

OFFICE OF ECONOMIC AND WORKFORCE DEVELOPMENT

The Office of Economic and Workforce Development's mission is to provide citywide leadership on economic and workforce development initiatives; to identify key sectors to target for workforce training and economic growth; to maintain a system that integrates economic and workforce programs and services; to support small businesses; to revitalize and improve neighborhoods and local economic sustainability; and to promote San Francisco as a good place for business and investment.

The Office of Economic and Workforce Development (OEWD) provides, coordinates and facilitates the following services:

- **The Development Project Planning Division** manages major public-private real estate development projects and coordinates the City's involvement in private projects of major significance in order to maximize public benefits, including the development of affordable housing, economic activity, jobs, and open space.
- **The Workforce Development Division** provides overall strategic coordination for the City's workforce development system and implements job training programs in high-demand industries.
- **The Neighborhood Development Division** facilitates the revitalization of commercial corridors in economically disadvantaged neighborhoods and creates Community Benefit Districts throughout the City.
- **The Business Development Division** works to attract and retain businesses, with an emphasis on key industry clusters.
- **The Small Business Commission, Office of Small Business and Small Business Assistance Center** provide citywide policy direction on issues affecting small businesses and operate a One Stop Small Business Assistance Center that supports small businesses.
- **The Film Commission** promotes San Francisco as a film destination to filmmakers and spurs additional city revenue and jobs by attracting and facilitating film productions.
- **The International Trade and Commerce Division** increases international business opportunities in the City through direct international business attraction efforts, development of international government and non-governmental organization partnerships, and the expansion of infrastructure to facilitate increased international travel to San Francisco.

BUDGET OVERVIEW

The Department's budget is decreasing by \$8.6 million in Fiscal Year 2010-11, largely because a three-year \$6.6 million American Recovery and Reinvestment Act (ARRA) federal grant to support workforce programs was fully appropriated in Fiscal Year 2009-10. OEWD will continue to expend the balance of these funds to support the Department's important initiatives in Fiscal Year 2010-11.

KEY BUDGET CHANGES MADE IN FY10-11

- Loss of one-time local stimulus funds for Neighborhood Marketplace Initiative
- Loss of one-time federal ARRA funds for Workforce Development services
- Increase to work orders with Enterprise Departments to perform Workforce Development services

BUDGET OVERVIEW TABLES:

Five Year Historical Overview of Departmental Budget (\$ in millions)

	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11
<i>GF</i>	3,530,131	5,011,638	9,398,879	7,039,005	6,763,298
<i>NGFS</i>	3,420,176	3,158,629	9,299,661	18,339,302	11,537,030
<i>Total</i>	6,950,307	8,170,267	18,698,540	25,378,307	18,300,328

Five Year Historical Overview of Departmental Staffing Levels

	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11
Budgeted & Funded FTE	23.10	24.99	53.26	56.44	58.54

NOTE:

- OEWD's budget and staff increase between FY 07-08 and FY 08-09 was largely driven by OEWD absorbing the administration of Federal Workforce Investment Act Grant Funds. The Private Industry Council previously administered these grant funds, but dissolved in 2007.
- OEWD's budget increase between FY 08-09 and FY 09-10 was largely driven by one-time (1) federal ARRA funding for workforce development services and (2) local stimulus funding for the Neighborhood Marketplace Initiative.

DIVISIONS

Development Project Planning

The Development Project Planning Division manages major public-private real estate development projects and coordinates the City's involvement in private projects of major significance in order to maximize public benefits, including the development of affordable housing, economic activity, jobs, and open space. Projects include: Treasure Island, Hunters Point Shipyard, Transbay Terminal Development, America's Cup, SFMOMA Expansion, Hallidie Plaza Old Mint Renovation, Moscone Expansion, Fillmore Muni Substation, Wholesale Produce Market Park Merced, VA Hospital, California Pacific Medical Center (CPMC) and Octavia Boulevard Mixed-Use Development

Workforce Development

The Workforce Development Division of OEWD coordinates workforce services for job seekers and employers throughout the City of San Francisco. The goal of the Workforce Development Division is to build public-private partnerships that create and guide a continuum of workforce services in that improves the economic vitality for people and business.

Neighborhood Business Development

Neighborhood Marketplace Initiative (NMI) Goal: Create vibrant and thriving commercial corridors, which provide everyday goods and services to residents of low-moderate income neighborhoods.

Neighborhood Marketplace Initiative (NMI) Core Objectives:

- Create economic opportunities for local entrepreneurs
- Business retention and attraction
- Cultural events and promotional activities
- Cleanliness and safety programming
- Catalyze real estate development
- Build partnerships with community stakeholders
- Build capacity of local organizations to lead economic initiatives

Central Market Partnership Goal: Revitalize the Central Market district by cultivating the cultural arts district there and focusing on retail attraction and quality-of-life enhancements

Central Market Partnership Core Objectives:

- Short-term activation of public spaces through the arts, including UN Plaza and Hallidie Plaza
- Attraction of anchor arts institutions, including performing arts, visual arts, and cinema, to occupy vacant or underutilized buildings, including historic theaters
- Better Market Street initiative – overhaul of Market Street in 2014 to enhance the pedestrian experience and activate the sidewalks
- Establishment of Redevelopment Area to help facilitate development of the neighborhood

CDBG Goals:

- Families and individuals are healthy and economically self-sufficient

- Neighborhoods and communities are strong, vibrant and stable

CDBG Objectives:

- Establish, enhance and retain small businesses and micro-enterprises
- Strengthen commercial corridors in low-moderate income neighborhood and increase corridor potential for providing jobs, services, and opportunities for residents

Community Benefit and Business Improvement Districts (CBD/BIDs) Goal: To provide technical assistance and grants to assist with the creation of new CBD/BIDs and to support their

CBD/BID Core Objectives:

- Provide advice and technical assistance grants to CBD/BID project sponsors during one - two year planning and formation campaigns
- Coordinate between all City Departments and CBD/BID Project Sponsor during the formation phase, review all required CBD/BID reports and documentation, draft all formation related resolutions and provide required documents for BOS review and approval.
- Upon formation, execute and manage the contracts between the City and County of San Francisco and each CBD/BID.
- Coordinate Annual Hearings at Board of Supervisors for each CBD/BID. OEWD staff reviews the annual reports and CPA financial statements of each CBD/BID and writes a report for the annual public hearing at a committee of the Board of Supervisors for each CBD/BID.
- Manage a technical assistance operating grant program for CBDs/BIDs.
- Identify and Coordinate new resources for investment CBD/BID district areas.

Business Development

The Business Development Division supports the ongoing economic vitality of San Francisco by retaining, attracting and supporting the expansion of businesses in key industry clusters indentified by the San Francisco Economic Strategy. Business Development achieves these goals by developing and implementing the following projects and programs:

- **Sector Initiatives:** New Media / IT; Cleantech; Biotech; Retail; Finance, Legal and Professional Services; Restaurants; Hospitality; Industrial
- **International Initiatives:** ChinaSF
- **Business Incentives:** Enterprise Zone
- **Special Projects:** San Francisco Economic Strategy Update, Hunter's Point Shipyard Building 813 Incubator Project, Business Streamlining Initiatives

Office of Small Business

The purpose of Office of Small Business is to develop a cooperative and supportive relationship between the Small Business Community and the City and County of San Francisco, to identify existing and potential problem area and to recommend solutions to alleviate such problem areas. The Office of Small Business power and duties are to collect and compile and analyze and interpret information relating to the formation, status, and economic health of the small businesses of the City and County, their employees and consumers and work with and assist departments, boards and commissions in the promotion of the economic health of the small business community, its employees and consumers.

- Small Business Commission (SBC): The SBC consists of seven members appointed by the Mayor (four), and the Board of Supervisors (three). The Commission is staffed by an Executive Director, and Commission Secretary/Senior Policy Analyst. The Small Business Commission oversees the Office of Small Business. The powers and duties of the Small Business Commission are to review national, state and local legislation which may impact on small business; provide recommendations to the Board of Supervisors and the Mayor on legislation affecting small business; make recommendations to other city and county agencies, commission and departments with administer and enforce regulations which affect small business; monitor

the growth or decline of small business within the City and County; report annually to the Mayor and Board of Supervisors on the activities and concerns of the Commission. Seat number 7 is currently vacant.

