

File No. 120277

Committee Item No. 1

Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: City Operations

Date 10/22/12

Board of Supervisors Meeting

Date _____

Cmte Board

- Motion
- Resolution
- Ordinance
- Legislative Digest
- Budget and Legislative Analyst Report
- Legislative Analyst Report
- Youth Commission Report
- Introduction Form (for hearings)
- Department/Agency Cover Letter and/or Report
- MOU
- Grant Information Form
- Grant Budget
- Subcontract Budget
- Contract/Agreement
- Form 126 – Ethics Commission
- Award Letter
- Application
- Public Correspondence

OTHER (Use back side if additional space is needed)

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Completed by: Derek Evans Date 10/19/12

Completed by: _____ Date _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.



San Francisco Police Department
ABC Liaison Unit



Alcoholic Beverage License -
*Public Convenience and
Necessity Recommendation*

To: The San Francisco Board of Supervisors' Committee on City
Operations & Neighborhood Services

Supervisor Sean Elsbernd
Supervisor Carmen Chu
Supervisor Christina Olague

From: Inspector Julie Lazar ^{AS 1407}
ABC Liaison Unit (ALU) 553-1049

Date: September 11, 2012

Subject: P.C.N. Investigation Regarding: Garfield Beach CVS LLC
DBA: CVS Pharmacy #10080
1059 Hyde Street
Michael Brewer
(951) 698-6868

Michael Brewer on behalf of the Garfield Beach CVS LLC has filed an application with the California Department of Alcoholic Beverage Control (ABC) seeking an alcoholic beverage license Type 20 (Off-Sale Beer and Wine) for 1059 Hyde Street (located on the southwest corner of Hyde Street and California Street).

It should be noted that during the application process, notification date for the 500' mailer was on August 6, 2012. The Notice to the Public was posted on July 30, 2012.

For the purposes of this hearing, the California Department of Alcoholic Beverage Control (ABC) seeks a determination from the Board of Supervisors as to the approval or denial of this license.

Police Calls for Service: From July 2011 to July 2012

No Record

Police Reports: From August 2011 to August 2012

No Record

San Francisco Plot Information:

This premise is located in Plot **536**

The High Crime area is defined as 215 or more reported incidents in a plot.

This plot had **275** reported incidents recorded for *2010*. This is **OVER** the High Crime area definition by **60** incidents.

The applicant premises is located in a "High Crime" area.

State Census Tract Information:

This premise is located in Census Tract **111**

Population for this tract is: **5,164**

On-sale license authorized by census tract: **17**

Active on-sale licenses: **30**

Off-sale licenses authorized by census tract: **5**

Active off-sale licenses: **9**

Applicant premises is located in an "undue concentration" area.

Letters of Protest:

One (1) valid protest was received by the California Department of Alcoholic Beverage Control, (ABC).

Letters of Support:

There is no record of support with the California Department of Alcoholic Beverage Control, (ABC).

Departmental Recommendation:

No opposition from **Central Station**

The Police Department recommends approval. The following conditions have been recommended to the California Department of Alcoholic Beverage Control, (ABC):

1. Sales, service and consumption of alcoholic beverages shall be permitted only between the hours of 8:00 am and 10:00 pm daily.
2. No more than 5% of the square footage of the premises will be used for the display of alcoholic beverages.

3. No malt beverage shall be sold with an alcoholic content greater than 5.7% by volume.
4. The sale of a single beer or malt beverage in quantities of 16 oz., 22 oz., 32 oz., 40 oz., or similar size containers is prohibited.
5. No beer or malt beverage, wine cooler or beer cooler shall be sold in quantities of less than manufacturer pre-packaged multi-unit quantities of four (4) or more.
6. No wine shall be sold with an alcoholic content great than 15% by volume except for wine which has been aged two years or more and maintained in a corked bottle.
7. Loitering (loitering is defined as "to stand idly about; linger aimlessly without lawful business") is prohibited on any sidewalks or property adjacent to the licensed premises under control of the licensee.
8. The petitioner shall utilized electronic surveillance and recording equipment that is able to view all exit and entrance points of the exterior of the premises. The electronic surveillance/recording shall be operational at all times that the premises open to the public. Said electronic recording shall be maintained and kept for a minimum of seven (7) days, and shall be made available to Law Enforcement on demand.

