



small business

news

Offering solutions for San Francisco small businesses



DIRECTOR'S MESSAGE

As the new executive director of the Office of Small Business (OSB) and the Small Business Commission (SBC), I am pleased to have the



opportunity to help shape how the City delivers information and services to the small business community. A small business is defined as a business with 100 employees or less; and currently in San Francisco there are over 100,000 small businesses. It is my duty, together with the OSB and SBC to serve the best interest of the small business community.

I would like to thank City officials, including the SBC, the small business advocacy groups and organizations, and the San Francisco Chamber of Commerce for their tireless work in supporting the OSB and SBAC.

Last May, Mayor Newson, the Office of Small Business, and the Small Business Commission had the pleasure to cut the ribbon on the City's first Small Business Assistance Center (SBAC). The goal of the SBAC is to assist business owners shorten the time and costs to obtain licenses and permits. This is a major first step in San Francisco's efforts of proving we are a small business friendly City.

The SBC is increasing its role and participation in public policy that impacts small businesses. We believe in collaborating with the Board of Supervisors and other City Commissions to review key legislation that impacts small businesses before the Board of Supervisors votes. We strongly encourage business owners, merchant groups and organizations, and others to attend our Commission meeting to voice their opinions on how the City can be more conscious and business friendly to our constituents.

We welcome you to visit our new office in City Hall, suite 110!

CHAMPIONING SMALL BUSINESS - LEGISLATIVE REVIEW AND YOUR FEEDBACK

The Small Business Commission (SBC) will make it easier for you to be informed and provide feedback on policy and legislation that affects small business. Every month the SBC reviews legislation impacting small business before the Board of Supervisors votes. Your input can affect your business, your business industry, and your business neighborhood.

At our last SBC meeting, for example, the commission reviewed the following legislative topics: anti-smoking, nightclub loitering, hours and operation, payroll tax, and zoning controls.

There are three (3) ways to provide feedback on legislation:

1. Your attendance at an upcoming SBC meeting.

The SBC meets every 2nd Monday of the month in City Hall. Please check here, http://www.sfgov.org/site/sbc_meeting.asp?id=9179, for exact times and location.

2. Filling out an online form

The web page contains a summary of the legislation with a link to the full legislative document. The most recent legislation assigned to the commission will be placed at the top of the page. Legislation will be removed from the page after it is heard at a SBC meeting. <http://www.sfgov.org/sbc/legislation>

(continued on page 2)

ATTENTION POTENTIAL SMALL BUSINESS OWNERS!!!



DO NOT TIE YOURSELF TO AN AREA OR SPACE YOU CANNOT USE

- Check Zoning

What does this mean?

Before registering your business, be sure to check the zoning code at the SF Planning Department's Zoning Center to determine whether you are allowed to conduct business in the location or area you have selected. This applies even if you plan to do business out of your home.

It's Easy.

The more information you have the better. If you have a specific address in mind (block and lot number is best), or even just a general neighborhood location, the zoning staff will be able to tell you whether your type of business will be permitted there. You don't need an appointment at the Planning Department's Zoning Center – they accept walk-ins!

Where do I go?

The Zoning Center is located at 1660 Mission Street, 1st Floor, San Francisco, CA

(continued on page 2)

SMALL BUSINESS ASSISTANCE CENTER - INFORMATION, ADVOCACY AND ASSISTANCE ON CALL

The Small Business Assistance Center (SBAC) functions as the City's central point of information and assistance for entrepreneurs and small businesses located in San Francisco. Bi-lingual case managers provide one-on-one customized services assisting small businesses with many complex aspects of doing business in the City. Our goal is to develop relationships with our clients, assisting each become successful in doing business in San Francisco.

Our office offers counseling on how to navigate the city agencies, multiple resources customized to your needs, and referrals to neighborhood economic development organizations (NEDO's). These NEDO's can assist you develop a small business plan, help you create a loan package, craft marketing strategies, and access business incentives.

Small Business Assistance Center Hours & Location

Monday – Friday, 8AM – 5PM
City Hall - 1 Dr. Carlton B. Goodlett Place, Suite 110
San Francisco, CA 94102
Fax: 415-558-7844

For more information

contact us at **(415) 554-6134**, or by visiting us in person. You may also visit our website at www.sfgov.org/smallbusiness



TACO TRUCK STAYS IN BUSINESS

This situation occurs all too often when a small business tenant loses its business because a commercial landlord decides to assert his right to evict. The eviction notice allows the business 30 days to vacate the premises. Central Parking Systems, which operates the parking lot at Hayes and Polk, notified Rafael Vizcaino that his business Los Compadres had until June 13, 2008.