- Small Business Assistance Center (SBAC) functions as the City's central point of information and referral for entrepreneurs and small businesses located in the City and County of San Francisco. The SBAC provides customized information, technical assistance, businesses programs, policy advocacy, outreach and education and on-line and print resources

Film Commission

The mission of the San Francisco Film Office is to foster, promote and facilitate filming in San Francisco. The office is responsible for marketing the City to film, television and advertising industries, as well as promoting long-term goals for film-making as a major emphasis of the City's economic and cultural base. It reviews and grants Use Agreement requests for filming on City owned property, and provides services to ensure a smooth shoot and overall visit to San Francisco. The Film Office's conducts the following programs and activities:

- Reviews and issues Use Agreements for productions.
- Works with neighbors, neighborhood associations, the SFPD, MUNI, DPW, DPT, the Port, Recreation & Parks, and other governmental agencies such as GGNRA to facilitate filming in San Francisco.
- Serves as a liaison between the production and the City before, during and after filming.
- Educates the citizens of San Francisco about filming activities and the economic and creative benefits of local film production.
- Places advertisements, creates press releases, and attends industry-related trade shows and events in order to attract production to San Francisco.
- Provides perspective for both the Mayor and Board of Supervisors with respect to long-range promotion, development and planning for a significant film arts base in San Francisco.

International Trade and Commerce

The Office of International Trade and Commerce (OITC) oversees the international commercial affairs of the City of San Francisco with a mission of increasing and enhancing international transactions and international business opportunities in the City of San Francisco and increased usage of San Francisco International Airport. Additionally, OITC works to ensure that the international reputation of San Francisco is enhanced through personal liaison with the local diplomatic community, foreign businesses and nonprofit organizations involved in the international commercial arena. OITC also has the mission of ensuring the success and efficiency of San Francisco's award winning Sister City program and works closely with the Office of Protocol on all other international projects.

PROJECT/PROGRAMS & OBJECTIVES – SHORT & LONG TERM

Development Project Planning

Treasure Island – On August 17, 2010, Mayor Gavin Newsom joined House Speaker Nancy Pelosi and U.S. Secretary of the Navy Ray Mabus to sign the terms for the conveyance of former Naval Station Treasure Island (NSTI) from the Navy to the City. The terms of the agreement include a guaranteed payment to the Navy of \$55 million followed by an interim payment of another \$50 million, plus an additional share of potential further profits. The City, acting by and through the Treasure Island Development Authority (TIDA) as the local reuse authority, is responsible for the long-term redevelopment of Treasure Island. On behalf of TIDA, the Office of Economic and Workforce Development staff manages the day-to-day redevelopment planning, real estate negotiations and local entitlements process, coordinates the efforts of various City departments, regional and state agencies, and negotiates with the City's private development partner, Treasure Island Community Development (TICD). Over the past decade, OEWD staff, on behalf of TIDA, has worked together with the City family and TICD to craft the redevelopment plans for what has been widely heralded as one of the most environmentally sustainable developments in U.S. history. These plans include a mixed-use development containing a new commercial town center and residential neighborhood with up to 8,000 new homes (30% of which will be below market rate homes including for hundreds of formerly homeless through the nationally-recognized Treasure Island Homeless Development Initiative), two hotels, and hundreds of acres of parks and open space. The

project will generate thousands of construction jobs annually for the 10-20 year life of the project. Once realized, Treasure Island will generate over 3,000 permanent jobs. The project is on track to complete its environmental review and to have final approvals in the first half of 2011, with construction beginning as early as the end of 2011.

Hunters Point Shipyard: Continuing overall policy direction and securing federal cleanup funding for the Hunters Point Shipyard, a former naval base, are both short and long term goals. The Shipyard and Candlestick Point areas are under the land use jurisdiction of the San Francisco Redevelopment Agency. The Shipyard is a master-planned community of totaling approximately 500 acres, located along the southeastern waterfront of San Francisco and is divided into Parcels A through G. Transfer of property after environmental remediation from the Navy to the Redevelopment Agency, and in turn, redevelopment of the property, occurs in phases. The redevelopment plan amendments for the Shipyard and Bayview Hunters Point were approved by the Board in August 2010 along with other necessary land use, financing and land transfer legislation to provide for the integrated planning and development of the Shipyard and the Candlestick Point (approximately 280 acres) consistent with Proposition G approved by the voters in 2008. Development of the Shipyard is a public-private partnership between the City, the Redevelopment Agency and a private development team comprised of a joint venture between Lennar Corporation and Scala Real Estate Partners, Hillwood (a Perot Company), and Estein and Associates, USA.

The first phase of the Shipyard's development is already underway (Phase 1) and includes up to 1,600 homes, 27% to 40% of which will be affordable, and 26 acres of open space on Shipyard Parcel A with the first residential units anticipated to be available in 2012. The balance of the Shipyard development on Parcels B through G will be built in association with Candlestick Point as one development project (Phase 2). The Phase 2 development program provides for an additional 10,500 new housing units to be located on the Shipyard and Candlestick Point, 32% of which will be affordable, including the rebuilding of the Alice Griffith public housing development consistent with the City's HOPE SF program. The Phase 2 plan also includes between 2 and 3 million square feet of research and development uses centered around "green" and clean technology uses on the Shipyard with a clean tech business incubator and the headquarters for the United Nations Global Compact Sustainability Center located in Building 813 on the Shipyard, over 300 acres of parks and open space between the two sites including a complete renovation of the Candlestick Point State Recreation area, and a stadium opportunity site for the San Francisco 49ers on the Shipyard.

In total, Phase 1 and Phase 2 will generate hundreds of new construction jobs each year, and ultimately will create more than 10,000 permanent jobs.

Working with the Navy and federal and environmental regulators to expedite cleanup and transfer of the Shipyard is critical to providing a viable stadium opportunity site for the San Francisco 49ers in San Francisco and will allow the City to move forward with community benefits like parks, affordable housing and jobs for Bayview Hunters Point residents and the City as a whole.

Transbay Terminal Development – The building of Transbay Transit Center – the northern terminus for the California High Speed Rail system and a multi-modal facility that will accommodate eleven transit operators and serve more than 45 million passengers a year – is underway. Following the August 2010 groundbreaking with United States Transportation Secretary Ray LaHood, Speaker Pelosi and Senator Boxer, significant demolition is now taking place. The Fremont Street overpass has been removed and the old terminal demolition is now priority. The project is estimated to create more than 48,000 jobs in its first phase of construction, which will last seven years. For more than 40 years, San Francisco has been planning for the replacement of the outdated and seismically deficient Transbay Terminal at First and Mission streets. The new one million square foot Transbay Transit Center will serve as San Francisco's next landmark and will feature a 5.4-acre public park on the roof of the Transit Center. The five-story Transit Center includes: one above-grade bus level, a ground floor entrance on Mission Street, concourse level, and two below-grade rail levels serving Caltrain and future California High-Speed Rail. The \$4.2 billion Transbay Transit Center Project is

funded by various funding partners including the Federal Government, the State of California, the Metropolitan Transportation Commission, the San Francisco County and San Mateo County Transportation Authorities and AC Transit, among others. The first phase of the program, which includes constructing the new Transit Center, is fully funded. The new Transbay Transit Center is scheduled to open in August 2017.

America's Cup – In February 2010, we began developing a proposal in consultation with the BMW ORACLE Racing team for facilities to host the 34th America's Cup on the San Francisco Bay. In July 2010, the BMW ORACLE Racing Team announced that San Francisco was the only US city under consideration to host the Cup, and as of November 2010, the BMW ORACLE Team has indicated that San Francisco was one of the two finalists to host the games, the other being a European city. An America's Cup on the San Francisco Bay would generate nearly 9,000 jobs and an estimated \$1.4 billion in direct economic impact. The effort enjoys broad support from key stakeholders, including the Board of Supervisors and Bay Conservation Development Commission. An independent non-profit, the San Francisco America's Cup Organizing Committee (SFACOC) has been established to support the City's bid and implement a successful event should San Francisco be selected. The committee includes prominent local, state, and federal elected officials as well as philanthropists, and community, business and environmental leaders. The SFACOC has agreed to privately raise a portion funds necessary, approximately \$32 million, to defray the direct costs to the City for hosting the 34th America's Cup. The City's offer was adopted as a Term Sheet by a 9-2 Board of Supervisors vote on October 5, 2010. A Host City Agreement, as well as a Northern Waterfront Alternative, was introduced on November 9, 2010 at the Board of Supervisors. Both scenarios will go before the Board in December 2010. The Golden Gate Yacht Club is expected to make a decision before the end of the 2010.

SFMOMA Expansion - In the fall of 2009, Doris and Donald Fisher announced that their extraordinary collection of 1,100 contemporary artworks will be housed at SFMOMA – an unparalleled opportunity for San Francisco. In respect to expansion plans, the City recently approved terms for the exchange of the City's existing fire station on Howard Street in return for a newly constructed, replacement fire station on Folsom Street. The agreement, which was approved by the Board in the summer of 2010, allows for SFMOMA to proceed with a \$480 million campaign and expansion on Howard Street, while providing the City with a modern replacement for its outdated fire station. The agreement translates to a gift from museum leadership to the City of over \$10 million and construction of the new fire station is expected to begin in 2011. SFMOMA recently announced that they have raised \$250 million for their plan to add 100,000 square feet of new gallery and public space to the museum. Completion of fire station is expected by the end of 2012 and completion of the museum expansion is expected by the end of 2016.