Call No	<input type="text"/>	Agency	<input type="text"/>	Call Type	<input type="text"/>	Disposition	<input type="text"/>
Report No	<input type="text"/>	Jurisdiction	<input type="text"/>	Dispatch Area	<input type="text"/>	# Prior Calls	<input type="text"/>
Unit ID	<input type="text"/>	Origin	<input type="text"/>	Dept ID	<input type="text"/>	Priority	<input type="text"/>
Rep Area	<input type="text"/>	Area	<input type="text"/>	Sector	<input type="text"/>		
Location	1059 HYDE ST					Range	<input type="text"/>
Apartment	<input type="text"/>	City	<input type="text"/>				
Entry Oper	<input type="text"/>	Dispatch Oper	<input type="text"/>				
From Date	07/31/2011	To Date	01/31/2012	From Time	<input type="text"/>	To Time	<input type="text"/>
Comments	<input type="text"/>						
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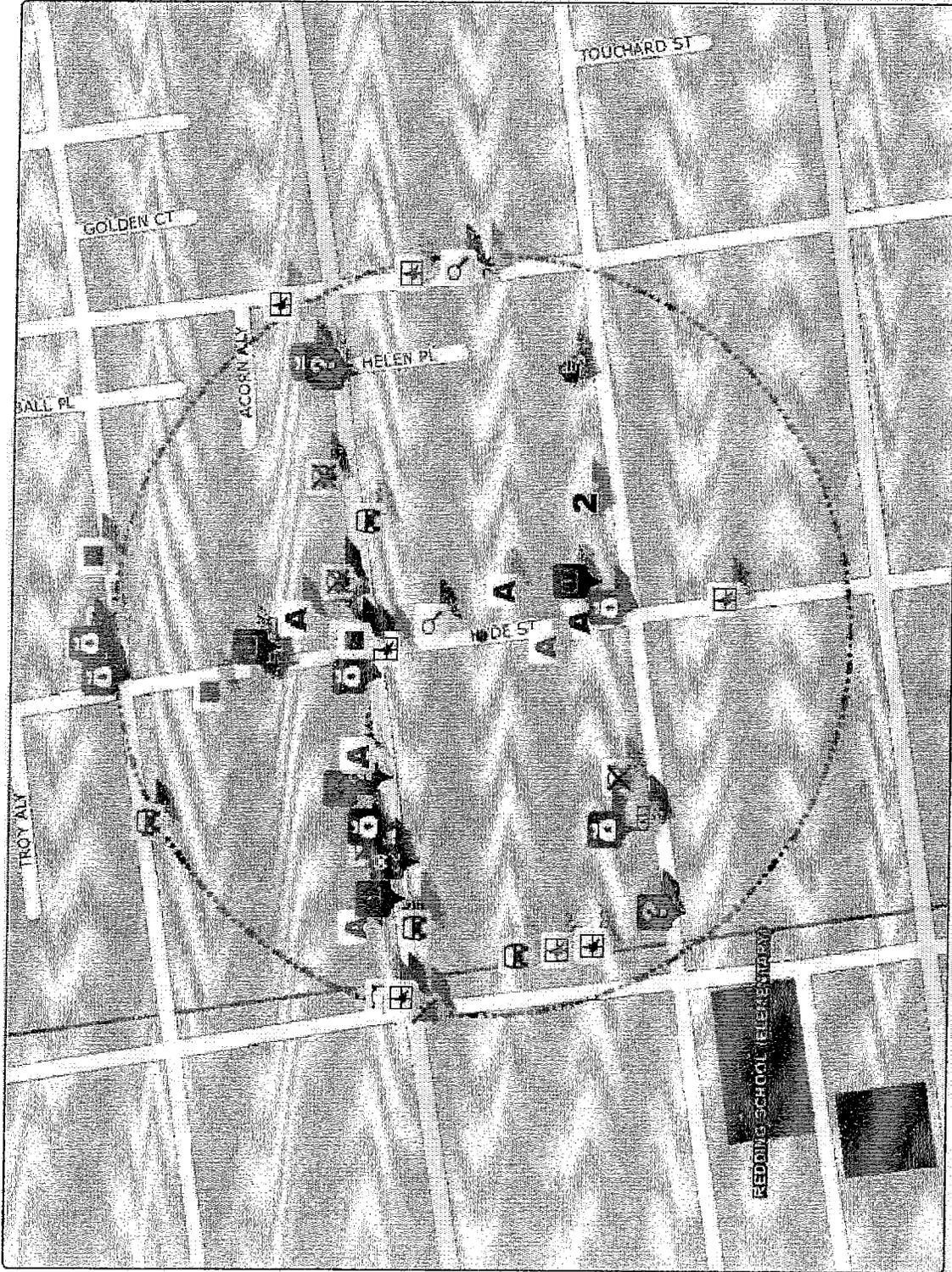
No hits found

Call No	<input type="text"/>	Agency	<input type="text"/>	Call Type	<input type="text"/>	Disposition	<input type="text"/>
Report No	<input type="text"/>	Jurisdiction	<input type="text"/>	Dispatch Area	<input type="text"/>	# Prior Calls	<input type="text"/>
Unit ID	<input type="text"/>	Origin	<input type="text"/>	Dept ID	<input type="text"/>	Priority	<input type="text"/>
Rep Area	<input type="text"/>	Area	<input type="text"/>	Sector	<input type="text"/>		
Location	1059 HYDE ST					Range	<input type="text"/>
Apartment	<input type="text"/>	City	<input type="text"/>				
Entry Oper	<input type="text"/>	Dispatch Oper	<input type="text"/>				
From Date	02/01/2012	To Date	07/23/2012	From Time	<input type="text"/>	To Time	<input type="text"/>
Comments	<input type="text"/>						
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No hits found

1059 Hyde Street-500' radius

09/12/2011-09/10/2012



Map Legend	
[Icon]	Incidents (169)
[Icon]	Larceny/Theft (34)
[Icon]	Non-Criminal (19)
[Icon]	Other Offenses (17)
[Icon]	Assault (16)
[Icon]	Burglary (15)
[Icon]	Warrants (15)
[Icon]	Vehicle Theft (11)
[Icon]	Vandalism (8)
[Icon]	Suspicious Occurrence (7)
[Icon]	Robbery (5)
[Icon]	Fraud (4)
[Icon]	Missing Person (4)
[Icon]	Secondary Codes (4)
[Icon]	Drug/Narcotic (2)
[Icon]	Sex Offenses, Forcible (2)
[Icon]	Trespassing (2)
[Icon]	Weapon Laws (1)
[Icon]	D.U.I. (1)
[Icon]	Kidnapping (1)
[Icon]	Embezzlement (1)

