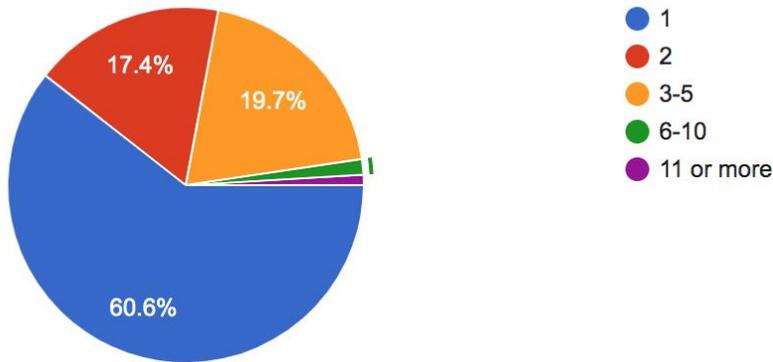


San Francisco Restaurants Questionnaire Results:
Survey Distributed on May 5th
216 Respondents

Number of units:

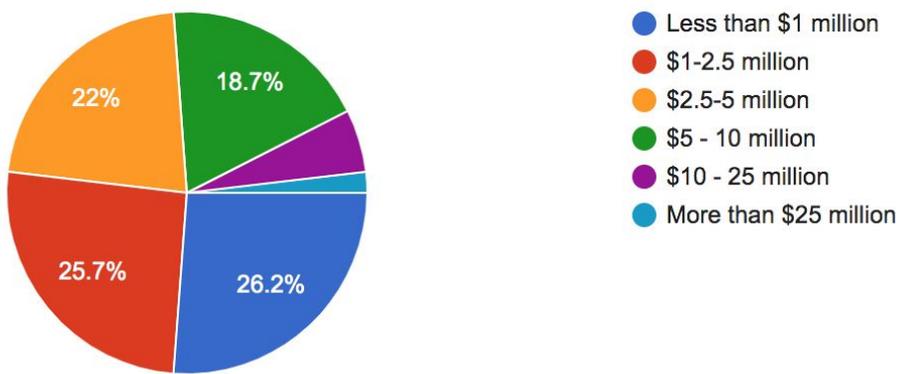


- 61% have one restaurant
- 17% have 2 restaurants
- 20% have 3-5 restaurants
- 2% have 6+ restaurants

Findings:

- The majority are single operators
- 78% own 1 to 2 restaurants
- We estimate that this survey represents 419 restaurant locations

Number in Gross Receipts (Revenue):



Findings:

52% had 2.5 Million or less in Gross Receipts (Revenue) in 2019

Status of Restaurants:

- Approximately **68%** closed when Shelter in Place was Announced
- **73%** are currently open for takeout and delivery (this also accounts for restaurants that initially closed and then reopened to offer takeout/delivery)

Of the respondents open for Takeout/Delivery:

i) 87% responded that they can NOT survive financially with takeout/delivery alone

ii) 99% are not doing the same revenue as before the SIP

iii) 9% are doing 80-70% revenue as before

iv) 16% are 69-50% revenue as before

v) 62% are making less than 50% in revenue from before

vi) 25% are breaking even

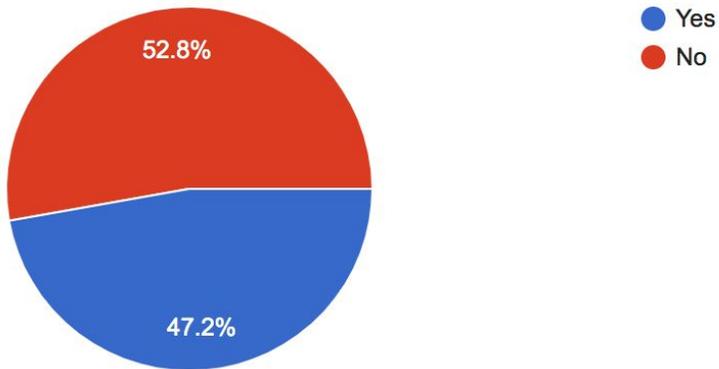
vii) 60% are losing money by staying open

Findings:

Of the 123 that are currently open for takeout/delivery, 60% of them are losing money by doing so and 25% reported they are breaking even.