Hallidie Plaza – Renovation and activation efforts are ongoing. In August 2008, the Greater Union Square Business Improvement District (BID), which includes the area in and around Hallidie Plaza, was approved. OEWD is working closely with the Greater Union Square BID to make short-term and long-term improvements to Hallidie Plaza, including the following: a grant of \$74,472 to coordinate activations activities and upgrades to the plaza; supplemental cleaning – including daily graffiti cleaning; 10b officers; event programming support; landscaping; and lighting and escalator upgrades.

Old Mint Renovation – In October 2006, legislation intended to guide the restoration of the Old Mint at 5th and Mission Streets was signed. The City will continue to work with its private partner, the San Francisco Museum and Historical Society (SFMHS), to complete final design documents that meet historic preservation standards. In addition, the SFMHS is working on raising more than \$50 million in private donations that will supplement the \$50 million already identified from sources such as historic tax credits and grants.

Moscone Expansion – Work has progressed with the support the San Francisco Visitor and Convention Bureau. Preliminary engineering and feasibility studies are complete and demonstrate that the Moscone Exhibition space can be expanded to 100,000 square feet laterally underneath 3rd Street. An additional expansion/connection underneath Howard Street to better connect Moscone North is also being considered as a viable addition.

Fillmore Muni Substation – The Board of Supervisors approved the transfer of funds and property from the San Francisco Redevelopment Agency to the City in fall of 2009. OEWD received \$135,000 in redevelopment planning process funds and re-acquired property from SFRA in December 2009. An RFP incorporating community input is currently being developed, in conjunction with the community, and will be circulated to prospective developers and operators with the capacity to take on this complex project.

Wholesale Produce Market – The City-owned Wholesale Produce Market is public-private partnership at its best. The City owns the land and the non-profit Produce Market Corporation runs the 300,000 square foot wholesale and distribution market that is an essential link to the City's access to fresh, healthy food and supports the City's tourism industry. The site contains 33 small businesses, creates 650 jobs for San Franciscans, generates \$500 million annually in sales, and \$900 million in economic impact. The current lease with the market expires in 2013. OEWD, with RED, is working with the sponsor to negotiate a new ground lease and obtain project approvals by summer of 2011. The project anticipates a self-funded, phased expansion over 20 years, that will enable the Market to build new facilities, retain its merchants, and create 350 new jobs and \$500 million worth of additional economic impact, including a substantial increase in tax revenues for the City.

Park Merced – This “private-public” project would add 5,600 net new residential units, 300,000 sq-ft of new neighborhood-serving retail and office uses, extend the MUNI M-Line light rail into the heart of a new transit-oriented neighborhood and add two new stations and a much-needed turn-around spur, provide over \$100M of public transportation improvements to the City, replace approximately 1,500 rent-controlled rental units with new, state-of-the-art replacement rent-controlled units and provide all existing tenants full rights for relocation at their existing rents, introduce a best practices stormwater management system to capture and divert all of the existing stormwater flows from the City's combined stormwater & wastewater system into a system of bio-swales and wetlands that will feed Lake Merced and fund over \$30M in alternative energy systems to help off-set new energy demand from the proposed project. OEWD is leading the negotiations for the 30-year Development Agreement that will secure these public benefits for the City. The draft DA and supporting legislation should arrive at the Board in March 2011.

VA Hospital – The San Francisco VA Medical Center (SFVAMC) is exploring significantly expanding and improving its programs by relocating from its current facility at Fort Miley to the Mission Bay area. OEWD is working with representatives of the SFVAMC to identify potential locations and assist with this effort.

California Pacific Medical Center (CPMC) – OEWD is coordinating the approval process for CPMC's proposed major new facilities at Cathedral Hill and St. Luke's. In summer 2010, the Planning Department held a public hearing on CPMC's Long Range Development Plan Draft EIR. Approvals at the Planning Commission and Board of Supervisors are targeted for May 2011. OEWD is coordinating the efforts of all City Departments to process this complicated set of projects. OEWD is also working with CPMC to draft a Development Agreement, which will be approved along with project approvals and will set out binding obligations of both CPMC and the City related to this project.

Octavia Boulevard Mixed-Use Development – With the construction of Octavia Boulevard and the demolition of a portion of the Central Freeway, the State conveyed a number of parcels, formerly underneath the elevated freeway, to the City for purposes of mixed use development of affordable and market rate housing. OEWD is coordinating the disposition of about 20 parcels along the former freeway right-of-way to both the Redevelopment Agency, for affordable housing and to private developers for development of mixed use housing and retail projects, in conformance with the Market Octavia Plan. OEWD is also working with various entities, including Proxy Development, Hayes Valley Farm and Project Homeless Connect to attract temporary users to some of these parcels while they await permanent development. Purchase and sale agreements for all developable parcels are expected to be completed in 2011.

Development Stimulus Phase I – Our development stimulus legislation included two ordinances to simplify and improve the accountability of the development impact fee collection process and allow developers to defer fee payment until buildings are ready for occupancy, substantially reducing up-front

financing costs for pipeline projects. These two ordinances were passed unanimously by the Board of Supervisors on May 18, 2010, and signed into law on May 25, 2010.

Development Stimulus Phase II – Phase 2 of the stimulus package included three initiatives: Instituting a pilot Infrastructure Financing District (IFD); a Citywide Mello-Roos District; and “Green” Developer Agreements. The initial two supporting resolutions for the Infrastructure Financing District passed unanimously by the Board of Supervisors on October 19, 2010. This district will finance the construction and/or acquisition of capital improvements in the Rincon Hill area. Additional legislative actions, which include a property-owner election and ordinance to finally form the District, will happen after February 1, 2011, due to state law noticing requirements, but the Office of Economic and Workforce Development will move these items forward. We also introduced legislation in 2010 to institute a Citywide Mello-Roos District to provide developers with the option of obtaining tax-exempt bond financing to pay for infrastructure-related impact fees (currently before the Board for consideration). Finally, we introduced legislation in December 2010 to establish a pathway for “Green” Development Agreements (DA) which would incentivize developers with stalled or delayed projects to consider investment in creative interim uses for unused and empty plots of land – such as community gardens, tree nurseries, or temporary public parks. Upon introduction, this legislation was referred to the Planning Commission in January for recommendation prior to final approval by the Board.

Workforce Development

One Stop Career Link Centers: There are seven One Stop Career Link Centers located in the City and serving over 48,000 Job Seekers a year. Over the past four years, San Francisco has witnessed OEWD’s significant positive impact on seven high-need neighborhoods through the development of One Stop Career Link Centers using the strategies of combined funding sources, developing capacity of partnering organizations, and implementing quality workforce development practices. In addition, the One-Stop Centers serve as a single point of contact for the business community to obtain access to an array of services available to them at no cost. The One Stop Career Link Centers continue as a vibrant hub of services that welcome job seekers, offer a wide array of quality services at no cost to customers, and leverage the resources of volunteers and community partners.

- **One Stop Complementary Services** are provided in connection with the One Stop Career Link Centers and provide One Stop customers with additional services and resources. There are five service areas provided through Complementary Services: Adult Basic Education, Basic Computer Skills Training, Criminal Justice Re-Entry, Employment Services, Re-Entry Employment Services, Employment Services for Jobseekers with Disabilities, and Limited English Proficiency. Complementary Services are provided at the agencies providing the service and at each One Stop location

OEWD’s Sector Academies are designed to provide job seekers with a full spectrum of services necessary to develop skills, gain industry experience and knowledge, and secure employment in that industry, while accessing all services available through the workforce system.

The Sector Academies are designed to serve adult (age 18 and over) San Francisco residents, who are unemployed or underemployed, and/or have been dislocated from their jobs, and/or meet the priority populations as defined by the WISF. The Sector Academies provide job preparation, vocational training, and other services in order to develop a pipeline of skilled and prepared workers for industries facing staffing shortages and/or identified as having short- or long-term job growth. OEWD has invested in Sector Academies for three key industries: Construction, Green & Health Care.

- **Citybuild Academy** was launched in 2006. To date, Citybuild has held 11 training academies with a 12th cohort scheduled to begin in January 2011. CityBuild has placed more than **1,600** workers onto public and private construction projects and graduates account for approximately 44% of all new apprentices in the City – the single largest contributor to new construction workers in San Francisco – according to the California Department of Industrial Relations Division of Apprenticeship Standards.
- **TrainGreenSF** (formerly known as the **Green Skills Academy**) offers San Francisco residents training in solar installation, clean transportation, energy efficiency, and recycling. TrainGreenSF will enroll 300 participants in its first 18 months and place 250 in jobs.