All representations on this map are distributed and transmitted "AS IS" without warranties of any kind, either expressed or implied including without limitation, warranties of title or implied warranties of merchantability or fitness for a particular purpose. In no event shall San Francisco Police Department become liable to users of these data for any loss or damages, consequential or otherwise, including but not limited to time, money, goodwill, arising from the use, operation or modification of the data. The visual presentation of data is being provided strictly as a courtesy, not as an obligation to its users.

WARNING: This map does not meet the national map accuracy standards.

CENTRAL DISTRICT Major Streets & Real Estate



Census tract 111
 Population - 5,164
 auth - on sale = 17
 off sale = 5

active - on sale - 30
 off sale - 9

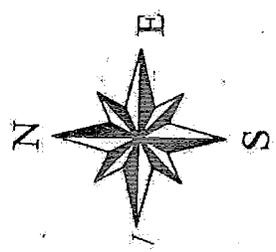
UNDUE CONCENTRATION

Police Plot: 536

2010 CRIMES BY PLOT - 275 INCIDENTS
 HIGH CRIME = 215 INCIDENTS

OVER 60 INCIDENTS

2/14/07





Address 1059 Hyde St
San Francisco, CA

Get Google Maps on your phone
Text the word "GMAPS" to 466453




Google

Address 1059 Hyde St
San Francisco, CA 94109
Approximate Location.





DEPARTMENT OF ALCOHOL BEVERAGE CONTROL

PUBLIC NOTICE OF APPLICATION TO SELL ALCOHOLIC BEVERAGES

Application to sell beer & wine

2000 1st St, Sacramento, CA 95811

1000 1st St, Sacramento, CA 95811

14109

CHANGE IN LICENSE OR PERMIT

PERMITS TO PREMISES TRANSFER

IF A PROTEST IS COMMADE AGAINST THIS APPLICATION, IT MUST BE RECEIVED BY ANY OFFICE OF THE DEPARTMENT OF ENVIRONMENTAL HEADQUARTERS, 227 LENHANE DRIVE, SUITE 100, SACRAMENTO, CA 95834, WITHIN 30 DAYS OF PUBLICATION. PROTESTS MUST BE VERIFIED. FURTHER INFORMATION REGARDING THIS APPLICATION AND VERIFICATION FORMS MAY BE OBTAINED AT:

ALCOHOL BEVERAGE CONTROL DISTRICT OFFICE
 227 LENHANE DRIVE, SUITE 100
 SACRAMENTO, CA 95834
 TEL: 916/336-8800

WARNING
 Every person who knowingly defaces, mutilates, alters or destroys, for any purpose, any public notice posted by the County of Yuba, California, shall be liable to the County for the cost of replacement.

09/11/2012

ALREADY LICENSED TO SELL ALCOHOLIC BEVERAGES



09/11/2012

Department of Alcoholic Beverage Control
**PROTEST AGAINST ALCOHOLIC
BEVERAGE LICENSE APPLICATION**

- Please refer to Form ABC-510, Instructions for Protesting an Alcoholic Beverage License Application, before completing and submitting your protest. The ABC-510 can be found at www.abc.ca.gov.
- Please print legibly or type. Incomplete and/or illegible information will cause the protest to be rejected.
- You will be notified by letter regarding a hearing on your protest. You will need to attend the hearing to testify and/or present evidence to support your protest.
- A copy of this completed form, ABC-510-A, will be provided to the applicant.

I hereby protest the issuance of a license under the Alcoholic Beverage Control Act to:

GARFIELD BEACH CVS LLC

(Name(s) of Applicant(s))

For premises at:

1054 Hyde St S.F., CA 94109

(Exact address of proposed premises)

on the grounds that:

- 1). UNDER B&P CODE § 23958.4 UNLAWFUL CONCENTRATION
- 2). UNDER B&P CODE § 23958.4 (C) HIGH CRIME
- 3). UNDER B&P CODE § 23789 (CONSIDERATION POINTS)
 - A). READING ELEMENTARY SCHOOL SFUSD.
- 4). UNDER B&P CODE § 23958.4 (B)(C) DEFINITION OF HIGH CRIME

RECEIVED
SEP 08 2012
Dept of Alcoholic Beverage Control
San Francisco

CONDITION FOR POSSIBLE APPROVAL.

- 1). NO SINGLE CANS OF BEER TO BE SOLD. ONLY IN MANUFACTURE CONTAINER.
- 2). NO PONY CANS ABOVE 2oz + 1/2
- 3). NO MALT LIQUOR
- 4). NO 32oz OR 40oz BEER OR MALT LIQUOR

Check here if additional sheets attached

I, MARVIS J PHILLIPS PUBLIC SAFETY CHAIR, declare under penalty of perjury:

PRINT (Name of Protestant)

POLICE FOR A BETTER DIST

(1) That I am the protestant herein; (2) That I have read the above protest and know the contents thereof; and (3) That the same is true of my own knowledge except as to those matters which are therein stated on information and belief, and as to those matters I believe to be true.

