

File No. 260180

Committee Item No. 2

Board Item No. 6

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Land Use and Transportation

Date: June 29, 2026

Board of Supervisors Meeting:

Date: July 7, 2026

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Prepared by: John Carroll

Date: June 25, 2026

Prepared by: John Carroll

Date: July 2, 2026

Prepared by: _____

Date: _____

[Planning Code - Relocation and Re-establishment of Liquor Establishments]

Ordinance amending the Planning Code to principally permit the relocation of Bar Uses with Alcohol Beverage Control licenses as of May 19, 2003, within the Third Street Alcohol Restricted Use District (RUD) and the Bayview Neighborhood Commercial District (NCD); allow establishments with Alcohol Beverage Control licenses as of May 19, 2003, to re-establish the use under the existing license within the RUD and NCD; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Environmental and Land Use Findings.

(a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 260180 and is incorporated herein by reference. The Board of Supervisors affirms this determination.

1 (b) On June 18, 2026, the Planning Commission, in Resolution No. 21922, adopted
2 findings that the actions contemplated in this ordinance are consistent, on balance, with the
3 City's General Plan and eight priority policies of Planning Code Section 101.1. The Board of
4 Supervisors adopts these findings as its own. A copy of said Resolution is on file with the
5 Clerk of the Board of Supervisors in File No. 260180, and is incorporated herein by reference.

6 (c) Pursuant to Planning Code Section 302, this Board of Supervisors finds that this
7 ordinance will serve the public necessity, convenience, and welfare for the reasons set forth in
8 Planning Commission Resolution No. 21922, and incorporates such reasons by this reference
9 thereto.

10 Section 2. Articles 2 and 7 of the Planning Code are hereby amended by revising
11 Sections 249.62 and 737, to read as follows:

12 **SEC. 249.62. THIRD STREET ALCOHOL RESTRICTED USE DISTRICT.**

13 * * * *

14 (a) In order to preserve the residential character and the neighborhood-serving
15 commercial uses of the area, the Third Street Alcohol Restricted Use District ("Third Street
16 Alcohol RUD") is hereby established for the property in the area generally bounded by Islais
17 Creek to the north, Quint Street, Phelps Street, Tampa Street, Bridgeview Drive, Newhall
18 Street, Venus Street, and Egbert Avenue to the west, US Highway 101 to the south, and
19 Mendell Street, La Salle Avenue, Keith Street, Palou Street, Jennings Street, and Ingalls
20 Street to the east, as designated on Sectional Map Numbers 8 and 10. The following controls
21 shall apply within the Third Street Alcohol RUD.

22 (1) No new Oen-sale or Oeff-sale Liquor Establishment shall be permitted in the
23 Third Street Alcohol RUD.

24 (2) The prohibition on new Liquor Establishments in subsection (a)(1) shall not
25 be interpreted to prohibit the following:

1 (A) Temporary uses, as described in Planning Code Sections 205.1
2 or 205.3;

3 (B) Establishment of a Liquor Establishment if application for such
4 Liquor Establishment ~~is~~ was on file with the California Department of Alcoholic Beverage
5 Control ("ABC") prior to the effective date of Ordinance No. 67-03 establishing the Third Street
6 Alcohol RUD (May 19, 2003);

7 (C) Sales of wine and brandy pursuant to an ABC License Type 2;

8 (D) Sales and manufacturing of beer pursuant to an ABC License
9 Type 23.; or

10 (E) Establishment of an Oen-sale Liquor Establishment with an ABC
11 License Type 42 within the Bayview Neighborhood Commercial District, pursuant to a
12 Conditional Use authorization as provided in Section 303.

13 (3) **Continuation of Pre-eExisting ~~Prohibited~~ Liquor Establishments.** In the
14 Third Street Alcohol RUD, any ~~Prohibited~~ Pre-existing Liquor Establishment may continue in
15 accordance with Planning Code Section 180 through 186.2, subject to the following
16 provisions.