- The **Health Care Academy** provides a range of entry-level, clinical and technical skills courses, plus externships, vocational licensure and certification. The Health Care Academy has offered twelve different vocational skills training tracks, including Medical Assistant, Home Health Aide, Emergency Medical Technician and Phlebotomy. The Health Care Academy will enroll 500 participants in its first 18 months and place 375 in jobs.

Job Readiness Services assist low-income jobseekers who are having difficulty meeting the minimum qualifications required for entry-level employment opportunities and/or vocational training opportunities. Job Readiness services include:

- Intensive case management
- Barrier removal
- Job readiness training
- Assistance with navigating/utilizing citywide workforce and social services.

Youth Services: Engage San Francisco's most disadvantaged youth in education, training, and work experience activities to prepare them for jobs, careers, and lifelong achievement.

- **GED+** programs offer educationally enriched services for youth ages 17-21 that lead to a high school diploma or GED and support transition to postsecondary or a career pathway.
- **Targeted youth services** provide education and employment support to youth of a particular population or need who also come from low-income households and face significant barriers to employment. Participants eligible for targeted youth services must be between the ages of 17-24 and face barriers such as homelessness, current or previous engagement in foster care, teen parenting, involvement in juvenile justice, or being academically at risk of not graduating high school or attaining a GED. Education and employment services provided include referrals to academic and employment resources, job search and job readiness skills offered through individualized and group learning, case management, and barrier removal. Programs are designed to meet the needs of young people to help them achieve their employment and educational goals.
- **Youth Sector Bridge** programs prepare youth and young adults with basic education and technical skills that are contextualized around a specific industry sector leading to an articulated path to post-secondary education, further sector training or industry-recognized certification. The programs will serve as a feeder to post-secondary education or the City's Sector academies (Construction, Green or Health) and may focus on these and other sectors demonstrated to be viable career options for youth.
- **RAMP-SF** (Reconnecting All through Multiple Pathways) is a workforce and educational development program that provides youth (ages 18-24) with an opportunity to address barriers to employment within the context of a work environment. RAMP-SF equips them with the skills and opportunities they need to get on a path towards self-sufficiency and productive participation in society. The program model combines job readiness training, paid work experience, educational services, and intensive support. Following an intensive 6 week paid job readiness training, young people are placed in a "next-step" which may consist of education, transitional employment, training, job placement or some combination.

Construction Hiring Legislation: OEWD has been working closely with members of the BOS, Chapter 6 departments, employers and community representatives over the past year to facilitate discussions in the development of a mandatory local hiring program. The City has been operating under a "good faith effort" based program for years and this is a historic move to adopt a "mandatory" based hiring program. Legislation has been introduced at the BOS on October 19, 2010 and staff continues to represent the mayor's administration in the development of the legislation.

Neighborhood Business Development

The Neighborhood Business Development Division, encompasses 4 Programs. The **Neighborhood Marketplace Initiative Program (NMI)**, the **Community Benefit District Program (CBD)**, the **Central Market Partnership**, and the Economic Development Portfolio of the **Community Development Block Grant (CDBG)**. The NMI and the CBD Programs are designed to assist with

the economic revitalization of geographic specific commercial corridors; whereas, the CDBG program supports non-profit organizations who provide business technical assistance to micro-enterprises and small businesses throughout San Francisco. In addition to these programs, OEWD administers Small Business Financing Programs.

- The **NEIGHBORHOOD MARKETPLACE INITIATIVE** is designed to help promote and revitalize low-moderate income commercial districts in San Francisco. The program is a public/private partnership between OEWD and Local Initiatives Support Corporation (LISC). OEWD and LISC, often in collaboration with City Agencies (such as DPW, SFRA, PUC, MTA, etc.) conduct a community planning process to develop a Community Action Plan, at the end of that process a Commercial Corridor Manager is identified to act as the lead point person for the corridor. The Corridor Manager works with neighborhood business owners, property owners, residents, and other stakeholders to implement the Community Action Plan. OEWD and LISC help to fund the program, and provide technical support as needed. NMI is currently in place in 11 neighborhoods. An adjunct program, the Neighborhood Merchant Leadership Initiative, uses the NMI strategy in a less intensive manner and is providing technical assistance to four additional merchant corridors.
- The **CENTRAL MARKET PARTNERSHIP** was established in January 2010 to build on work that had been initiated in the Tenderloin through the Neighborhood Marketplace and focus specifically on the Central Market blocks between 5th and 10th. The goal of the Partnership is to engage multiple City Agencies and multiple stakeholders – property owners, merchants, arts organizations, developers, and residents – in the challenge of revitalizing this stretch of Market Street and building on the cultural district that was there historically. In a year's time, we have seen several new retail businesses open, including Blick Art Supply, and have gained great traction with arts organizations who are interested in making Central Market a long-term home – 75 theater groups surveyed expressed interest in a recent survey. We received a \$250,000 grant from the National Endowment for the Arts to undertake short-term activation of public spaces through the arts and are using those funds to do public art, art in vacant storefronts, an art market at UN Plaza, and programming at the already-established arts venues in the area. We have re-started the Mid Market Project Area Committee, to establish a Redevelopment Plan, and have initiated the Better Market Street initiative to redesign the street. We have also launched an \$11.5 million loan fund for the area using HUD Section 108 funds; a first loan was recently made to Pearl's Deluxe Burgers, which will open on Sixth and Market in Spring 2011 with assistance from the Redevelopment Agency.
- The **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, ECONOMIC DEVELOPMENT PORTFOLIO** funds technical assistance for pre-startups & startups and existing businesses, in the areas of operational management, financial management, marketing, and several other specialized areas of technical assistance. The CDBG program intent is to develop viable urban communities through the provision of decent housing, suitable living environments, and economic opportunities for persons of low and moderate income.
- OEWD oversees **SMALL BUSINESS FINANCING PROGRAMS**. The two (2) loan programs are the San Francisco Revolving Loan Fund, which is administered by TMC Working Solutions; and HUD Section 108 Loan Program which is administered internally, with the assistance of an underwriting consultant. Additionally, OEWD, provides assistance to small business lenders who package loans to micro-enterprises and small businesses in San Francisco.
- OEWD administers the **SF SHINES** Façade Improvement Program. The program provides free architectural design services to participating businesses, and assists in providing grants of up to \$17,500 for façade improvements (in NMI neighborhoods only), and \$35,000 in Tenant Improvement (Only in Bayview). The program has helped business create and identify, and attract new customers to their store.
- The **COMMUNITY BENEFIT AND BUSINESS IMPROVEMENT DISTRICT (CBD/BID) TECHNICAL ASSISTANCE PROGRAM** – works to improve the overall quality of life in targeted commercial districts and mixed-use neighborhoods through a partnership between the City and local communities. Once an area has voted to establish a CBD, local property owners are levied a special assessment to fund improvements to their commercial district. The funds are administered by a non-profit organization established by the neighborhood. The creation of CBD/BIDs in City neighborhoods is intended to enable property owners and businesses to create

vibrant commercial districts and healthy business activity by conducting marketing campaigns and special events, providing small business support services, enhancing landscaping, activating public open space, creating new street amenities including furniture and public art, and implementing cleaning and safety programs beyond what the City currently provides. There are 10 total CBDs in operation in San Francisco that leverage over \$28 million in assessment and other revenues annually: Yerba Buena, Central Market, Castro/Upper Market, Noe Valley, North Market/Tenderloin, Mission, Fisherman's Wharf, Union Square, Fillmore and the Tourism Improvement District.

- In 2004 there was only one CBD/BID in San Francisco, The Union Square BID. That year the Mayor's Office worked with the President of the Board of Supervisors to pass Article 15 a local ordinance that lowered the threshold required during the petition phase for new CBD/BID formation. That legislation also extended the allowable term for new CBDs from 5 to 15 years. In 2004 The Mayor created a CBD/BID technical assistance program within the Office of Economic and Workforce Development, that same year OEWD initiated a new grant program assist mixed use commercial districts with the cost of implementing a one to two year CBD/BID formation campaign. OEWD hired a CBD Project Manager in 2005 and later that year assisted the first 5 CBDs through the legislation and establishment process under the new local ordinance. Since 2005 10 new an expanded CBD/BIDs have been established. Several new districts are in the formation phase in 2010.