PROTESTANT'S SIGNATURE

Marvis J Phillips

PROTESTANT'S TELEPHONE NUMBER (Optional)

(715) 674-1435

SIGNED AT (City and state)

SAN FRANCISCO, CALIFORNIA

DATE SIGNED

29 Aug 2012

PROTESTANT'S ADDRESS (Street number and name, city, state, zip code)

230 Eddy St #1206 San Francisco, CA 94102-6126

ABC-510-A (10/07)

CC: SFPD - 224 850 BRYANT

P 10F2

CC: SFPD - NORTHERN STATION PERMIT UNIT

CC: FILE

Department of Alcoholic Beverage Control
**PROTEST AGAINST ALCOHOLIC
BEVERAGE LICENSE APPLICATION**

- Please refer to Form ABC-510, Instructions for Protesting an Alcoholic Beverage License Application, before completing and submitting your protest. The ABC-510 can be found at www.abc.ca.gov.
- Please print legibly or type. Incomplete and/or illegible information will cause the protest to be rejected.
- You will be notified by letter regarding a hearing on your protest. You will need to attend the hearing to testify and/or present evidence to support your protest.
- A copy of this completed form, ABC-510-A, will be provided to the applicant.

I hereby protest the issuance of a license under the Alcoholic Beverage Control Act to:

GARFIELD BEACH CUS LLC

(Name(s) of Applicant(s))

For premises at:

1059 Hyde St S.F., CA 94109

(Exact address of proposed premises)

on the grounds that: CONDITIONS FOR POSSIBLE APPROVAL CONT'D

- 5). NO 20 OZ OR LARGER SINGLE CANS OF BEER.
- 6). NO FORTIFIED WINES, (PORT, WHITE PORT, WILD IRISH ROSE WHITE OR RED, NO CYSKO.
- 7). DINNER WINES ONLY, 15% BY VOLUME.
- 8). HOURS 8AM - 12AM 7 DAYS A WEEK.
- 9). NO SINGLE BOTTLES OF BEER, ALL BEER SOLD IN MANUFACTURE CONTAINERS ONLY.

RECEIVED
SEP 05 2012
Dept of Alcoholic Beverage Control
San Francisco

Check here if additional sheets attached

I, MARVIS J. PHILLIPS, PUBLIC SAFETY CHAIR, declare under penalty of perjury:

PRINT (Name of Protestor)

ALLIANCE FOR A BETTER DIST 6

(1) That I am the protestant herein; (2) That I have read the above protest and know the contents thereof; and (3) That the same is true of my own knowledge except as to those matters which are therein stated on information and belief, and as to those matters I believe to be true.

PROTESTANT'S SIGNATURE <u>Marvis J. Phillips</u>	PROTESTANT'S TELEPHONE NUMBER (Optional) <u>(415) 674-1935</u>
SIGNED AT (City and state) <u>SAN FRANCISCO CALIFORNIA</u>	DATE SIGNED <u>29 AUG 12</u>
PROTESTANT'S ADDRESS (Street number and name, city, state, zip code) <u>230 EDDY ST #1206 SAN FRANCISCO, CA 94102-6526</u>	

LIQUOR LICENSE REVIEW

TO: Planning Department
AnMarie Rodgers/CTYPLN/SFGOV
Georgia Powell/CTYPLN/SFGOV@SFGOV
Fax No.: 558-6409

File: 120277

Block lot: 0250/001
Wiring: POLK
Quad: NE
ms # 1250682

TO: Inspector Kenneth Stocker
Police Department
Fax No.: 553-1463

DATE: April 13, 2012

This item is scheduled to be heard at a special meeting on May 21, 2012.
PLEASE EMAIL YOUR RESPONSE BY: May 17, 2012, to Gail Johnson, Clerk,
City Operations and Neighborhood Services Committee.
Gail.Johnson@sfgov.org - Fax No: 554-7714

Applicant Name: LandMark Retail Group
and Business Name: CVS Pharmacy (1059 Hyde Street)
(aka 1401 California Street)
Applicant Address: c/o John Kevlin
Reuben & Junius, LLP
One Bush Street, Suite 600
San Francisco, CA 94104
and Phone No. (415) 567-9000

PLANNING COMMENTS: Approval Denial

*Type 21 ABC license permitted as continuation
of existing license. James Lambrey 5/14/12*

POLICE COMMENTS: Approval Denial

REUBEN & JUNIUS^{LLP}

October 8, 2012

Ms. Angela Calvillo
Clerk of the Board
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 OCT 10 PM 3:37

**Re: Liquor License "PCN" Request – CVS Pharmacy
1059 Hyde Street – Block 0250, Lots 001 and 020
Our File No.: 6483.08B**

Dear Ms. Calvillo:

Our office represents LandMark Retail Group ("Landmark"), the project sponsor of a new CVS Pharmacy and convenience goods store located at the former Cala Foods grocery store site at 1059 Hyde Street (a.k.a. 1401 California Street) (the "Project" and the "Property"). On December 15, 2011, the San Francisco Planning Commission approved the Project (a Trader Joe's grocery store will occupy approximately 60% of the existing building).