17 (A) A ~~Prohibited~~ Pre-existing Liquor Establishment lawfully existing and
18 selling alcoholic beverages as licensed by the State of California prior to the effective date of
19 ~~this legislation~~ Ordinance No. 67-03 establishing the Third Street Alcohol RUD (May 19, 2003), or
20 subsequent legislation prohibiting that type of Liquor Establishment, so long as otherwise
21 lawful, may continue to operate only under the following conditions, as provided by California
22 Business and Professions Code Section 23790:

23 (i) Except as provided by Subsection (B) below, the premises
24 shall retain the same type of retail liquor license within a license classification; and
25

(ii) Except as provided by Subsection (B) below, the licensed premises shall be operated continuously, without substantial change in mode or character of operation.

(B) A break in continuous operation shall not be interpreted to include the following, provided that the location of the establishment does not change, the square footage used for the sale of alcoholic beverages does not increase, and the type of ~~California Department of Alcoholic Beverage Control Liquor~~ ABC License (~~"ABC" License~~) does not change, except as indicated:

(i) A change in ownership of a ~~Prohibited~~ Pre-existing Liquor Establishment or an owner-to-owner transfer of an ABC License;

(ii) Re-establishment, restoration, or repair of a ~~an~~ Pre-existing ~~Prohibited~~ Liquor Establishment on the same lot after total or partial destruction or damage due to fire, riot, insurrection, toxic accident, or act of God;

(iii) Temporary closure of a ~~an~~ Pre-existing ~~Prohibited~~ Liquor Establishment for not more than ~~ninety (90)~~ days for repair, renovation, or remodeling;

(iv) Re-establishment of a Pre-existing Liquor Establishment under its existing ABC License issued prior to May 19, 2003, after a full or partial closure of not more than 10 years;

(iv) Relocation of a Pre-existing Prohibited Liquor Establishment in the Third Street Alcohol RUD to another location within the same Third Street Alcohol RUD; provided that a relocating Pre-existing Liquor Establishment other than a Bar Use shall obtain a with Conditional Use authorization from the City Planning Commission, and a relocating Pre-existing Liquor Establishment that is a Bar Use shall be principally permitted; and provided further that the original premises shall not be occupied by a Pre-existing Prohibited

1 Liquor Establishment, unless by another Pre-existing ~~Prohibited~~ Liquor Establishment that is
2 also relocating from within the Third Street Alcohol RUD; or

3 (vi) A change from a Type 21 (off-sale) to a Type 20 (off-sale
4 beer and wine) license or a change from any ~~Alcohol Beverage Control Board~~ ABC License type
5 to a Type 41 (on-sale beer and wine - eating place).

6 (b) The following shall apply to all Liquor Eestablishments in the Third Street Alcohol
7 RUD in order to maintain the safety of the premises and vicinity:

8 (1) Liquor Eestablishments shall provide outside lighting in a manner sufficient
9 to illuminate street and sidewalk areas and adjacent parking, as appropriate to maintain
10 security, without disturbing area residences; and

11 (2) No more than 33% ~~percent~~ of the square footage of the windows and clear
12 doors of Liquor Eestablishments shall bear advertising or signage of any sort, and all
13 advertising and signage shall be placed and maintained in a manner that ensures that law
14 enforcement personnel have a clear and unobstructed view of the interior of the premises,
15 including the area in which the cash registers are maintained, from the exterior public
16 sidewalk or entrance to the premises. This requirement shall not apply to premises where
17 there are no windows, or where existing windows are located at a height that precludes a view
18 of the interior of the premises to a person standing outside the premises.

19 (c) Definitions.

20 “Liquor Eestablishment” shall mean any enterprise selling alcoholic beverages, as
21 defined by California Business and Professions Code Section 23004 and 23025, pursuant to a
22 California Alcoholic Beverage Control Board license.

23 “Off-sale Liquor Eestablishment” shall mean any Liquor Store use as defined in
24 Section 102 of this Code.

“On-sale Liquor Eestablishment” shall mean any Liquor Eestablishment which has obtained ~~Alcoholic Beverage Control Board~~ ABC License type 40 (on-sale beer), type 42 (on-sale beer and wine public premises), type 48 (on-sale general-public premises), or type 57 (special on-sale general) selling alcoholic beverages for consumption on the premises.

