



SMALL BUSINESS COMMISSION
OFFICE OF SMALL BUSINESS



CITY AND COUNTY OF SAN FRANCISCO
EDWIN M. LEE, MAYOR

June 21, 2011

Ms. Angela Calvillo, Clerk of the Board
Board of Supervisors
City Hall room 244
1 Carlton B. Goodlett Place
San Francisco, CA 94102-4694

Re: File No. 110506 [Limited Live Performance Permits]

Small Business Commission Recommendation: **Approval with modification**

Dear Ms. Calvillo:

On June 13, 2011, the Small Business Commission (SBC) voted unanimously to recommend that the Board of Supervisors approve BOS File No. 110506 with modifications.

The Commission found that this new type of entertainment permit will help foster economic growth at our local small business cafés, restaurants, bars and other locales where live performances will compliment a primary business use. Offering live performances will help attract and retain customers and will provide opportunities for residents to enjoy cultural offerings at a business located in their neighborhood. The Commission thanks Supervisor Mirkarimi for sponsoring this important piece of legislation and co-sponsors Supervisors Campos, Mar and Wiener for sharing his commitment to expanding opportunities for small businesses.

Currently, a "Place of Entertainment" (POE) permit requires a \$1700 non refundable application fee. In over 20 other zoning areas, including most of our vibrant NC districts, a Conditional Use Authorization is also required, often costing upwards of \$2000. Small businesses, many of which are already struggling during this difficult economy, often cannot afford the nearly \$4,000 that it may cost to obtain a POE permit. This POE permit also requires a security plan, security staff, and other requirements which are geared towards late night entertainment venues. This new opportunity, only costing \$385, will significantly reduce the cost burden of providing limited entertainment and on-going requirements to maintain the permit will be reasonable for the intensity of the use. The SBC recognizes the work that Supervisor Mirkarimi did to keep the permit costs and requirements minimal.

The Commission recommends modification in the following areas

- 1) Add the West Portal, Pacific Avenue and South of Market NC Districts to the areas in which this permit will be permitted. Currently, since Entertainment is not permitted by right or conditional use in these three NC districts, they are omitted from the ordinance. While these NC's do not currently allow full scale entertainment, this scaled down limited live performance permit is appropriate for these zoning districts and will contribute to the economic and cultural vitality of these areas.



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2) Add South of Market Mixed Use Districts. The South of Market area has a large number of vibrant restaurants and cafés. These businesses will benefit from providing limited live performances. Currently a large part of South of Market does not permit entertainment. This was a result of neighborhood concerns over full scale entertainment venues and nighttime noise. Again, as with the above NC's, offering these limited performances will contribute to the economic and cultural vitality of the South of Market area.

3) Extend the initial permitted time to 11:00pm and remove the option for extended hours until midnight. The SBC determined that simplifying the permit and removing the option to extend hours will reduce confusion for businesses and allay potential neighborhood concerns.

The Commission thanks Supervisor Mirkarimi and his aide Robert Selna for their work in championing the legislation. The SBC also thanks Jocelyn Kane of the Entertainment Commission and Dan Sider of the Planning Department for their close collaboration.

Sincerely,

Regina Dick-Endrizzi
Director, Office of Small Business

cc. Supervisors Mirkarimi, Campos, Mar, Wiener
Jason Elliott, Mayor's Office
Sophie Hayward, Planning Commission
Jocelyn Kane, Entertainment Commission