On March 30 of this year, our office filed a request with the Board of Supervisors for a Public Convenience and Necessity ("PCN") finding for a liquor license transfer to be used by CVS at the Property. A hearing at the City Operations and Neighborhood Services Committee has been tentatively scheduled for October 22. The purpose of this letter is to provide the committee an update on LandMark's communication with the neighborhood and the San Francisco Police Department, and the status of the ABC transfer application.

Landmark has been actively engaged with local neighborhood groups in an effort to sell alcohol in a way that is consistent with the needs and desires of the neighborhood. As a result of these discussions, as well as discussions with the Police Department, Landmark and CVS have agreed to the following:

- CVS will purchase two type-21 off-sale general license from "problem" vendors in the neighborhood, thereby removing two undesirable alcohol retailers; CVS has chosen to purchase the licenses from J&D Liquors at 1042 Polk Street and Spencer & Daniels at 1541 Polk Street from a list of "problem" vendors compiled by neighborhood groups; these licenses will not be used by CVS at the Property or sold to another alcohol retailer in the neighborhood; **this results in the elimination of two beer, wine and liquor sellers in the neighborhood, both identified as "problem" retail locations;**
- CVS will purchase a type-20 off-sale license from another alcohol retailer in the city to be used by CVS at the Property. This is a beer and wine only license in

James A. Reuben | Andrew J. Junius | Kevin H. Rose | Tuija I. Catalano | David Silverman | Sheryl Reuben¹ | Jay F. Drake
Daniel A. Frattin | Stephen R. Miller | Lindsay Petrone | John Keylin | Alison L. Krumbain | John McInerney²

1. Also admitted in New York 2. Of Counsel

One Bush Street, Suite 600
San Francisco, CA 94104

tel: 415-567-9000
fax: 415-399-9480

www.reubenlaw.com

120 277

Ms. Angela Calvillo

October 8, 2012

Page 2

keeping with CVS's commitment to both the neighborhood and San Francisco Police Department to sell only beer and wine at this location.

Landmark has also worked with the community and the Police Department to develop a list of conditions of approval to the liquor license transfer that addresses other concerns of those parties (attached as **Exhibit A**).

Landmark filed an application with ABC on behalf of CVS for a license transfer for a type-20 off-sale license to be used by CVS at the Property over the summer. The license would be transferred from Vin Debut, located at 9 West Portal Avenue to the CVS Pharmacy at 1059 Hyde Street. Since the Property is located in a "high crime" area and in an area with an "undue concentration" of ABC licenses, CVS must obtain a determination by the Board of Supervisors that the public convenience and necessity will be served by the issuance of this license for operations at the Property.

Our letter to the Board of Supervisors, dated March 30, 2012, provided additional background information on the Project and CVS's alcohol operations. The letter is attached as **Exhibit B**.

Also attached is a letter from CVS dated March 22, 2012 addressed to the Middle Polk Neighborhood Association, Lower Polk Neighborhood Association and the Polk Street Merchants which outlines CVS's commitment to being a good neighbor and working with the community to ensure the responsible sale of alcohol. The letter is attached as **Exhibit C**.

Please do not hesitate to contact Jessica Berg, who is coordinating public outreach for the Project, at (415) 788-1000 ext. 202 or JBerg@bergdavis.com if you have any questions about the PCN request.

For the reasons outlined above and in our previous letter, I respectfully request that this letter be forwarded to the City Operations and Neighborhood Services Committee of the Board and that the Committee and the full Board of Supervisors make a determination under California Business & Professions Code §23958.4 that the public need or convenience would be served by the issuance of a type-20 off-sale general license to this CVS Pharmacy.

Very truly yours,

REUBEN & JUNIUS, LLP



John Kevlin

Encl.

One Bush Street, Suite 600
San Francisco, CA 94104

tel: 415-567-9000
fax: 415-399-9480

REUBEN & JUNIUS^{LLP}

www.reubenlaw.com

EXHIBIT A

First Owner: Garfield Beach CVS LLC
Name of Business: CVS Pharmacy 10080
Location of Business: 1401 California Street (New CVS Address 1059 Hyde Street)
San Francisco Ca 94101
Block/Lot: 050/001 and 020

DRAFT VOLUNTARY Conditions for PCN for Type 21

1. Purchase 2 existing Type 21 ABC licenses within the Polk Street Neighborhood as defined between the boundaries of Van Ness to Jones and Filbert to O'Farrell Streets. Upon approval of the PCN, one license will be transferred out of the area that includes the Polk Street Neighborhood, Supervisorial District 3, and the eastern portion of Supervisorial District 2 from Van Ness to Franklin, in order to reduce the overall concentration of licenses within the neighborhood by 1. The other license will be transferred to the project site.
 - One license will be acquired from along Polk Street in the Middle Polk Neighborhood within the boundaries of Van Ness to Leavenworth and California to Broadway.
 - One license will be acquired from along Polk Street in the Lower Polk Neighborhood within the area south of California Street within the boundaries identified above.
2. Restrict Type 21 License to be transferred and restricted for the sale of beer and wine only, changing the license a Type 20 – Beer and Wine Only. No upgrades or enhancements to the license will be sought for a minimum of 10 years.
3. Sale and service of beer and wine shall be permitted only between the hours of operation of the adjacent Trader Joe's, not to exceed 8am to 10pm daily. Customer access to all beer and wine will be restricted after hours of sale using any combination of locked cooler cases, gondola covers, and/or physical barricades at the ends of the aisles where the product is located on the sales floor.
4. All wine bottles will be secured and capped to ensure that an individual must make a purchase using a valid identification in order to avoid delinquent behavior.
5. No more than 5% of the square footage of the premises will be used for the display of alcoholic beverages.
6. No malt beverage shall be sold with an alcoholic content greater than 5.7% by volume.