Typical on-sale establishments may include but are not limited to bars serving alcoholic beverages. It shall not include ABC License types 41, 47, 51, 52, 59, 60, 61, 67, 70 or 75.

“~~Prohibited~~ Pre-existing Liquor Eestablishment” shall mean any establishment selling alcoholic beverages lawfully existing prior to the effective date of the establishment of the Third Street Alcohol RUD (May 19, 2003) and licensed by the State of California for the retail sale of alcoholic beverages for on- or off-site consumption, so long as otherwise lawful.

* * * *

SEC. 737. BAYVIEW NEIGHBORHOOD COMMERCIAL DISTRICT.

* * * *

Table 737. BAYVIEW NEIGHBORHOOD COMMERCIAL DISTRICT ZONING CONTROL TABLE

* * * *

Zoning Category	§ References	Controls		
NON-RESIDENTIAL STANDARDS AND USES				
* * * *				
NON-RESIDENTIAL USES		Controls by Story		
		1st	2nd	3rd+
* * * *				
Sales and Service Use Category				
Retail Sales and Service Uses*	§§ 102, 202.2(a), 202.3, 202.5	P	P	P

* * * *				
Bar	§§ 102, 202.2(a), 249.62	NP(7)	NP(7)	NP
* * * *				
Liquor Store	§§ 102; <u>249.62</u>	NP(<u>7</u>)	NP(<u>7</u>)	NP
* * * *				

* * * *

(7) THIRD STREET ALCOHOL RESTRICTED USE DISTRICT (Section 249.62). C for Bars with ABC License Type 42. Re-establishments under Section 249.62(a)(3)(B)(iv): P. Relocations under Section 249.62(a)(3)(B)(v): C; except P for Bars regardless of ABC License Type.

Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the “Note” that appears under the official title of the ordinance.

Section 4. Effective Date. This ordinance shall become effective at on the 31st day after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance unsigned or does not sign the ordinance within 10 days of receiving it, or the Board of Supervisors overrides the Mayor’s veto of the ordinance.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: /s/ HEATHER GOODMAN
HEATHER GOODMAN
Deputy City Attorney

4929-2268-0231, v. 3

LEGISLATIVE DIGEST
(Substituted – May 12, 2026)

[Planning Code - Relocation and Re-establishment of Liquor Establishments]

Ordinance amending the Planning Code to principally permit the relocation of Bar Uses with Alcohol Beverage Control licenses as of May 19, 2003 within the Third Street Alcohol Restricted Use District (RUD) and the Bayview Neighborhood Commercial District (NCD); allow establishments with Alcohol Beverage Control licenses as of May 19, 2003 to re-establish the use under the existing license within the RUD and NCD; affirming the Planning Department’s determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302

Existing Law

Under the Planning Code, bars, liquor stores, and other premises selling alcohol are subject to zoning controls based on the districts where they are located. In 2003, the Third Street Alcohol Restricted Use District (the “RUD”) was established, prohibiting new bars, liquor stores, and certain other uses that sell alcohol, subject to limited exceptions. Under the RUD, bars, liquor stores, and similar uses that existed prior to the RUD may continue to operate as nonconforming uses, provided they are operated continuously and without substantial change. An existing liquor establishment with a California Department of Alcoholic Beverage Control (“ABC”) license issued prior to May 19, 2003 may relocate within the RUD if it obtains conditional use authorization from the Planning Commission. In the Bayview Neighborhood Commercial District (the “NCD”), bars and liquor stores are generally not permitted.

Amendments to Current Law

The ordinance expands which liquor establishments may relocate or re-establish in the RUD without the change being deemed a break in continuous operation. Specifically, liquor establishments in the RUD with an ABC license that existed prior to the RUD’s creation in 2003 may close then re-open at the same or a different site, provided they maintain the same ABC license they held in 2003 and re-open within 10 years. Version 2 of the ordinance introduced on May 13, 2026 added the exception for re-establishment.

The ordinance also principally permits bars in the RUD to relocate within the RUD. Other types of establishments, such as liquor stores, may relocate with conditional use authorization. The ordinance makes a conforming change to the NCD, indicating that relocation of a bar or re-establishment under the RUD is principally permitted, and relocation of uses other than bars is conditionally permitted. The ordinance also makes non-substantive clarifying edits to the RUD and NCD.