Lay Offs:

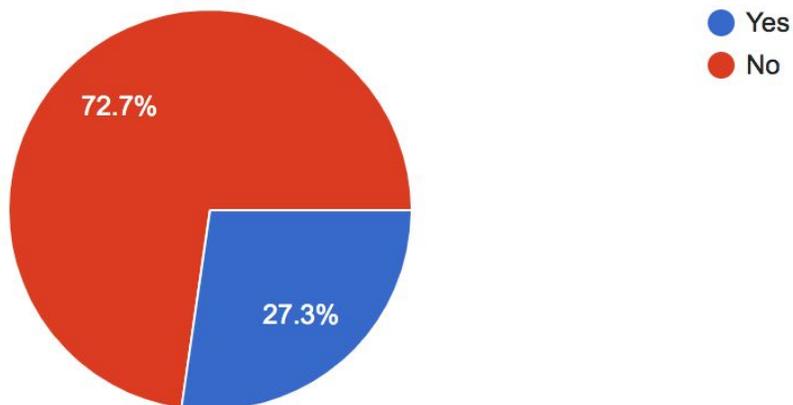
I have laid off all my employees. Yes/No



- 47% of respondents have laid off **all** their employees.

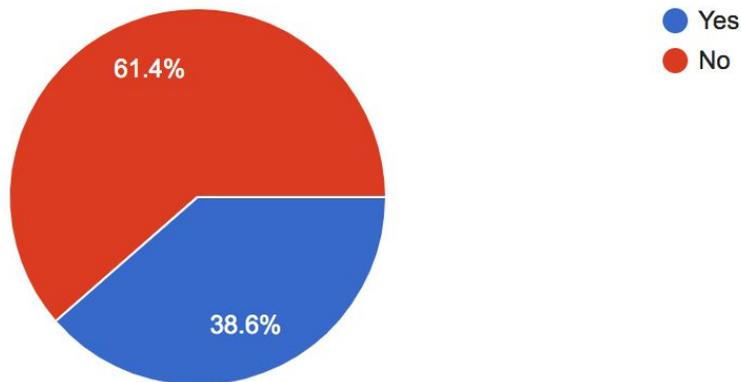
Of those that have not laid off all their employees:

a) I have kept on 75% or more of my employees. Yes/No



27% of respondents kept more than 75% of their employees on

b) I have kept on 50% or more of my employees. Yes/No



39% of respondents have kept 50% or more of their employees

Findings:

62% have laid off 50% or more of their employees

PPP Loan:

Have you applied for a PPP loan?



- 66% have applied and received a PPP Loan
- 24% have applied, but have yet to recede a PPP Loan
- 10% have NOT applied for a PPP Loan

- Of those that did not apply for the PPP Loans, 62% of them did not apply because they can't reopen so they can't rehire.
- Of those that did not apply for the PPP Loans, 64% said they need money for payables/taxes, which the PPP does not provide
- Of those that did not apply for the PPP Loans, 44% said it was too much for them to deal with

Findings:

- The majority of respondents have received PPP loans. And the vast majority has applied for PPP loans.

SBA Loan:

I have applied for the SBA EIDL loan and grant:



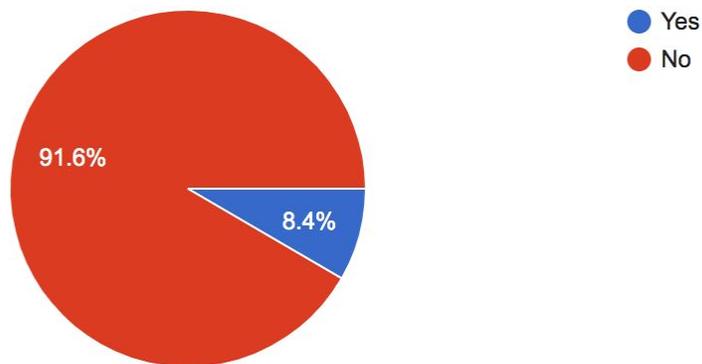
- 37% have gotten up to 10K in grants for the SBA Loan
- 33% have applied but have NOT received up to 10K yet
- 30% have not applied for the SBA Loan.