7. The sale of single beer or malt beverages in quantities of 16 oz., 22 oz., 32 oz., 40 oz., or similar size containers is prohibited.
8. No beer or malt beverages, wine coolers or beer coolers shall be sold in quantities of less than manufacturer pre-packaged multi-unit quantities of four (4) or more.
9. No wine shall be sold with an alcoholic content of great than 15% by volume except for "Dinner Wines" which have been aged two years or more and maintained in corded bottles.
10. Interior security cameras must be installed within the store and concentrated in the area of beer and wine products. These cameras will be monitored during store hours by on site management, CVS regional and corporate operations, and made available to the SFPD for a minimum of 30 days upon request. External cameras will be installed and operated, focused on the perimeter of the store as well as the property and its perimeters. Output from these cameras will be shared with the SFPD, upon request.
11. All store cameras shall be monitored by on site management, CVS regional loss prevention team, and CVS Corporate.
12. All checkouts will be equipped with electronic scan detection systems to control the sale of age-related products and to prompt cashiers to require proper identification before a sale is completed.
13. Loitering will be prohibited in the parking lot and adjacent sidewalks surrounding the project at all times. Store management will be responsible for site security and monitoring the parking lots during hours of operation.
14. Store will provide a posted phone number to report site vandalism, loitering, or other concerns with mandated response to the person reporting the issue within forty-eight (48) hours. Vandalism and graffiti will be removed within twenty-four (24) hours of reporting and all other issues will be dealt with as expeditiously as possible.
15. The lower level garage parking area will be locked and restricted from access after 10:00 pm to prohibit loitering.

EXHIBIT B

REUBEN & JUNIUS^{LLP}

March 30, 2012

Ms. Angela Calvillo
Clerk of the Board
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102

**Re: Liquor License "PCN" Request – CVS Pharmacy
1059 Hyde Street – Block 0250, Lots 001 and 020
Our File No.: 6483.08B**

Dear Ms. Calvillo:

Our office represents LandMark Retail Group ("Landmark"), the project sponsor of a new CVS Pharmacy and convenience goods store located at the former Cala Foods grocery store site at 1059 Hyde Street (a.k.a. 1401 California Street) (the "Project"). On December 15, 2011, the San Francisco Planning Commission approved the Project (a Trader Joe's grocery store will occupy approximately 60% of the existing building).

CVS now seeks a license from the California Department of Alcohol Beverage Control ("ABC") in order to sell beer and wine on the premises. Landmark has been actively engaged with local neighborhood groups in an effort to sell alcohol in a way that is consistent with the needs and desires of the neighborhood. As a result of these discussions, Landmark and CVS have agreed to the following:

- CVS will purchase a type-21 off-sale general license from a "problem" vendor in the neighborhood, thereby removing an undesirable alcohol retailer; CVS has chosen to purchase the license from J&D Liquors at 1042 Polk Street from a list of "problem" vendors compiled by neighborhood groups;
- CVS will voluntarily condition the type-21 license to limit its sales to beer and wine only, reducing by one the number of locations selling hard liquor in the neighborhood;
- CVS will purchase a second off-sale license from another alcohol retailer in the neighborhood and transfer it out of the neighborhood, thereby reducing by one the number of alcohol sellers in the neighborhood.

James A. Reuben | Andrew J. Junius | Kevin H. Rose | Tuija I. Catalano | David Silverman | Sheryl Reuben¹ | Jay F. Drake
Daniel A. Frattin | Stephen R. Miller | Lindsay Petrone | John Kevlin | Alison L. Krumbein | John McInerney²

1. Also admitted in New York 2. Of Counsel

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San Francisco, CA 94104

tel: 415-567-9000
fax: 415-399-9480

www.reubenlaw.com

Ms. Angela Calvillo
March 30, 2012
Page 2

As a result of these efforts, the Lower Polk Neighbors group is overwhelmingly in support of CVS's desire to obtain an ABC license to sell alcohol at this site (see endorsement letter attached as **Exhibit A.**).

LandMark has not yet filed an application with ABC on behalf of CVS for a license transfer from J&D Liquors or the second alcohol retailer, but will begin the process as soon as this public convenience and necessity request is approved by the Board of Supervisors. The license would be transferred from J&D Liquors, located at 1042 Polk Street to the CVS Pharmacy at 1059 Hyde Street. Due to the overconcentration of this type of ABC license in the census tract where the CVS Pharmacy will be located, CVS must obtain a determination by the Board of Supervisors that the public convenience and necessity will be served by the issuance of this license for operations at 1059 Hyde Street.

The Project will establish a CVS Pharmacy and Trader Joe's at the former Cala Foods grocery store at 1401 California Street (two new addresses have been created for the site, 1059 and 1095 Hyde Street, for CVS and Trader Joe's, respectively). The CVS Pharmacy will occupy approximately 11,000 square feet and the Trader Joe's will occupy approximately 14,000 square feet. The Project will make slight modifications to the existing legal, non-conforming structure and will add new elevator access from the lower level garage to the retail level. The Project will also improve access to the site by increasing the number of parking spaces on site from 79 to 86 through a re-striping of the existing parking area and eliminating dead space. The Project will also add 15 bicycle parking spaces and an enhanced landscape and hardscape.