4939-2105-3349, v. 2



June 22, 2026

Ms. Angela Calvillo, Clerk
Honorable Supervisor Walton
Board of Supervisors
City and County of San Francisco
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

Re: **Transmittal of Planning Department Case Number 2026-002046PCA:**
Relocation and Re-establishment of Liquor Establishments
Board File No. 260180

Planning Commission Action: Adopted a Recommendation for Approval with Modification

Dear Ms. Calvillo and Supervisor Walton,

On June 18, 2026, the Planning Commission conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance, introduced by Supervisor Walton that would amend the Planning Code to principally permit the relocation of Bar Uses with Alcohol Beverage Control licenses as of May 19, 2003, within the Third Street Alcohol Restricted Use District (RUD) and the Bayview Neighborhood Commercial District (NCD). At the hearing the Planning Commission adopted a recommendation for approval with modification.

The Commission's proposed modification was as follows:

Amend the Third Street RUD and Bayview NCD to conditionally permit all Bars.

Supervisor, please advise the City Attorney at your earliest convenience if you wish to incorporate the changes recommended by the Commission.

Please find attached documents relating to the actions of the Commission. If you have any questions or require further information please do not hesitate to contact me.

Sincerely,

Veronica Flores, Acting Manager of Legislative Affairs

cc: Heather Goodman, Deputy City Attorney
Percy Burch, Aide to Supervisor Walton
John Carroll, Office of the Clerk of the Board

ATTACHMENTS :

Planning Commission Resolution
Planning Department Executive Summary



PLANNING COMMISSION RESOLUTION NO. 21922

HEARING DATE: June 18, 2026

Project Name: Relocation and Re-establishment of Liquor Establishments
Case Number: 2026-002046PCA [Board File No. 260180]
Initiated by: Supervisor Walton / Introduced February 24, 2026
Staff Contact: Veronica Flores, Acting Manager of Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525

RESOLUTION ADOPTING A RECOMMENDATION FOR APPROVAL WITH MODIFICATION OF A PROPOSED ORDINANCE THAT WOULD AMEND PLANNING CODE TO PRINCIPALLY PERMIT THE RELOCATION OF BAR USES WITH ALCOHOL BEVERAGE CONTROL LICENSES AS OF MAY 19, 2003, WITHIN THE THIRD STREET ALCOHOL RESTRICTED USE DISTRICT (RUD) AND THE BAYVIEW NEIGHBORHOOD COMMERCIAL DISTRICT (NCD); ALLOW ESTABLISHMENTS WITH ALCOHOL BEVERAGE CONTROL LICENSES AS OF MAY 19, 2003, TO RE-ESTABLISH THE USE UNDER THE EXISTING LICENSE WITHIN THE RUD AND NCD; AFFIRMING THE PLANNING DEPARTMENT’S DETERMINATION UNDER THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; MAKING FINDINGS OF CONSISTENCY WITH THE GENERAL PLAN, AND THE EIGHT PRIORITY POLICIES OF PLANNING CODE, SECTION 101.1; AND MAKING FINDINGS OF PUBLIC NECESSITY, CONVENIENCE, AND WELFARE PURSUANT TO PLANNING CODE, SECTION 302.

WHEREAS, on February 24, 2026 Supervisor Walton introduced a proposed Ordinance under Board of Supervisors (hereinafter “Board”) File Number 260180, which would amend the Planning Code to principally permit the relocation of Bar Uses with Alcohol Beverage Control licenses as of May 19, 2003, within the Third Street Alcohol Restricted Use District (RUD) and the Bayview Neighborhood Commercial District (NCD); allow establishments with Alcohol Beverage Control licenses as of May 19, 2003, to re-establish the use under the existing license within the RUD and NCD;

WHEREAS, on May 12, 2026 Supervisor Walton introduced a substitute Ordinance under the same Board File Number;

WHEREAS, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting to consider the proposed Ordinance on June 18, 2026; and,