Business Development

Sector Initiatives:

- **Tech:** Working to support long term growth of the technology industry in San Francisco. San Francisco is currently home to over 500 tech firms, which include such established companies as Twitter, Salesforce.com, Dolby Laboratories, Advent Software and Google. Short term objectives include provided specialized assistance in City tax incentives, programs and services.
- **Restaurants:** Working to support the long term growth and sustainability of the restaurant industry in San Francisco. As a major employer and cornerstone of San Francisco's economy, the City stands to greatly benefit from the health of this sector. Short term objectives include the convening and management of the Inter-Agency Restaurant Consultation Team as well as providing specialized assistance in available City incentives, programs and services.
- **Retail / Hotel / Tourism:** Support, retain and grow the San Francisco retail/hotel/tourism sectors. Program objectives include: responding to new business and expansion inquiries; coordinating retail/hotel recruitment efforts for high priority development projects (i.e. Central Market, City Place); supporting business recruitment efforts in neighborhood tourist hubs; supporting ChinaSF Retail Recruitment Strategy; conducting business outreach and maintaining ongoing communication with over 200 retailers and hotels; connect businesses to business assistance services, incentive and workforce programs; facilitate coordination between SFCVB tourism activities and neighborhood businesses; manage the annual holiday Shop SF - Get More Campaign; Coordinate intra-agency efforts to improve SFO tourist signage infrastructure.
- **Biotech:** Six years ago the City launched a biotech initiative which has helped grow the San Francisco life sciences industry from just 2 companies in 2005 to more than 73 today. This growth was the result of a comprehensive economic and workforce development strategy to attract, retain and support new the formation of life sciences companies in San Francisco. Through these efforts, the City attracted the California Institute for Regenerative Medicine (CIRM), Merck, Bayer, FibroGen, Celgene and Nektar Therapeutics. In addition to continually working to recruit new firms, near term goals include implementing BioSF – a partnership between the City, QB3 and the SFCED that will serve as a platform for developing and implementing the City's biotech strategy going forward. BioSF includes the hiring a biotech industry manager with offices at City Hall and in Mission Bay, who's role is to develop and promote the biotech industry in the City.
- **Cleantech:** The Cleantech Initiative is focused on attracting and supporting the formation and growth of cleantech firms in the City. San Francisco is home to more than 225 cleantech companies in a range of cleantech sectors including: biofuel, renewable energy, green building, consulting, trading and offsets, finance and recycling. San Francisco is home to a major international solar cluster which includes Suntech, Fotowatio Renewable Ventures, Yingli Green

Energy, UpSolar, Recurrent (Sharp Solar), Q-Cells, GA Solar, Abengoa, BP Solar, and Kaco Solar. Near-term goals includes refined targeting of cleantech sub-sectors where San Francisco can compete and succeed; developing a more robust business development platform to respond to and recruit cleantech firms; and continued outreach to existing San Francisco cleantech companies.

- **Financial, Legal and Professional Services:** Retain, attract and expand financial, legal and professional services sector in San Francisco by conducting proactive business outreach, providing businesses assistance, connecting firms to incentives and programs and responding to business concerns.
- **Industrial:** The goal of the City's Industrial Initiative is to retain, expand and ultimately attract industrial businesses by creating a competitive businesses environment where they can grow and prosper. The Business Development Team provides business assistance, conducts outreach and resolves issues affecting competitiveness for industrial businesses in the City. The Industrial Initiative is focused on developing capacity to support and multiply these efforts. In 2010, OEWD provided a grant to SFMade, a local non-profit organization, to develop programs and services that support the City's local manufacturing sector.

International Initiatives:

- **ChinaSF:** ChinaSF is a public-private initiative between the Office of Economic and Workforce Development and the San Francisco Center for Economic Development. With offices in Shanghai, Beijing and San Francisco, ChinaSF attracts and recruits Chinese businesses and investment to San Francisco while assisting San Francisco-based companies with expansion into China's market. Since its launch, ChinaSF has helped facilitate the location or expansion of over 12 Chinese companies to San Francisco including businesses in the clean technology, digital media, and life science sectors. ChinaSF has also been active in connecting San Francisco businesses to opportunity in China. As a result, over 120 jobs have been added to the City
- **Spain:** Develop program to recruit and retain Spanish businesses.

Incentive Programs:

- **The Enterprise Zone:** The San Francisco Enterprise Zone is a powerful State incentive program that provides companies located with the zone valuable tax credits and other financial benefits. San Francisco is home to one of the largest and most active Enterprise Zones, which covers most of the Eastern half of the city, from the Northeast waterfront to Hunters Point Shipyard. OEWD administers the program locally and vouchers business employees for the "hiring tax credit" portion of the program. In 2009, 723 San Francisco businesses took advantage of the Enterprise Zone hiring tax credit, compared to the 439 businesses that took advantage of the Enterprise Zone hiring tax credit in 2008. Near-term goals include the implementation of an on-line submission tool for businesses to submit Enterprise Zone Hiring Tax Credit voucher applications completely electronically, receiving permanent designation on the renewal of the zone (the City received conditional designation for a 15 year extension in 2007) and continue marketing efforts to promote the zone.

Special Projects:

- **San Francisco Economic Strategy Update:** OEWD is working with the Controller's Office of Economic Analysis to update the San Economic Strategy which was completed in 2007. This project will review and update the findings, strategic goals and recommendations of the 2007 report.
- **Business Streamlining Initiatives:** The Business Development team is working on several projects to make it easier for business to start and operate in the City including: (1) SF Business Portal – OEWD is working with Department of Technology and the State to develop an online Business Portal which would give businesses a step-by-step roadmap of the required steps and forms they will need to complete to open a business after answering a series of questions; (2) Business Permit Fee / License Consolidation: OEWD is working with TTX and Supervisor Chiu's Office to consolidate billing for business fees and licenses and assess opportunities for further process improvements.

- **Justin Herman Plaza Bocce Court:** This project is the construction of two new regulation Bocce Courts located on the South Lawn at Justin Herman Plaza for free public use. The funding, material and labor was contributed by Salesforce.com, Webcor and Local 261 respectively. The gift was approved by the Board of Supervisors on September 21, 2010. The Bocce Courts are expected to be completed by Dec. 3, 2010.
- **Building 813 Incubator at Hunter's Point Shipyard:** This project will re-purpose a 260,000 sq/ft former Navy building into a multi-use asset housing the United Nations Global Compact Sustainability Center and a Cleantech Business Incubator. The business incubator would serve as operating space for early-stage, innovation driven industries with an emphasis on clean technology and green businesses. Through the Redevelopment Agency procurement process, the City has entered into a contract with the project management team led by the San Francisco Company, Equity Community Builders ("ECB"). ECB is currently overseeing a market and feasibility study of the building and simultaneously developing the long-term design, rehabilitation and operation plan for Building 813. The preliminary development costs are being covered by EDA Grants #4 & #5 – approximately \$7.5million. Need to identify further funding and financing for the final build-out – estimated between \$50 and \$60million. The estimated completion date is 2013.
- **Project Frog Building at Hunter's Point Shipyard:** The Project Frog Building is a 5,000 square foot community facilities demonstration project at the Hunters Point Shipyard. The LEED Certified Building will house the CityBuild CleanTech Academy and Job Placement Center and was funded through a \$2.4 million Federal EDA grant. This is the first new construction in the Shipyard in 40 years.

Office of Small Business

The Office of Small Business and Small Business Commission has canceled the 2011 the Shop Local Campaign due to budget constraint. For 2011 – 2012 the OSB will continue to focus on streamlining and improving the business environment:

- **Streamlining Initiatives:** OSB will provide staff resources and support to the OEWD Business Streamlining Initiatives and the Restaurant Inter-Agency Consultation Team. OSB to conduct a review and analysis of impact fees on small businesses.
- **Mobile Food Program:** In cooperation with DPW and DPH design and create a "How To" guide and on-line GIS mapping of vendor sites.
- **Commission Projects:** the SBC plans to work with the Planning Commission on conducting a review and analysis on formula retail and conditional use. The SBC to hold a hearing on the impacts of the new Federal Healthcare reforms and how the reforms interface with the San Francisco Health Care Security Ordinance and a hearing on Prop. 26 and its impact to existing and new fees.

Small Business Assistance Center

The Small Business Assistance Center will continue to provide these core services and objectives:

- **Customized Information** – Clients receive one-to-one assistance and are assigned a Case Manager who provides a customized checklist of local, state and federal requirements by business type. Case managers continue to work with client through the many stages of business development
- **Technical Assistance** - SBAC Case Managers coordinate with city and non profit organizations to provide technical assistance and business training for clients as needed, including business plan development, financing options, legal and tax counseling, and procurement and certification assistance and more
- **Businesses Programs** – Case Managers market and promote business programs, including doing business with the City, Green Business Certification, tax credits and incentives, energy saving and rebates, façade programs, Shop SF Get More and others, and assist business in accessing programs.
- **Policy Advocacy** – OSB staff work to track and identify problems for businesses, including inconsistencies in city laws & regulations, and work to address and remove barriers by working with city officials, initiating legislation and directing city policy when necessary via the Commission

- **Outreach and Education** - Staff works to promote and celebrate small business and their contributions through partnership initiatives, annual events such as Small Business Week, and via regular email and newsletter communications
- **On-line and Print Resources** – The OSB maintains a website with useful information from starting a business to procurement, “How to Start a Restaurant” on-line, publishes the popular guide book “How to Start a Business in San Francisco” and in 2011 San Francisco’s ADA Guide for Small Business.

