement the Metropolitan Transportation Commission's Transit-Oriented Communities Policy by making changes to parking requirements, minimum residential densities, and minimum office intensities, and requiring maximum dwelling unit sizes, 7) revise off-street parking and curb cut obligations citywide, 8) create the Non-contiguous San Francisco Municipal Transportation Agency Sites Special Use District, 9) permit certain Legacy Businesses to relocate without a conditional use authorization and waive development impact fees for those businesses, 10) make technical amendments to the Code to implement the above changes, and 11) make conforming changes to zoning tables in various Districts, including the Neighborhood Commercial District and Mixed Use Districts; amending the Business and Tax Regulations Code regarding the Board of Appeals' review of permits in the Housing Choice Program Housing Sustainability District; amending the Local Coastal Program to implement the Housing Choice-San Francisco Program and other associated changes in the City's Coastal Zone, and directing the Planning Director to transmit the Ordinance to the Coastal Commission upon enactment; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making public necessity, convenience, and welfare findings under Planning Code, Section 302.

Commissioner comment:

Herbert: I'm concerned about small businesses. What if they have a lease and mid way the building is sold?

Lisa: We would refer the business to OSB for services and then potentially provide financial support through a relocation fund.

Zouzounis: Does SF do a zoning plan every years? This proposal puts small business more into the conversation than in the past, but unfortunately mitigations sound better than they are. The seismic retrofit program destroyed my parents business.

Lisa: Every 8 years the City does a Housing Element. The City doesn't recommend specific parcels for development- that's up to the market. By estimating parcels likely to be developed, we're trying to address fears about what is likely.

Zouzounis: what about state or city owned land? There is a process to evaluate SFMTA zoning, but 23 parcels doesn't get us to where we need to be.

Zouzounis: is there competing legislation? No, there is trailing legislation – particularly the small business displacement fund by Sup. Melgar and the worker opportunity/Legacy Business protections ideas that Sup. Chan has described.

Zouzounis: Do we have other options? We need to rezone and get thousands more units per state law. The state wants expansion into places where traditionally there has not been flexibility to develop.

Cornet: How do we encourage retail/high rises in downtown? What does enforcement look like?

Lisa: Enforcement is complaint based, but if a unit is supposed to be a certain size, and someone comes in for a permit and we find out it's not that size, that's a trigger.

Huie: How does the square footage bonus work? There is a ratio of square footage received for square footage that is made into a community use, a micro retail space, etc. A developer can use the menu of options to get additional square footage.

Huie: This is a tight timeline.

Zouzounis: Does this go above and beyond what is required? No. This gets us to a good estimate of units using state calculations.

Benitez: How do we track progress? Annual reporting to the State.

Public comment:

- Jonathan, opposed to the proposal
- Calvin, opposed to the proposal
- Gwen McLoughlin, Small Business Forward – please delay this vote until additional small business protections are included
- Ahmed, business owner in Richmond – concerned about impacts to small business
- Justin Dolezal, Small Business Forward – please delay this vote until additional small business protections are included
- Asia Duncan, Build Affordable Faster California – request to delay this vote
- Christin Evans, on behalf of Council of District Merchants Association – the Board requested you delay this vote

Zouzounis: This proposal doesn't have teeth.

Herbert: I'm sorry the City is under so much pressure, it's not fair to SF or the Mayor. Not enough outreach.

Huie: There has been outreach and conversations about this. OSB already works to support displacement.

What's our role as a commission? I think we need to publicly talk about this.

Dickerson: our obligation is to small businesses. This could be detrimental.

Huie: Are 50 businesses at risk each year? Lisa: We estimate 47 Legacy Businesses total are at risk, and 207 businesses are on suitable parcels to develop.

Zouzounis: Other legislation won't solve what we're talking about. We should be matching the impact of harm to small businesses with an equal amount of support.

Motion to continue Item 4 and Item 5 until the next meeting: Herbert

2nd: Dimitri

Ayes: Benitez, Cornet, Dickerson, Herbert, Huie, Zouzounis

Absent: Ortiz Cartagena

Motion passes 6-0-1

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

Motion to approve draft meeting minutes: Huie

2nd: Dickerson

Ayes: Benitez, Cornet, Dickerson, Herbert, Huie, Zouzounis

Absent: Ortiz Cartagena

Motion passes 6-0-1

7. General Public Comment (Discussion Item)

Christin Evans: Looking forward to working with the Commission more closely.

8. Director's Report (Discussion Item)

Legislative update: Permit SF was signed into law, including eliminating the permit requirement for tables and chairs, relaxing permit requirements for certain signs, etc.

Budget update: staffing cuts in our office have been restored. Because of unspent funds we were able to rollover dollars to the Business Stabilization fund.

Note that OSB helps businesses with crises everyday – with fires, for example. In West Portal we helped five businesses recover after a fire. One thing that has not come up here is the private deals that can happen between a landlord and a business tenant, and how that can impact a situation as well. We've talked about how government can help businesses, but there are private interactions as well. Our office tries to best position small businesses to negotiate for themselves, and assist them regardless of if they are facing fires or development. We really don't know how different scenarios will play out.

Commissioner comment:

Huie: You've done a great job connecting these businesses to what they need to move forward. It why OSB has another leasing agent so we can keep advising and reaching businesses.

Dickerson: We should be referring all businesses to your services, and letting them know about OSB.

Public comment:

Christin Evans: State level advocacy is needed. We need to leverage our personal relationships.

9. Commissioner Discussion and New Business (Discussion Item)

Cornet: OSB just helped a new business open in Castro – Aiso. He has amazing vegan food and full cocktail bar.

10. Adjournment

- Meeting adjourned at 8:06pm