WHEREAS, the proposed Ordinance has been determined to be categorically exempt from environmental review under the California Environmental Quality Act Section 15378 and 15060(c)(2); and

WHEREAS, the Planning Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of Department staff and other interested parties; and

WHEREAS, all pertinent documents may be found in the files of the Department, as the Custodian of Records, at 49 South Van Ness Avenue, Suite 1400, San Francisco; and

WHEREAS, the Planning Commission has reviewed the proposed Ordinance; and

WHEREAS, the Planning Commission finds from the facts presented that the public necessity, convenience, and general welfare require the proposed amendment; and

MOVED, that the Planning Commission hereby adopts a **recommendation for approval with modifications** of the proposed ordinance. The Commission's proposed recommendation is as follows:

1. Amend the Third Street RUD and Bayview NCD to conditionally permit all Bars.

Findings

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

The proposed Ordinance would promote business growth and support small businesses. It would also support a historic landmark to reestablish within the Third Street RUD.

General Plan Compliance

The proposed Ordinance and the Commission's recommended modification is consistent with the following Objectives and Policies of the General Plan:

COMMERCE AND INDUSTRY ELEMENT

OBJECTIVE 1

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKING ENVIRONMENT.

Policy 1.1

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development which has substantial undesirable consequences that cannot be mitigated.

OBJECTIVE 2

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1

Seek to retain existing commercial and industrial activity and to attract new such activity to the city.

Policy 2.3

Maintain a favorable social and cultural climate in the city in order to enhance its attractiveness as a firm location.

OBJECTIVE 6

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

The proposed Ordinance supports the Commerce and Industry Element's goals of maintaining and supporting the economic growth of San Francisco. Expanding the exceptions within the Third Street Alcohol RUD supports Policy 2.1 to make it easier to retain existing commercial activity within the city. Incorporating the recommended modification to conditionally permit certain Bars within the Bayview NCD supports Policy 6.1: encouraging neighborhood-serving goods and services.

Planning Code Section 101 Findings

The proposed amendments to the Planning Code are consistent with the eight Priority Policies set forth in Section 101.1(b) of the Planning Code in that:

1. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses enhanced;

The proposed Ordinance would not have a negative effect on neighborhood serving retail uses and will not have a negative effect on opportunities for resident employment in and ownership of neighborhood-serving retail.

2. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods;

The proposed Ordinance would not have a negative effect on housing or neighborhood character.

3. That the City's supply of affordable housing be preserved and enhanced;

The proposed Ordinance would not have an adverse effect on the City's supply of affordable housing.

4. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood

parking;

The proposed Ordinance would not result in commuter traffic impeding MUNI transit service or overburdening the streets or neighborhood parking.

5. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced;

The proposed Ordinance would not cause displacement of the industrial or service sectors due to office development, and future opportunities for resident employment or ownership in these sectors would not be impaired.

6. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake;

The proposed Ordinance would not have an adverse effect on City's preparedness against injury and loss of life in an earthquake.

7. That the landmarks and historic buildings be preserved;

The proposed Ordinance would not have an adverse effect on the City's Landmarks and historic buildings.

8. That our parks and open space and their access to sunlight and vistas be protected from development;

The proposed Ordinance would not have an adverse effect on the City's parks and open space and their access to sunlight and vistas.

Planning Code Section 302 Findings.

The Planning Commission finds from the facts presented that the public necessity, convenience and general welfare require the proposed amendments to the Planning Code as set forth in Section 302.

NOW THEREFORE BE IT RESOLVED that the Commission hereby ADOPTS A RECOMMENDATION FOR APPROVAL WITH MODIFICATIONS of the proposed Ordinance as described in this Resolution.

I hereby certify that the foregoing Resolution was adopted by the Commission at its meeting on June 18, 2026.