Film Commission

1. Increase data collection from all productions related to local hires, number of hotel nights and estimated budgets in order to better determine the positive economic impact filming has on the City of San Francisco. Our office is adding this reporting requirement to our Use Agreement application. This will also enable the Film Office to provide accurate economic impact data to the Mayor and Board of Supervisors during the budget process and upon review of the Scene in San Francisco rebate program in June 2012.
2. Continue to simplify the permitting process in order to make San Francisco more “film friendly.” The film office is currently evaluating additional permit jurisdictions we may be able to act on behalf of, in order to simplify permitting for productions.
3. Increase marketing of the Scene in San Francisco Rebate Program:
 - a. Through carefully placed advertisements and press releases.
 - b. Marketing trip to Los Angeles to target producers, directors, heads of physical production and post production at both major film Studios and smaller “indie” production houses to better promote the Scene in San Francisco rebate program and filming in the City.
 - c. FAM (familiarization trip) for directors, producers & heads of physical production from Studios in order to highlight San Francisco as a filming venue. This will take place in the Spring of 2011.
4. Increase/streamline financial incentives for productions to film in San Francisco to prevent more film flight from San Francisco:
 - a. Creation of the Scene In San Francisco Vendor Discount Program which will be unveiled in January 2011 in order to increase the financial incentives for productions shooting in San Francisco. This will solicit discounts from hotels, restaurants, entertainment, car rentals, hair salons, fitness facilities and more, offering discounts to productions and production crew while they are filming in San Francisco.
 - b. Investigate the possibility of partnering with Post Production and Special FX facilities to offer discounts to productions filming a qualifying percentage of principle photography in San Francisco, to increase the financial incentives for productions to base all phases of production in the City.
 - c. Continue to track the availability of City-owned property to identify possible production facilities for films and television shows which base in the City. This would make filming in San Francisco more cost effective, as rent paid for City owned production offices and warehouse space would qualify for the Scene in San Francisco rebate program.
5. Ensure long-term success of the FilmHouse Residencies program, in conjunction with the San Francisco Film Society. This innovative program, launched in November 2008, supports local independent filmmaking by offering office space free of charge for six-month residencies to independent filmmakers actively engaged in various stages and genres of film production. The Film Office will need to find a new space to house the residents beginning June 2011, as the current offices located at Pier 27 space will no longer be available for lease
6. Continuation of the Long-Term Strategic Planning Advisory Body. This Advisory Body is chaired by Commissioner Debbie Brubaker, and includes Commissioners Bratt, Bradley and Chan and is charged with identifying long-term goals for the Film Commission.

International Trade and Commerce

1. Work closely with SFO on the attraction of new foreign airlines to SFO and expansion of service by current carriers

2. Attract foreign firms and government operations to the City of San Francisco, creating new job opportunities for our citizens.
3. Host and network trade, buying and study missions that visit San Francisco, so as to ensure the business community meets important overseas business decision makers.
4. Work with foreign governments, organizations and companies to have them present their conferences, seminars and other special events in San Francisco.
5. Create new business opportunities abroad for locally based firms.
6. Coordinate, organize and sponsor local trade missions to potentially lucrative locations overseas.
7. Act as the City's liaison to those members of the foreign business community already in SF and work to expand their operations in our city.
8. Liaison and supporter for the City to the large nonprofit international trade community and its programs, projects and services.
9. Act as special liaison to the local diplomatic community on commercial and economic matters.
10. Oversee the award winning Sister City program that entails 18 relationships around the world with 18 separate volunteer Sister City Committees.
11. Assists SFCVB with targeted international tourism promotion events and programs.
12. Coordinate logistics of visiting dignitaries that do not fall under the Protocol Office guidelines—especially business leaders and governmental leaders in the trade and commerce areas.

BEST PRACTICES

Development Project Planning

- Treasure Island: OEWD staff are responsible for leading the project management of the pre-development planning, real estate negotiations and entitlements phase of the Treasure Island Redevelopment Project, a complex multi-agency, multi-billion dollar project. This includes taking direct responsibility for the administration and coordination of all professional activities, including real estate, planning, engineering, construction, legal, financial and environmental associated with the project. Staff oversees all contractors and consultants, financial agreements and budget needs for related work. This includes supporting the day-to-day management of negotiations and communicating directly with federal, state, regional, and local agencies (i.e., U.S. Navy, FHWA, US Dept of Labor, US Coast Guard, Caltrans, California EPA, MTC/BATA, etc.) and City departments. In negotiating the terms of real estate transactions and Disposition and Development agreement with the private developer, TICD, staff has been able to maintain the vision of the project that will ultimately result in maximizing the delivery of public benefits through the implementation of the project. In order to accomplish this in a shifting policy and economic environment, staff has engaged expert outside counsel, maintains direct contact with many non-profit agencies and public agencies, and manages the approval process with local advisory bodies, appointed commissions and elected boards by communicating directly with each body, and presenting the comprehensive vision of the project to ensure the many different interests of the City and region are represented. OEWD staff interfaces and negotiates directly with department heads and deputies, elected and appointed officials, on a day-to-day basis to ensure that policy issues are addressed in a timely manner as negotiations precede.

Workforce Development

- A **Dual-Customer approach** to the SF workforce development system that emphasizes quality services for both business and jobseeker customers.
- Employer Single Point of Contact: **Citywide Business Assistance Specialists**, contracted separately from One Stop service providers, to work cooperatively with One Stop staff and provide job development services to all One Stop clients.
- **HireSF.org**: A San Francisco-specific job board launch by Workforce Development in March, 2010, with the ability to track First Source employment opportunities and utilize One Stop staff in making the connection between job seeker clients and local employers.
- **Sector-Based/ Industry-Focused** workforce development strategies that include labor market analysis and employer input/ feedback regarding the workforce services delivery system.
- **Neighborhood Engagement** strategies that engage community stakeholders and ensure the accessibility of workforce services to all San Franciscans.

- **Systems Integration** strategies that create cooperation, connections, and partnership between various workforce development providers, training institutions, funders, and other stakeholders to create a more efficient, effective, and interconnected workforce development system.
- Implementation of **Youth Workforce Development Quality Standards** – These standards were developed in partnership with and adopted by the WISF and Youth Council, identifying minimum quality practices required by funded agencies.
- Now in its second year, **RAMP** has developed into an integrated education and workforce training program successfully reaching 18-24 year olds who have been disconnected from education and the workplace through an intensive Job Readiness Training course, classroom instruction, transitional employment and safety net services.
- **Re-Entry and Disability Navigators Navigator** provide drop-in resource/referral services at the One Stop Career Link Centers. Navigators, confidentially, work with customers one on one to identify their needs and refer them to appropriate services/programs.
- **Partnership with the San Francisco Department of Child Support Services-** The Department of Child Support Services created and partnered with the One Stop Career Link Center to implement the Job Support Program which is designed to assist non-custodial parents (participants) address his/her child support issues through an administrative process and increase the likelihood of a participant to obtain employment and meet his/her child support obligation.

Neighborhood Business Development

San Francisco is home to a wide variety of economic development programs and services that meet the diverse needs of the City's small businesses and neighborhoods. OEWD's Neighborhood Business Development team is working to ensure that these programs are linked together and leverage one another. Thus **OEWD is creating a complete "ecosystem" of services for small businesses.** This ecosystem includes the NMI corridor managers, organizations providing technical assistance to micro-enterprises and small businesses, loan programs that link businesses with capital for expansion and development, and Community Benefit Districts. More than ever before, these different programs are working together to maximize their impact: increasingly they are referring clients to each other, streamlining the delivery of services, and minimizing the duplication of services. This results in better outcomes for individuals, small businesses, and neighborhoods.

NMI

1. **Identification of one point person (corridor manager) or key organization to lead the efforts in implementing the Community Action Plan.** This has proven to be highly successful in catalyzing community energy in achieving objectives of the Community Action Plan. The relationship provides an open line of communication, and an effective way in targeting city services and resources to where they are needed most in the community.
2. **Convening of interagency teams.** OEWD recognizes that each department is committed to providing quality services to the community, but in so many cases we noticed that agencies were not communicating with each other. OEWD began to convene interagency team meetings so that agencies were well aware of each other's activities and were able to coordinate services, schedules, staffing, etc.
3. **Coordination of funding.** OEWD has been able to coordinate funding of City Agencies to better target funding to community projects. OEWD has been able to coordinate with Agencies such as City Administrator, DPW, PUC, SFRA, Grants for the Arts and the Arts Commission. This coordinated effort has lead to leveraging of funds, and in many cases lead to project budgets being fulfilled and projects being completed on time or sooner than initially anticipated.