The CVS Pharmacy will offer a wide variety of prescription drugs, groceries, and other convenience goods in a high density Polk Street corridor of San Francisco. Adding beer and wine to the offerings of this CVS Pharmacy would serve the public convenience and necessity of the neighborhood by increasing the variety of goods offered at this store. Area residents will have a new convenience store and pharmacy that will provide a convenient, "one-stop" shopping experience. By providing area residents with a pharmacy, convenience store, and alcohol retailer at one convenient location with adequate parking will reduce automobile trips in the area.

Adding beer and wine to the offerings of this CVS Pharmacy would serve the public convenience and necessity of the City of San Francisco by establishing a beer and wine retailer that has vast experience with the sale of alcohol and is a responsible retailer with an effective training and corporate-wide management policy for controlling the sale of beer and wine. CVS's employee training program, approved by the ABC, must be completed by all employees within 14 days of their hire and before they are permitted to operate the registers. CVS has a zero-tolerance policy – any employee knowingly or recklessly selling any age restricted product to a minor or to an adult purchasing product for a minor is subject to disciplinary action up to termination. Security cameras are equipped throughout the store and particularly in the area of beer and wine sales which are monitored by store management, regional loss prevention, CVS

One Bush Street, Suite 600
San Francisco, CA 94104

tel: 415-567-9000
fax: 415-399-9480

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Ms. Angela Calvillo
March 30, 2012
Page 3

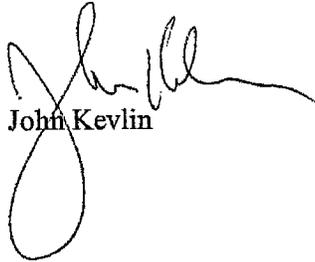
corporate, and can be made available to the Police Department upon request. All checkouts are equipped with electronic scan diction systems to control the sale of age restricted products and prompt cashiers to require proper identification before a sale is completed. CVS will continue to work with the San Francisco Police Department to ensure safe and responsible sale of beer and wine at this location.

For the reasons outlined above, I respectfully request that this letter be forwarded to the City Operations and Neighborhood Services Committee of the Board and that the Committee and the full Board of Supervisors make a determination under California Business & Professions Code §23958.4 that the public need or convenience would be served by the issuance of a type-21 off-sale general license to this CVS Pharmacy.

Please contact me with any questions you have.

Very truly yours,

REUBEN & JUNIUS, LLP



John Kevlin

Encl.

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San Francisco, CA 94104

tel: 415-567-9000
fax: 415-399-9480

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www.reubenlaw.com

EXHIBIT C

**CVS/pharmacy®****Dublin RBO**

7201 Regional Street
Dublin, California 94568
T: 925.361.1800
F: 925.361.1801

March 22, 2012

Chairman of the Middle Polk Neighborhood Association
Chairman of the Lower Polk Neighborhood Association
Chairman of the Polk District Merchants Association

Re: CVS #10080, 1401 California (@California & Hyde), San Francisco

CVS is a neighborhood serving business and a leader as a pharmacy health care provider. We look forward to becoming an active partner in the Polk District Neighborhood with our new full service location at 1401 California.

We understand through working with your individual groups and Supervisor Chiu's office, that there are existing challenges in the neighborhood with homeless, the nuisance of the increasing number of night-life businesses, and criminal activity that can be exacerbated by irresponsible sales and use of alcohol products. We understand that these issues are more prevalent here in the Polk District than anywhere else in San Francisco and as such we are committed to being a partner in prevention through our engagement with your respective groups, and by being a responsible vendor of beer and wine.

Beyond our existing experience and strict compliance with the State of California's policies as well as CVS' own employee training program related to beer and wine sales, we have made a commitment to the community through the extensive voluntary conditions for the PCN (attached here).

We want to be a good business and neighbor for years to come. We are committed to joining the Polk District Merchant's Association and attending neighborhood meetings for both the Middle Polk Neighborhood Association and the Lower Polk Neighborhood Association on a quarterly basis as needed. We are always available to address concerns as they arise. If you should have any concerns at anytime, please reach out to our District Store Manager, Scott Rutherford, whose contact information is provided below. We will follow-up with the store manager's contact information once a candidate is selected.



Dublin RBO

7201 Regional Street
Dublin, California 94568
T: 925.361.1800
F: 925.361.1801

District Operations Manager – Scott Rutherford
ASRutherford@cv.com
(650) 670-6728 (mobile phone)

Sincerely,

A handwritten signature in black ink that appears to read "Charles Dub".

Charles Dub

Regional Operations Manager,
CVS Caremark

CC: Supervisor David Chiu, City of San Francisco
Holly Grzywacz, LandMark Retail Group
Scott Rutherford, CVS Caremark

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March 30, 2012

Ms. Angela Calvillo
Clerk of the Board
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102

File 120277

**Re: Liquor License "PCN" Request – CVS Pharmacy
1059 Hyde Street – Block 0250, Lots 001 and 020
Our File No.: 6483.08B**

Dear Ms. Calvillo:

Our office represents LandMark Retail Group ("Landmark"), the project sponsor of a new CVS Pharmacy and convenience goods store located at the former Cala Foods grocery store site at 1059 Hyde Street (a.k.a. 1401 California Street) (the "Project"). On December 15, 2011, the San Francisco Planning Commission approved the Project (a Trader Joe's grocery store will occupy approximately 60% of the existing building).