Jonas P. Ionin
Commission Secretary

AYES: McGarry, So, Braun, Campbell
NOES: Williams, Moore
ABSENT: None
ADOPTED: June 18, 2026

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EXECUTIVE SUMMARY

PLANNING CODE TEXT AMENDMENT

HEARING DATE: June 18, 2026

90-Day Deadline: August 18, 2026

Project Name: Relocation and Re-establishment of Liquor Establishments
Case Number: 2026-002046PCA [Board File No. 260180]
Initiated by: Supervisor Walton / Introduced February 24, 2026
Staff Contact: Veronica Flores, Acting Manager of Legislative Affairs
veronica.flores@sfgov.org, 628-652-7525
Environmental Review: Not a Project Under CEQA

RECOMMENDATION: Adopt a Recommendation for Approval with Modifications

Planning Code Amendment

The proposed Ordinance would amend the Planning Code to principally permit the relocation of Bar Uses with Alcohol Beverage Control licenses as of May 19, 2003, within the Third Street Alcohol Restricted Use District (RUD) and the Bayview Neighborhood Commercial District (NCD).

The Way It Is Now:

With some exceptions, no new on-sale or off-sale Liquor Establishments are permitted within the Third Street Alcohol RUD. Relocation of an existing Liquor Establishment is allowed with Conditional Use (CU).

The Way It Would Be:

The exceptions for Liquor Establishments within the Third Street Alcohol RUD would be expanded to allow:

- 1) the reestablishment of Liquor Establishments with an ABC License issued prior to May 19, 2003 after

a full or partial closure of 10 years or less; and

- 2) existing Liquor Establishments to relocate within the District.

Bar reestablishments and relocations would be principally permitted. All other Liquor Establishments would continue to require a CU to relocate. These amendments would also be reflected in the Bayview Zoning Control Table.

Background

Supervisor Walton introduced the proposed Ordinance to support historic Bars to reestablish and relocate within the Third Street Alcohol RUD. The goal is to support these existing businesses to continue to operate within the RUD. This may also give them the opportunity to find a new space that meets their operational needs.

Issues and Considerations

Third Street Alcohol RUD

In 2003, the Board of Supervisors established the Third Street Alcohol RUD to address the overconcentration of liquor stores and the lack of essential neighborhood services in the Third Street Corridor. The RUD generally prohibits new on-sale and off-sale liquor establishments, with limited exceptions. For instance, establishments that applied to the ABC before the RUD's effective date or existing Liquor Establishments relocating within the district could proceed through the CUA process. The result is that over time the number of Bars would decrease as businesses closed since new ones couldn't open up.

The RUD is located along Third Street between Islais Creek and Highway 101 (see Figure 1) and overlaps various zoning districts, including the Bayview NCD, NCT-3, PDR-1-G, PDR-1-B, PDR-2, M-1, and NC-3. It was intended to preserve the residential character and neighborhood-serving commercial uses of the area.

Over the past decade, the Board has continued to adjust the Third Street Alcohol RUD as conditions along the corridor have changed. In 2014, the Board expanded the RUD's exceptions to permit establishments with Type 2¹ or Type 23² ABC licenses. Last year, the Board expanded the RUD's exceptions again to conditionally permit Bars with Type 42 ABC licenses.³ These updates, combined with ongoing changes in the neighborhood, mean that Third Street is no longer experiencing the concentration of Bars that originally prompted creation of the RUD more than 20 years ago. The current proposal would further expand these exceptions. This raises questions about whether the RUD is still calibrated to today's conditions and whether a more comprehensive update is needed to better align the regulations with current priorities.

¹ [Ordinance No. 35-14.](#)

² [Ordinance No. 248-14.](#)

³ [Ordinance No. 21-25.](#)