Central Market Partnership

1. Partnership with multiple City agencies, including Grants for the Arts and the Arts Commission, to undertake collaborative arts-related development
2. Partnership with nonprofit technical assistance providers, including Northern California Loan Fund for arts organization assistance and Local Initiatives Support Corporation (LISC) for underwriting assistance for Section 108 loans.

3. Engage outside funders, i.e. the National Endowment for the Arts and private foundations, in the work of revitalizing the neighborhood.

CDBG

1. **Quarterly Network Meetings.** OEWD began to organize quarterly network meetings that allowed all CDBG grantees to network amongst each other. In each meeting a specific topic is highlighted, where grantees discuss the successes and challenges of their work, and engage in peer to peer conversation and share best practices.
2. **Improved Outcomes Tracking.** OEWD has worked with grantees to improve their utilization of the Total Grant Solutions grant-tracking software. When reporting on their economic development activities, grantee organizations now enter data that is more specific and thorough. This allows for more effective quantitative and qualitative analysis of their work. It also enables OEWD to coordinate interagency partnerships more effectively, and to better understand and identify gaps in services for individuals, small businesses, and neighborhoods.
3. **Identifying Gaps in Service.** In the 2009-10 Consolidated Planning process, OEWD identified several key gaps in the existing network of services for small businesses. Marketing Assistance, Legal Services, and Lease Negotiation were identified as business technical assistance needs that were not being met. OEWD worked with existing partners to determine how these needs can be met most efficiently and effectively, and recruited and funded other CBOs to help fill the gaps.

CBD/BID

1. CBD/BIDs invest over \$28 million annually into San Francisco's economy and mixed use commercial areas through place based services such as: cleaning, safety, public realm and streetscape planning, greening, public space activation, capital improvements, business attraction and retention, marketing and promotions as well as industry specific services targeted to the tourism industry and to the retail sector.
2. CBD/BIDs are managed by local non profit organizations whose board of Directors are comprised of property owners local businesses and residents from the assessment districts.

Business Development

- **Industry Initiatives:** Since 2004, the Business Develop team has worked to develop the City's economic development platform for domestic and international business recruitment, business retention and new company formation. Today, the Business Development team manages eight industry initiatives; international economic development initiatives; manages the City's business incentive programs and leads strategic initiatives that make San Francisco a better place to do business. This economic development platform consists of the following key elements:
 - **Sector Managers:** Industry specific Business Development Managers staff the following sectors: the New Media / IT; Cleantech; Biotech; Retail; Finance, Legal and Professional Services; Restaurants; Hospitality and Industrial sectors. Sector Managers serve as the City's lead for business recruitment, businesses retention, business assistance, and the development of sector specific strategies. Sector Managers proactively build and own the relationship with business representatives in each sector and leverage these relationships to anticipate needs, provide solutions and connect businesses to workforce and incentive programs.
 - **Sector Strategies:** Building off the work of the San Francisco Economic Strategy, sector managers develop and implement sector strategies based on the City's unique goals, objectives and opportunities within each sector.
 - **Consolidated Incentives Management:** The Incentives Manager serves as a one-stop resource for government incentives available to businesses. The Incentives Manger administers incentive programs (like the State Enterprise Zone), serves as the subject matter expert on government (local, state, federal) business incentives whether they are administered locally or not, and coordinates marketing efforts for incentive programs.
 - **Workforce Integration:** Sector Managers serve as a connection point between business hiring opportunities within target sectors and the City's workforce business services. Sector Managers help identify business hiring needs / layoff risk and connects those businesses to the workforce business services team.

- **Technology Solutions:** With thousands of businesses across these target sectors, Business Development has deployed low-cost but effective technical solutions to increase the team's capacity and efficiency.
 - **Customer Relationship Management (CRM):** In 2008 the Business Development deployed SugarCRM, a Customer Relationship Management (CRM) tool to track interactions with business clients, manage their issue to resolution, and share information across the team.
 - **Enterprise Zone Online Tool:** Slated for deployment in Q1 2011, Business Development is developing an online submission tool for Enterprise Zone applications which will allow businesses to submit all applications, documentation and payment for the Enterprise Zone online and allow staff to approve online, reducing and ultimately eliminating the current paper process.
 - **SF Business Portal:** OEWD is working with the Department of Technology and the State to develop an online Business Portal which would give businesses a step-by-step roadmap of the required steps and forms they will need to complete to open a business after answering a series of questions.
- **Proactive Communications:** Business Development has worked to proactively push out relevant information to the San Francisco business community through the website, newsletters and email blasts. In 2011, Business Development will be working on further leveraging social media channels and the City's 311 call center.
- **Capacity Building / Innovative Partnerships:** The sheer number of businesses covered by the Business Development team means that demand immediately exceeds the ability for Business Development to resolve all issues, reach out to all businesses in target sectors and capitalize on all opportunities. Business Development sought to increase its capacity and multiply its impact by developing new business development partners and resources. Some examples include:
 - In 2008, Business Development partnered with the San Francisco Center for Economic Development (SFCED) and a board of private sector companies to launch a China focused economic development initiative called **ChinaSF** which is detailed further below.
 - In 2009, as part of OEWD's Industrial Initiative, the Business Development and Neighborhood Development teams, have worked to develop **SFMade** as a sector-specific local economic development group focused on growing and supporting the industrial sector.
 - In 2010, Business Development launched **BioSF** – a partnership between the City, QB3 (a State Research Institute) and the SFCED that will serve as a platform for developing and implementing the City's biotech strategy going. BioSF will include the hiring of joint biotech industry manager to develop and promote the biotech industry in the City.
- **ChinaSF:** Suntech and GCL Solar are two companies that ChinaSF has recruited to San Francisco. By identifying a major trend in Chinese business expansion, ChinaSF was able to recruit Suntech to San Francisco. Starting with a 4 person office, it then grew to nearly 60 employees within a year and a half. GCL Solar is another cleantech giant in China. Beginning by hosting GCL's initial visit to the US, ChinaSF secured their commitment for their N. America HQ in San Francisco. Since their initial opening in 2009, they have signed a new lease, tripling their space and occupying an entire floor at 1 Market.
- **Local Economic Stimulus Plan:** In early 2009, OEWD developed a Local Economic Stimulus Plan which built on both existing economic development programs and included a number of major new initiatives, including:
 - The creation of revolving loan fund
 - Expanding the scope and reach of existing state and federal tax credit programs
 - Extending and expanding film rebate legislation to attract more filming to San Francisco and encourage more local hiring
 - Providing free space to local artists in vacant storefronts
 - Expanding the successful "Shop SF. Get More" and "Staycation" holiday marketing campaigns to more permanently attract shoppers and tourists to the City from the 9-county Bay Area

- Expanding the reach of the City’s successful Neighborhood Marketplace Initiative (“NMI”) and Community Benefit District (“CBD”) programs that encourage revitalization and maintenance of neighborhood commercial districts. New funds will support even more neighborhood commercial corridors
 - Amending the City’s Public Works Code to further expedite billions of dollars of already funded local infrastructure projects and to make it easier for local companies to work on those projects
 - Launching a business assistance strategy specifically directed to Spanish-speaking businesses
 - Attract foreign investment
 - Opening a new “one-stop” career center for the unemployed in the Western Addition
 - Expanding the scope of the “Working Families Credit” program
 - Expanding the City’s groundbreaking “Bank on San Francisco” program to include financial literacy
 - Providing over \$23 million in low- and no-interest loans to local businesses
 - Accelerate development projects
- **Targeted Tax Incentives:** OEWD has helped identify opportunities to stimulate business recruitment, retention, expansion and job creation through the passage and implementation of targeted tax incentives including:
 - **Increase Payroll Tax Exclusion for Small Business** – Initiative to increase the payroll tax exclusion from \$167,000 to \$250,000 to support small businesses was approved by voters.
 - **Biotechnology Tax Credit** – The City passed a **Biotechnology Payroll Tax Exclusion** in 2004, which has encouraged more businesses to locate in the City. As of December 2010, there are 73 biotech and life sciences companies in San Francisco – up from just two in 2004. The existing tax exemption is in effect until 2014, and is available to a qualifying business for a total of 7.5 years. A cross-departmental team including OEWD, the Department of Public Health and Treasurer and Tax Collector’s Office works together to administer the program.
 - **Clean Technology Tax Credit** – Instituted in January 2006 and amended in 2008, the Clean Technology Payroll Tax Exclusion provides a payroll tax exclusion for San Francisco clean technology companies that engage in clean energy technology and employ less than one hundred employees. The exclusion is administered by the Department of the Environment.

