COVID-19
Economic Recovery Playbook
Dear City Leader,

Since March 15th, the San Francisco Chamber of Commerce has been collecting Recovery Ideas and Suggestions from our members. The attached document is a fair representation of the entire city, aggregated from 30 sectors, from housing development to small businesses. In addition, the Chamber has also worked with other Chambers across the Country and has noted some common best practices. From our daily conversations, it’s apparent that private companies and nonprofit organizations are anxious to safely reopen. They are eager to understand how they will be able to resume operations albeit with new regulations, but should certainly be invited to offer input as they speak from experience and operational knowledge.

The Chamber is happy to discuss these ideas and suggestions individually and in depth but want to focus on three priorities:

- Retention of existing businesses in San Francisco
- Creation and retention of jobs
- Look to the future for new industries, economic development opportunities and to create local progressive economy.

We will distributing this booklet of ideas to industry, government and nonprofit leaders in San Francisco for feedback.

We hope to begin to work together to build a more resilient San Francisco.

Respectfully,

Rodney Fong
PRESIDENT & CEO, SAN FRANCISCO CHAMBER OF COMMERCE
PHASE ONE | SHORT-TERM

Economic Triage

Keep essential small businesses open, keep unemployment as low as possible, preserve capital to relaunch businesses when appropriate.

01 Develop “soft landings” legislation on the local, state, and federal level that allows businesses to temporarily pause operations to preserve capital for a relaunch.
   - Incentivize lenders to “refinance” existing business loans, postponing payments into the future on low interest.

02 Continue government partial unemployment benefits for workers.

03 Commercial lease forgiveness and termination solutions
   - Small business owners who may not survive the COVID-19 pandemic are often tied to long leases with personal guarantees.
   - Legislation that would give property owners incentives around lease forgiveness or termination, or a City program that would take over these leases, would help property owners gracefully close out their small business.

04 Personal Guarantee Protections
   - Many small business owners have provided personal guarantees to obtain debt financing for their businesses. These guarantees were designed to provide collateral grounding & prevent owners from engaging in reckless behavior, but now leave small business owners open to crippling personal losses.
   - Create a local or federal agency that would remove the personal guarantee protection and separately guarantee/collatorize the small business loan. The agency could “re-finance” the original small business loan, providing a new payment schedule for the small business owner.

05 Secured Asset Buybacks
   - Some capital-intensive small businesses may be temporarily over-supplied with fixed assets that are secured by debt and could be actively resold. (high-end inventory, specialized equipment, commercial vehicles)
   - Government agencies could purchase this equipment from small businesses to relieve them of debt, and resell at auction at a later date.

06 Start Economic re-opening with highly regulated industries that have established enforcement infrastructure.
   - For example, barber shops and salons are licensed by the state. The State Board of Barbering and Cosmetology can issue & enforce emergency regulations that would allow these shops to reopen with appropriate social distancing.
   - Construction also faces strict regulation and enforcement from CalOSA, and could issue emergency regulations that would allow limited re-opening of operations.
Non-liner Recovery

Prepare businesses for a non-linear recovery, re-open small businesses under social distance parameters, retain and grow headquartered companies, provide access to capital, expand and support work-from-home workforce.

01 Consider limited re-opening for retail, following the essential business practices used by grocery stores and pharmacies. Museums could also be candidates for limited re-opening, with low touch exhibits and limited occupancy.
   - Enhanced enforcement from Department of Public Health.

02 Payroll Stimulus Program: Incentivizing small businesses to quickly re-hire employees by providing micro-loans at low-interest rates that would be forgiven if spent on new payroll.
   - Additionally, advocate for a federal payroll tax credit for mid-size and large employers for new payroll expansion.

03 “Healthy Places and Shops” Certification
   - A certification (based on checklists, best practices, virtual training) for storefronts, restaurants, offices, transit locations, and outdoor spaces that indicates that the space meets health standards and people should feel comfortable occupying the area. Initial global data shows that places that are seen to be more “healthy” than others are more successful. [https://www.barrons.com/articles/how-the-coronavirus-crisis-is-changing-consumers-and-businesses-51586533282](https://www.barrons.com/articles/how-the-coronavirus-crisis-is-changing-consumers-and-businesses-51586533282)
   - Prioritize antibody tests for restaurant, grocery and food service workers.
   - Defined best practices and public health guidelines for live event venues.
     - Rather than limiting the maximum number of people at an event, define and increase the amount of square feet per person required.
     - Temperature check for public events.
     - Defined check-in and entry procedure.
     - Personal protective equipment requirements.

04 Low-interest “business startup” loans for former small business owners.
   - Many small businesses will shut down permanently after the COVID-19 pandemic, either due to social distancing challenges, global shifts in the economy, or permanent changes in consumer behavior.
   - The owners of those businesses still have deep talent in starting, running, and sustaining a business. They are the most likely to start another successful small business and create more jobs in a post-COVID19 environment.
   - Local government should provide low-interest loans for long-time small business owners (focus on people of color, marginalized communities and neighborhoods, women) who have a proven track record of running successful businesses.

05 Discounts on rental fees for city-owned facilities.
   - Retail and restaurant spaces, such as in the Port of San Francisco, should have discounted or incremental rental fee schedule.
   - Moscone Center and City event spaces should offer discounted fees for event rentals or alternative use, as allowed.

06 Allow Alternative Overtime and Work Hour Policy.
   - Allow small businesses to create 10-hour, 4-days-a-week shifts without incurring overtime.
   - Allowed in larger organizations and some unions.
   - Allows them to structure their employee hours for quick & flexible recovery.
   - Limits COVID-19 commuter exposure.
   - Includes sunset clause after full economic recovery.