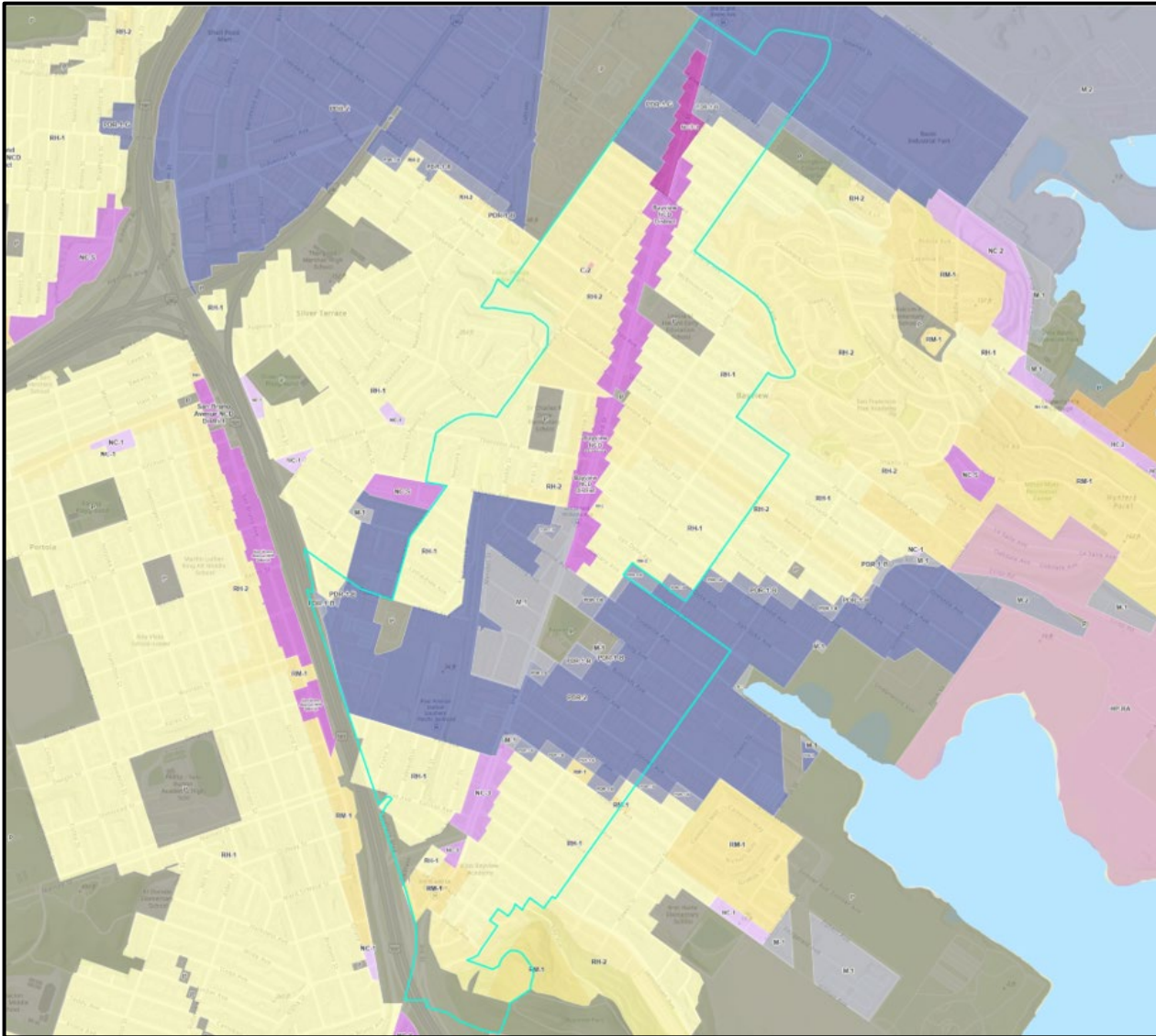


Figure 1: Map of Third Street Alcohol Restricted Use District

Existing Bars on Third Street

There are currently three bars located along the Third Street corridor:

- Jazz Room, 5267 3rd Street – still operating today;
- Sam Jordan's Bar, formerly at 4004 3rd Street – closed to the public in 2019⁴ and closed their business license in 2021; and
- Gratta Wines Market, Winery and Lounge, 2022 Lane Street, 5273 3rd Street – the wine bar opened in 2025 allowed through [Ordinance No. 21-25](#).

⁴ SFGate, [San Francisco's oldest black-owned bar will close](#).

Only the first two Bars listed above are eligible for the relocation under this proposed Ordinance because they were already operating at the time the Third Street RUD was established. Of these two bars, Sam Jordan's Bar closed their business in 2019 and would be eligible to reestablish within the Third Street RUD. Sam Jordan's Bar is a historic landmark. If it were to relocate to another site, the original property would retain its historic status. Further, any new use proposed for the original site would need to retain the historic features.