Findings:

70% of respondents have applied for up to 10K in grants

Employee Retention Credit (ERC):

I have filed for the Employee Retention Credit (ERC):



Only 8% of respondents have filed for the ERC

a) of those that have not filed for the ERC, 64% of people have not heard of the ERC or do not know what it is

b) Of those that have not filed, only 13% said it wouldn't work for them or that they don't qualify because they have over 100 FTE

Findings:

Respondents were largely unaware of the ERC. It's important to note the majority of our respondents had already received or applied for a PPP loan. Business owners can only choose between the PPP or ERC (though there has been an option to return the PPP loan).

Reopening Plans:

- 64% said they plan on reopening their restaurant regardless of capacity allowed
- 20% said they don't think they'll be able to reopen at this time because they can't afford it
- 9% said they think they will be permanently closed.

Findings

2/3rds are positive about reopening, but note that 2/3rds of our respondents applied and received the PPP loan.

There are likely more engaged, connected restaurateurs

Lease Payments:

Of total respondents:

60% of respondents' had their April lease payment deferred by their landlords

50 % of respondents' had their May lease payment deferred by their landlords

28% had discounted lease payments allowed

41% did not have any form of relief from landlords

Findings:

Just over 50% of respondents did NOT have their Lease deferred in May

Vendor Payments:



- Only 36% have paid their vendors in full
- 41% have paid at least 50% of their vendors

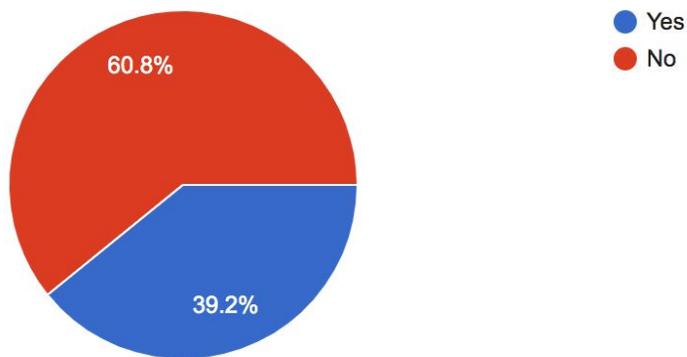
- 23% have not been able to pay their vendors

Findings:

- 64% of respondents still have outstanding charges from vendors
- Note that the PPP cannot be used for vendor payments, so this is to be expected

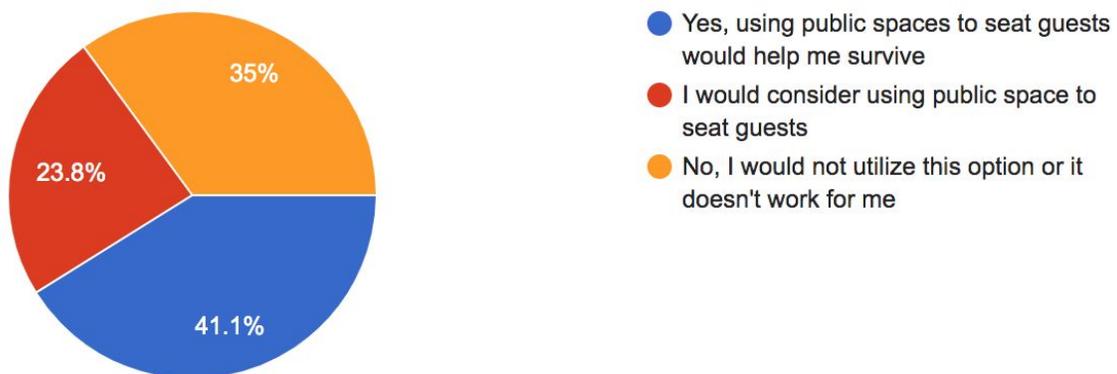
Outdoor Seating:

Do you currently have a permit for outdoor seating?