Los Compadres has a perfect 100 health department score, plays "La Cucaracha" every day when it opens at 11:30 am, and is the power lunch spot offering affordable and delicious tacos for anyone working in Civic Center.

News of its impending close spread quickly resulting in a customer email campaign, a Facebook page named "I Heart the City Hall taco truck," and a tag team effort by the Mayor's Office and the Small Business Assistance Center contacting Central Parking Systems and the property owner. The property owner took notice of the neighborhood support and rescinded the order that the truck be removed. Never underestimate the power of communication and community support. The result is that a small business stays in San Francisco.

Unfortunately, not every business is so lucky. Do not wait until an eviction notice arrives at your door; invest in your business by preparing ahead of time. Here are a few tips to stay in business.

- 1 Conduct Due Diligence.** As the end of your lease nears, conduct due diligence. Do not fixate on one site alone, research comparable sites in the neighborhood so you are prepared to show your landlord the market costs of neighborhood sites.
- 2 Negotiate the Lease.** Do not sign where the broker and landlord tells you without carefully reviewing the lease. Understanding and reviewing your lease often provides you with tools to negotiate the lease.

Timing is important; successful tenants start negotiations up to a year in advance to get a better lease deal.

Negotiate contingencies and rent abatement. Make sure the lease includes contingencies for all the uncertainties in the permit process, and do not release your contingencies until you have secured your permits. You want to avoid a situation where you enter into a lease assuming that you will get your permits and then for some reason they are not approved or are delayed in being approved. You may also negotiate for rent abatement while you wait for the pending permits.

- 3 Understand the Lease Clauses.** Aside from the monthly rent costs, there are other important clauses that impact your business. For example, the assignment clause allows the landlord to dictate whether you can sell or lease your business. Other important clauses include how rent is calculated and quoted, the term of the lease, the start date of the lease, and what happens when the landlord decides to sell the property.

To protect your option for change, you should secure an initial lease term with options to extend. You should also secure a lease with the ability to transfer to another owner if your business goes under. Statistics show that it is within the first 3-5 years after startup that most businesses face financial trouble and sometimes fail or are sold. Planning an exit strategy will help you to re-coup part or all of your startup costs.

- 4 Be Active in the Community.** Take time to talk with neighboring merchants and consider joining a merchant association. Do not underestimate the power of community support as it helped Los Compadres in this case.

The Small Business Assistance Center has a list of neighborhood merchant groups, site evaluation and relocation tools, and lease negotiation experts to help your business.

ATTENTION POTENTIAL SMALL BUSINESS OWNERS!!!

(continued from page 1)

94102. The hours of operation are Monday – Friday from 8:00 AM – 5:00 PM.

Our case managers at the Small Business Assistance Center are also available to help you access the tools online and research your zoning and site location before you go to the Zoning Center.

Why should I care about the zoning code?

Unfortunately, if you tie yourself to an area or space you cannot use because of a conflict with zoning regulations, you can lose your rent deposit along with any improvements you may have made. In addition, your neighbors and other businesses in or near your location may complain, and a City Inspector could determine that you're operating a business illegally. If that determination is made, you will be forced to close!

What if I don't have a specific address yet?

If you have not identified a site and you need assistance with locating available commercial space, check out SF Prospector at www.SFProspector.com. SF Prospector is a free on-line tool aimed at businesses looking to open or expand their operations in San Francisco and members of the general public interested in obtaining demographic and economic data. With SF Prospector, you can:

- Access city-wide demographic and business data
- Perform site selection searches for retail space in select neighborhoods targeted through the Mayor's Office's Neighborhood Marketplace Initiative (NMI)

Need More Information?

Check out the Department of Planning's website: <http://www.sfgov.org/planning> or call 415-558-6377.

OFFICE OF SMALL BUSINESS NEWS

Contributors:

Regina Dick-Endrizzi
Debra Edwards
Holly Lung
Brajah Norris
Martha Yanez

Want to contribute?

If you have questions about Office of Small Business or would like to contribute to the newsletter, send an email to holly.lung@sfgov.org

Frequency

This newsletter is sent out every two months. To add your name to our list, send an email to holly.lung@sfgov.org

To unsubscribe:

Please send an email to holly.lung@sfgov.org with "Unsubscribe from OSB Newsletter" in the subject line

Visit our website online at <http://www.sfgov.org/smallbusiness> for information that impacts small business.

CHAMPIONING SMALL BUSINESSES - LEGISLATIVE REVIEW AND YOUR FEEDBACK

(continued from page 1)

3. You can also provide feedback to the Small Business Commission Secretary/Policy Analyst Regina Dick-Endrizzi at regina.dick-endrizzi@sfgov.org or 415-554-6481