07 Implement a temporary local and federal Travel, Tourism, and Convention Tax Credit.
   - Implement a federal tax credit for businesses on travel and convention spending.
   - Implement a local tax credit for small businesses in the travel, tourism, and convention industries.
   - Implement a local tax credit for large businesses who operate in San Francisco and choose to host major events and conventions within the City.
08 Land-use permit and fees streamlining, especially for storefronts and small businesses.

- Expand “Flexible Use” retail to all neighborhoods.
- Relax Formula Retail controls, especially on grocery stores and pharmacies, to utilize large empty storefront space.
- Relax Conditional Use requirements for storefront “Change of Use” approvals, especially for “Amazon-proof industries”.

09 Allow zoning for large, shared commercial/commissary kitchens for restaurateurs and cooks rent in a pivot to delivery and food truck.

- Many restaurants were depended on a business model with high seating capacity, resulting in tight seating accommodations and large crowds.
- These restaurants will need to lose their seating locations and pivot to delivery, mobile food, or takeout in order to sustain their business and consumer base.
- Large commissary kitchens will allow chefs and cooks to pivot efficiently to delivery and mobile food, keeping their business alive.

PHASE THREE | LONG-TERM
Rebuilding A Vibrant & Resilient Economy

Adapt infrastructure to permanent changes in employee behavior (work from home, internet bandwidth/access/connectivity, office space needs), provide access to capital, rebrand San Francisco’s business and tourism, create a small-business-friendly environment.

01 Local “Green New Deal” Infrastructure Stimulus Program.

- Create and sustain jobs and businesses that align with the City’s energy and environmental goals.
- Support the growth of mobility and remote work options that are better for the environment, quality of life, and traffic congestion.
- Local business tax credits and incentives for businesses that create alternative travel and commute options: bikes, shared rides, etc.
- Tax credits and incentives for small businesses that encourage remote work, alternative travel, and clean fuel vehicles in their business.

02 Major Digital and Telecommunications Infrastructure Development.

- Establishing San Francisco’s dominance in fast, broadband, reliable digital access in all neighborhoods is key to giving the City a competitive edge post-COVID-19.
  - The “work from home” city maintains dominance among HQ companies in the tech industry as companies begin to expand into secondary markets such as Denver, Memphis, Austin, Chicago.
- Streamlining permits and prioritize approvals for construction of telecommunication and internet bandwidth/access/connectivity projects that support remote work.
- Citywide audit for internet bandwidth and digital access in all SF neighborhoods.
- Private/Public partnership plan to bring sufficient “work-from-home” quality internet access to all neighborhoods.
- Discounted internet access for low-income communities to access “work-from-home” employment opportunities.
- Prioritize expanding 5G telecom access citywide.
03 Streamlining and Encouraging Multi-Family Housing Construction.
- Streamlined permitting and entitlement process.
- Supported by strong union contracts.

04 Restructure Commercial Corridor Vitality for Post-COVID-19.
- Rethink how we keep commercial corridors active & vital in a social distancing future.
  - More people working from home will eventually result in more hours of foot traffic in commercial corridors, providing a unique opportunity.
  - Old storefront business models (restaurants with high seating capacity, large retail shops) will no longer prove viable.
- Allow general and administrative office use (size-restricted) in vacant storefronts.
- Allow storefronts to hold 75% manufacturing or office use, and 25% retail use; as long as both uses are directly connected to each other.
- Allow sub-divided storefronts for restaurants to prioritize takeout and delivery.

05 City "Calamity and State of Emergency" Reserve Fund.
- The Mayor and the Board of Supervisors should establish a long-term "Calamity and State of Emergency" reserve fund in the budget for unique and unforeseen disasters.
- This will help absorb costs and revenue shortfalls during special regional or global emergencies.

06 A New Strategy for Moscone Center.
- Work collaboratively with SF Travel, Hotel Council, Labor, and convention partners to plan out a new strategy for Moscone Center for the next 5-10 years.
  - Stay aligned on the direction of the convention industry
  - Consult with ASM Global convention center network
- Revise floor plan and booking guidelines to align with public health recommendations and accommodate a new mix of business.
  - Attendee Entry and Health Screening:
    1. Contact Tracing Approval
    2. Antibody Approval
  - First aid stations
  - Isolation areas and quarantine areas
  - Traffic flow and high-touch surface management
  - Real-time crowd density management
  - PPE for building workers and exhibitors
  - New F&B protocols (no buffets, no shared utensils, no water stations)
- Revisit rental and F&B rates to stay competitive with new level of demand and other 1st tier cities.

07 Public Confidence, Civic Pride, and Consumer Spending Campaign.
- Public/Private Partnership that launches a public campaign to reignite public confidence, civic pride, and consumer spending.
- Boost public confidence in re-entering public spaces and following public health protocols.
  - Demonstrates that public spaces are clean, safe, and healthy.
  - Demonstrates that follow residents are following public health protocol and social distancing standards.
  - Establish a new social contract between SF residents around health
- Inspire civic pride and community healing through beautification & small-scale activation.
  - Reactivate commercial corridors through small-scale, low-impact (no large crowd) art activations.
- Inspire local consumer spending through a San Francisco-centric rebrand.
- Augment cleaning and sanitation in public spaces.
- Public communications campaign with brand, graphics, and messaging.
- Scale tamper-proof and touchless garbage/sanitation technology.
  - Big Belly trash cans

08 Continue to focus on improving street cleanliness and street behavior.
- Street cleanliness and good street behavior will directly translate to public’s confidence to shop locally, eat at local restaurants, and more.
- Street behavior is still one of the top determinants of a small business’s success.
- Expanded foot patrol and community ambassador presence on the street, to help enforce social distancing and provide additional eyes on the street.
Prepared by the San Francisco Chamber of Commerce and its members, partners, and trade associations.