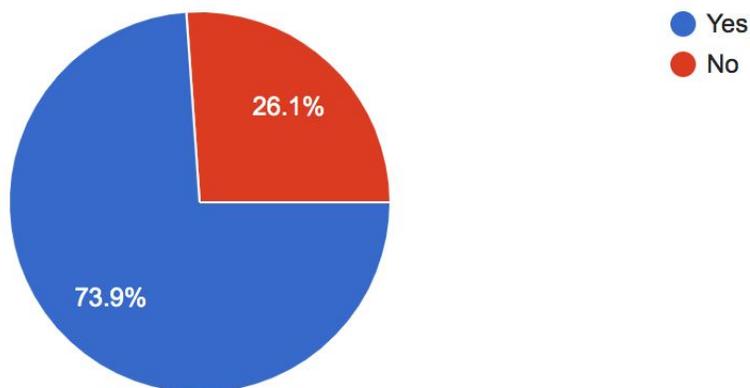
- 61% already have a permit for outdoor seating

Would you use public spaces near your restaurant (parking spaces, etc.), to seat guests if it were permitted?



- 41% said using public spaces to seat their guests would help them survive financially
- 24% said they would consider using public space for seating guests
- 35% said it would not work for them or they would not utilize public space to seat guests.
-

It would be beneficial for my business if the Tables & Chairs permit fee to be canceled.



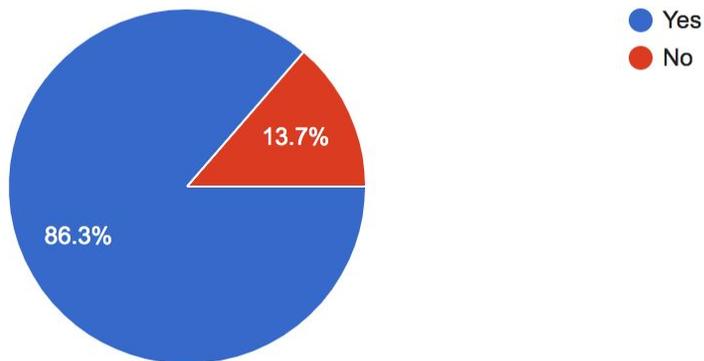
- 74% of respondents said it would be beneficial for their business if the tables and chairs permit fee were cancelled or waived

Findings:

The majority of restaurants definitely would or would consider using public space to seat guests. The majority would also find cancelling or waiving the tables and chairs permit fee beneficial.

Reopening Guidelines:

I feel I would need clear and specific guidelines for reopening. Yes/No



86% feel they would need clear and specific guidelines for reopening

- a) 80% would like a clear percentage of their occupancy included in opening guidelines
- b) 43% of restaurants would be willing to install plastic shields
- c) 63% of restaurants said they would NOT be able to make 6 foot distancing work in their kitchen
- d) 65% of restaurants said they would be ok taking guests temperatures

Findings:

- The majority of restaurants want specific and clear guidelines for reopening
- The majority of restaurants would like a clear percentage of the capacity allowed in a restaurant during reopening is essential
- The majority of restaurants are NOT willing to install shields
- ~ 2/3rds of restaurants will NOT be able to make 6 foot distancing work in the kitchen
- The majority of restaurant would be ok taking guest temperatures

Personal Protective Equipment (PPE):

- 90% are ok with FOH employees wearing masks
- 93% are ok with BOH employees wearing masks
- 83% are ok with all employees wearing gloves

Findings:

The vast majority of restaurants are ok with all employees wearing masks and gloves

Access and Money for PPE:

- 84% need access to or money for sanitizer
- 85% need access to or money for disinfecting wipes
- 77% need access to or money for gloves
- 85% need access to or money for Masks for each employee for each shift
- 89% need access to or money for necessary signage
- 86% need access to or money for money for non-contact thermometers

Findings:

- Restaurants largely feel they need assistance accessing PPE products.
- Restaurants largely feel they need access to necessary signage

Amount of Money Needed to Reopen:

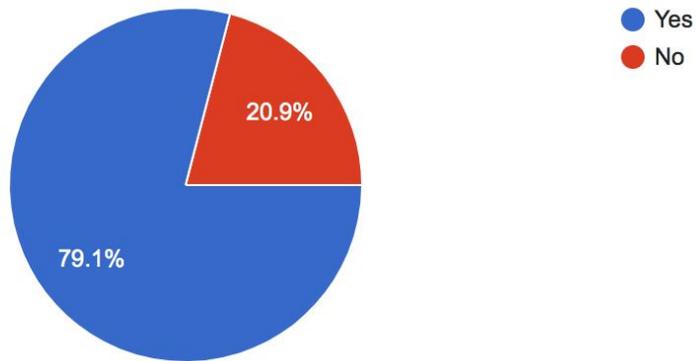
- 33% need less than 50K to reopen
- 35% need between 50-100K to reopen
- 8% need 100-150K to reopen
- 24% need more than 150K to reopen