CVS now seeks a license from the California Department of Alcohol Beverage Control ("ABC") in order to sell beer and wine on the premises. Landmark has been actively engaged with local neighborhood groups in an effort to sell alcohol in a way that is consistent with the needs and desires of the neighborhood. As a result of these discussions, Landmark and CVS have agreed to the following:

- CVS will purchase a type-21 off-sale general license from a "problem" vendor in the neighborhood, thereby removing an undesirable alcohol retailer; CVS has chosen to purchase the license from J&D Liquors at 1042 Polk Street from a list of "problem" vendors compiled by neighborhood groups;
- CVS will voluntarily condition the type-21 license to limit its sales to beer and wine only, reducing by one the number of locations selling hard liquor in the neighborhood;
- CVS will purchase a second off-sale license from another alcohol retailer in the neighborhood and transfer it out of the neighborhood, thereby reducing by one the number of alcohol sellers in the neighborhood.

One Bush Street, Suite 600
San Francisco, CA 94104

tel: 415-567-9000
fax: 415-399-9480

www.reubenlaw.com

James A. Reuben | Andrew J. Junius | Kevin H. Rose | Tuija I. Catalano | David Silverman | Sheryl Reuben¹ | Jay F. Drake
Daniel A. Frattin | Stephen R. Miller | Lindsay Petrone | John Kevlin | Alison L. Krumbein | John McInerney²

1. Also admitted in New York 2. Of Counsel

Ms. Angela Calvillo

March 30, 2012

Page 2

As a result of these efforts, the Lower Polk Neighbors group is overwhelmingly in support of CVS's desire to obtain an ABC license to sell alcohol at this site (see endorsement letter attached as **Exhibit A.**).

LandMark has not yet filed an application with ABC on behalf of CVS for a license transfer from J&D Liquors or the second alcohol retailer, but will begin the process as soon as this public convenience and necessity request is approved by the Board of Supervisors. The license would be transferred from J&D Liquors, located at 1042 Polk Street to the CVS Pharmacy at 1059 Hyde Street. Due to the overconcentration of this type of ABC license in the census tract where the CVS Pharmacy will be located, CVS must obtain a determination by the Board of Supervisors that the public convenience and necessity will be served by the issuance of this license for operations at 1059 Hyde Street.

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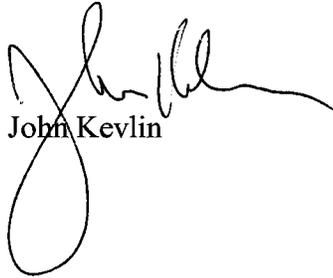
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Please contact me with any questions you have.

Very truly yours,

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John Kevlin

From: Ron Case [ron@CaseAbst-Architects.com]
Sent: Friday, January 20, 2012 5:49 PM
To: David.Chiu@sfgov.org
Cc: Holly Grzywacz; dsafier@pradogroup.com
Subject: 1401 California-CVS support Letter.rtf

January 20, 2012

Mr. David Chiu, President
San Francisco Board of Supervisors
City Hall, Room 244
1 Carlton B. Goodlett Place
San Francisco, CA 94102-4689

RE: **1401 California Street [Trader Joe's / CVS]**

Dear President Chiu:

I am writing on behalf of **Lower Polk Neighbors [LPN]**, a community association made up of residents and merchants. Our association boundaries are California Street on the North, Ellis Street on the South, Larkin on the East and the West Side of Van Ness, 1401 California borders our area.

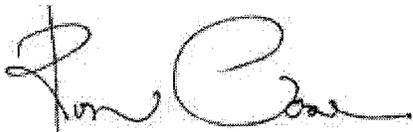
At our regular LPN meeting on January 11, 2012 we voted on a number of items affecting our area. One major item that we voted on was the issues of Trader Joe's and CVS moving into 1401 California. At the heart of this issue is CVS's desire to sell beer and wine.

[Trader Joe's would take over CALA's liquor license.] Most of our members are opposed to any additional liquor licenses in our area. As you are aware, CVS has proposed buying one, and possibly two existing licenses in our area. Thus, not adding any additional ones and possibly eliminating one. In addition, CVS has proposed to purchase licenses from "troubled" establishments, if possible. [We have given CVS the names of possible troubled establishments we would like to see eliminated from Lower Polk area.]

After some questions and discussion **LPN voted overwhelmingly** [17 in favor and 2 opposed] **to support CVS's desire to sell beer and wine**. The condition of the vote is based on CVS's proposal to actually purchase the license[s] from "troubled" establishments.

We feel this is very much a positive situation for Lower Polk Neighbors. We have had numerous discussions with the CVS and Prado Group and feel confident that they will be a responsible neighbor and a good addition to our community.

With regards,



Ron Case, Chairman
Lower Polk Neighbors

Cc: Ms. Holly Grzywacz, Landmark Retail Group
Mr. Dan Safier, President, Prado Group