Office of Small Business

The Office of Small Business is most productive when it collects, compile, analyze and interpret information relating to the formation, status, and economic health of the small businesses through policy recommendations and advocacy to the Mayor and Board of Supervisors.

A direct outcome of these recommendations resulted in:

- The revamping of the mobile food permitting process.
- TTX assess how to consolidate billing for business fees and licenses.
- The Mayoral veto of the Alcohol Recovery Fee.
- The Small Business Assistance Center
- Served nearly 6000 business clients in the first 18th months that it has been open.
- Increases in number clients served: 2009 had a 10% increase over 2008 in clients served and 2010 is averaging a 28% increase over 2009.
- Attended 70 events and workshops to promote the services of the SBAC.
- Through OSB’s aggressive outreach campaign for Jobs Now, nearly 90% of businesses participating in the program are small business.
- Small Business Week 2010 reached record numbers with 1200 small business attending “Flavors of San Francisco”, and 1000 individuals’ attendees a full day or workshops and classes.
- OSB’s website is a comprehensive resource of business information that is utilized by OSB, OEWD and the City’s Neighborhood Economic Development Organizations.

Film Commission

- Respond to all voicemails, emails and filming applications within 1 business day

- Maintain comment log including a record of each complaint or compliment along with any necessary response from the Film office and the time frame for resolution.
- Collect and distribute payments for other City Departments in relation to filming allowing clients to submit all payments in one place and/or with a credit card, which serves both as a service to fellow City departments and as a tool to simplify the permit process for clients.
- Arrange networking events on a quarterly basis for industry professionals and the public to meet and interact.
- Maintain accurate contacts and fee schedules on office website.
- Convert and maintain digital permit documents online for clients to download and fill out electronically.
- Maintain a photo database of locations amenable to filming in San Francisco and the Bay Area. This serves as a tool for both visiting production and property owners interested in marketing their property.

International Trade and Commerce

- Transition from ‘General Sister City Agreements’ to targeted programs that can focus both cities and provide important economic or cultural ties. Thus the creation of the “Digital Sister City” programs with Toronto, Paris, Auckland. This same approach has been used with Bangalore where we are pursuing specific programs in Water and Solid Waste Management.
- Direct on-line communication with overseas counterparts for greater efficiency. (Skype)
- Creation of first comprehensive Sister City project (across all 18 committees) for the “Sister City Artist in Residence.”
- Co-sponsorship of quarterly Consular Corps staff gatherings to network the working staffs of City along with professional staffs of the Consulates.
- **Airline Expansion (SFO):** Through long term efforts in conjunction with the International Aviation Department at SF International Airport, the International Trade and Commerce office worked to secure Virgin Airlines’ decision to use San Francisco International Airport as its base of operations in North America. In June 2010, we were joined by Governor Schwarzenegger and Virgin America’s CEO, Richard Branson as we celebrated the launch of Virgin America’s first international route from SFO to Toronto. In 2010, Virgin announced two new destinations, Orlando and Dallas and continues to expand their service from SFO with new flights to Dallas/Ft Worth on December 6th; San Jose de Cabo, Mexico on December 16th and Cancun, and Mexico on January 20, 2011. Additionally, with the completion of Terminal 2 in the late spring of 2011, Virgin America will become the main tenant of that terminal along with American Airlines. 2010 also saw new operations by four foreign flagged carriers inaugurated at SFO. Air Berlin began flights to Dusseldorf in the spring of 2010. This was followed soon after in June 2010 by Swiss Air initiating nonstop service to Zurich and then Westjet (Canada) to Edmonton and Calgary. Lastly, LAN Airlines on July 1st began the first SFO to South America nonstop service to Lima, Peru connecting on to Brazil and Chile. OITC was an active part of the long business development process with all of these airlines and their decision to start SFO service.

2011 MILESTONES

Development Project Planning

Treasure Island:

- EIR Certification joint public hearing between TIDA and Planning Commission – March 2010
- Final project approvals by TIDA and Board of Supervisors (including Conveyance Agreement with the Navy, Redevelopment Plan Adoption, Disposition and Development Agreement) – May 2010
- Land transfer from Navy to TIDA – Fall 2011
- Groundbreaking – Fall/Winter 2011

Octavia Boulevard Real Estate Development

- January 2011: Signing of Purchase and Sale Agreements for Octavia Boulevard Parcels H, J, M, N, P and V.

- January 2011: Opening of “Proxy” temporary retail project on Octavia Boulevard Parcels K and L

California Pacific Medical Center (CPMC)

- May 2011: Planning Commission and Board of Supervisors approvals for new CPMC facilities at Cathedral Hill and St. Luke’s.

SFMOMA Expansion

- November 2011: Board of Supervisors approvals for SFMOMA expansion and replacement fire station

Workforce Development

- March/April 2011: OEWD Workforce Forum - a conference-style forum for workforce development system stakeholders to engage in discussions, networking, and learning regarding: local and national best-practices; service planning and coordination; local challenges, opportunities, and strategy related to workforce development.

Neighborhood Business Development

- NMI
 - Pearls Deluxe Burgers (Central Market) - Spring 2011
 - CDBG and General Fund Grants Awarded – Spring 2011
 - Fresh and Easy Grocery Store Opening (Bayview) – Summer 2011
 - CVS Opening (Ocean Ave) – Fall 2011
- CBD/BID
 - Final Ballot Hearing Proposed Civic Center CBD Formation: January 4, 2011
 - Approval of Proposed Ocean Avenue CBD Management Agreement with City (If established on 12/14/10) - January 2011
 - Planning/Feasibility technical assistance for possible CBD/BID Formation: Embarcadero, Eastern Neighborhoods, West Portal, Excelsior
 - Renewal Campaign for Fillmore CBD: January-June 2011

Business Development

- January 2011 – Construction of Metreon/Target store begins
- January 2011 – Ribbon Cutting and Opening
- Q1 2011 – Launch BioSF
- Q1 2011 – Receive Permanent Designation Enterprise Zone
- Q1 2011 – Launch of Enterprise Zone Online Submission Tool
- May 2011 – China/US Retail Investment Seminar, sponsored by ChinaSF and OEWD
- May 2011 – ChinaSF Trip to China with Jennifer Matz
- August 2011 – Groundbreaking on Phase I of the Building 813 Renovation
- Summer 2011 – Time Out expands to SF (Tentative)
- October 2011 – ChinaSF Trip to China with Jennifer Matz
- Fall 2011 – Shop SF Get More campaign begins

Office of Small Business

- January 2011 – Administer Annual Survey
- January 20, 2011 – Launch of ADA Program Material
- February 1, 2011 – Semi-Annual Report
- April 1, 2011 - 2011/2012 Strategic Plan
- May 16- 21, 2011 Small Business Week
- September 1, 2011 - Annual Report

Film Commission

- January 2011: roll out of Scene in San Francisco Vendor Discount Program

- February – May 2011: filming of Philip Kaufman’s “Hemingway & Gellhorn,” an HBO Films Production. This feature, starring Nicole Kidman and Clive Owen, will employ an estimated 230 locals and could bring as much as \$40 million into the local economy, based on the industry standard multiplier
- February 2011: filming of a portion of the feature film, “Contagion” by Director Steven Soderbergh, starring Jude Law. 5 days of shooting will take place between January 2011 and February 2011. In addition, the crew will be prepping for the shoot in advance of the filming.
- March 2011: Proposed marketing trip to Los Angeles to target producers, directors and industry leaders, time permitting.
- May 2011: FAM tour to promote San Francisco as a filming destination. This will coincide with the Convention & Visitor’s Bureau “Pow Wow” so we can participate/coordinate with their unique events.
- All of 2011: Collect data from all productions regarding number of local hires, hotel nights and estimated budgets to help determine direct impact on San Francisco’s economy.
- Disney will be producing a stop-motion production over the next 3 years in its new home in the Mission District. This is a milestone, as this building has never been used before for production, and this will mean the San Francisco will have 2 major films in production in the city at the same time, which hasn’t been achieved in years.
- JJ Abrahms, creator of “Lost”, and Warner Brothers will be filming its pilot “Alcatraz” in January 2011, and returning throughout the year to do pick up shots, provided the pilot gets picked up by the networks.
- Throughout the year, we will be posting on our website quotes from producers and directors about their positive experience filming in San Francisco in order to showcase the City as a film-friendly home for production.

International Trade and Commerce

- Vietnam Trade/Friendship Mission with Sister City/15th Anniversary-spring
- Taipei Sister City visit-with SF Giants—tentative-March
- British American Business Council Global Conference-office to co host—SF-May
- US-Japan Treaty of SF 60th Celebration—summer/fall-events tbd
- Sister City Artist in residence, fall
- Terminal 2 Opening—SFO—spring