Findings:

- About 1/3 of restaurants need less than 50K
- 68% of restaurants need less than 100K

Liability:

I am worried about getting sued by customers and/or employees if they should catch COVID-19 and track it to my restaurant. Yes/No



- 79% are worried about getting sued if a customer or employee were to catch COVID-19 and track it to their restaurant
- 21% are not worried about that

Analysis of Survey Results:

Financial Aid:

- Restaurants need more financial help that will allow them to pay rent, pay their vendors, pay their employees, and to get Payroll Protection Equipment (PPE) for staff.
- 66% of the restaurants that answered this survey received the PPP loan - this is a very high percentage! This suggests a higher percentage might be able to reopen and survive than in the broader restaurant community.
- The majority of respondents had not heard of the Emergency Retention Credit (ERC) or did not know what it was. Some responded in the comment section that they did not know about the ERC before applying for the PPP. Using PPP funds prevents them from accessing ERC funds.
- According to the comments section of the survey, restaurants find the PPP loan to be:
 1. Confusing- many are unclear on how to properly use the funds
 2. Not helpful for many businesses as they are unable to open at this time in order to rehire staff
- About 33% of restaurants need less than \$50,000 to reopen and 68% of restaurants need less than \$100,000 to reopen. 32% of restaurants need more than 100K to reopen.

Conclusion:

Restaurants need more financial aid options that allow for more flexibility on how the money is used within the business. Restaurants also need more guidance on the options that are available. There is a clear need for resources to help restaurant owners/ operators gain a better understanding of the fine print of each loan/grant before deciding which options are best suited for their restaurant(s).

Analysis of Survey Results (Continued):

Reopening:

- Of the 123 that are open for delivery, 60% of them are losing money by doing so and 25% reported that they are breaking even.

Conclusion:

Only offering Delivery/Takeout is not a financially viable solution for the majority of restaurants- they will need to be able to reopen on-site dining to help them survive. In order to reopen, restaurants will need:

- 1) Financial Aid
- 2) Clear Reopening Guidelines from the city of San Francisco
- 3) Help sourcing and paying for PPE
- 4) The ability to use public outdoor space to seat guests when operating under a limited percentage of their overall capacity in order to bring in additional revenue

Restaurants need clear guidelines for reopening, including what percentage of their overall capacity they will be permitted to operate with. Restaurants also reported needing access to and help sourcing PPE in order to reopen. We recommend the City also provide restaurants with the signage they are required to post.

Restaurant owners/operators want to ensure their employees and guests are able to remain safe when considering reopening and the vast majority are willing to allow all their staff members to wear gloves and masks during their shifts. 64% of responders are also ok with taking guests' temperatures, while only 48% would be willing to install plastic shields between tables to increase capacity and reduce distance between customers. It also important to note that the majority of restaurants reported that they are unable to operate their kitchen while keeping a 6 foot distance between BOH staff members.

While the overall capacity of restaurants is being limited, the majority of restaurants reported that using public outdoor space to seat guests would help them survive. We recommend waiving the Table and Chair permit fee, as well as creating a quick, easy process to allow restaurants to apply for and utilize public space for outdoor seating.

Possible Bias/Limitations to Survey Results

- Some respondents have more than one restaurant, and the answers to these questions do not always apply to all locations. This resulted in some contradicting data.
- Some of the questions should have been formatted as multiple choice questions rather than Yes/No to yield more accurate data.
- This survey was distributed on May 5th. Some of the data (particularly on the loans status) may not be completely up to date.
- Survey bias: the respondents are open for takeout/delivery- this is not necessarily an accurate representation of the restaurant industry as a whole. The majority of our respondents have already received or applied for loans and remain open- this may mean they had better access to this survey/ had more incentive to take it. They are likely already more connected to GGRA/ resources in the restaurant industry.