Nonconforming Uses

Legally established uses are considered nonconforming uses if the zoning permissions are later changed. Conditionally permitted uses have a three-year abandonment clause, after which time they require a CU to reestablish the use. Uses that were previously principally permitted do not have this same abandonment period and can be reestablished anytime through a building permit application.

Affected Projects

The Department is aware of only one Bar that would be eligible for the reestablishment permissions under the proposed Ordinance: Sam Jordan's Bar. Because Sam Jordan's closed in 2019, it does not meet the continuous operation requirements for the relocation exceptions within the Third Street RUD. Under current rules, relocation of a continuously operating Liquor Establishments requires a CU. Under the proposed Ordinance, reestablishing and relocating Sam Jordan's within the district would be principally permitted. The proposed Ordinance is expected to affect only one eligible establishment (Sam Jordan's) but has broader implications for alcohol-related land use controls in the Bayview.

General Plan Compliance

The proposed Ordinance supports the Commerce and Industry Element's goals of maintaining and supporting the economic growth of San Francisco. Expanding the exceptions within the Third Street Alcohol RUD supports Policy 2.1 to make it easier to retain existing commercial activity within the city. Incorporating the recommended modification to conditionally permit certain Bars within the Bayview NCD supports Policy 6.1: encouraging neighborhood-serving goods and services.

Racial and Social Equity Analysis

The proposed Planning Code amendments are intended to support long-standing bar operators within the Third Street Alcohol RUD by allowing them to relocate within the district. This flexibility could help activate vacant storefronts and strengthen commercial activity along the Third Street corridor.

However, the amendments also highlight structural equity issues. While existing operators with pre-2003 ABC licenses gain new mobility, new entrepreneurs remain unable to enter the market. This is especially true for Bayview residents who have historically faced barriers to business ownership. This creates a two-tiered system that limits broader economic opportunity in a neighborhood where expanding local entrepreneurship is a key racial and social equity priority.

The current requirement that any new Bar use or expansion undergo a standalone code amendment is itself an inequitable process, creating a high barrier to entry. Although this proposed Ordinance addresses a

narrow need, it does not improve overall access or predictability for other operators who might contribute positively to the corridor. While the proposed Ordinance does not increase the total number of Bars, reducing public process for one class of business raises questions about consistent and equitable engagement.

The Department's recommended modification to conditionally permit Bars and Nighttime Entertainment uses more broadly would help establish a more equitable framework. This approach would expand opportunities for responsible new operators while maintaining safeguards appropriate for an environmental justice community with elevated alcohol-related health impacts.

Implementation

The Department has determined that this ordinance will not impact our current implementation procedures.

Recommendation

The Department recommends that the **Commission adopt a recommendation for approval with modifications** of the proposed Ordinance and adopt the attached Draft Resolution to that effect. The Department's proposed recommendations are as follows:

1. Amend the Third Street RUD and Bayview NCD to conditionally permit all Bars.

Basis for Recommendation

The Department supports the overall goals of this Ordinance because it supports economic growth within the Bayview NCD. The proposed Ordinance adds some flexibility to the RUD. The Department believes that the following recommendations could both support the local business owner and better respond to the neighborhood's needs today:

Recommendation 1: Amend the Third Street RUD and Bayview NCD to conditionally permit all Bars.

To address the structural equity concerns identified, the Department recommends considering a broader update to the NCD's alcohol-related controls by requiring Conditional Use authorization for all Bars within the Third Street RUD and Bayview NCD. Establishing Conditional Use review for Bars creates a clearer and more equitable regulatory structure.

This recommendation also responds directly to the social and equity issues identified in this report. By requiring a public hearing for any new alcohol-serving use, it ensures that the Planning Commission and the community have an opportunity to evaluate each proposal. This process allows for case-by-case review of factors such as location, operating characteristics, and compatibility with neighborhood priorities.

Required Commission Action

The proposed Ordinance is before the Commission so that it may adopt a recommendation of approval, disapproval, or approval with modifications.

Environmental Review

The proposed amendments are not defined as a project under CEQA Guidelines Section 15060(c)(2) and 15378 because they do not result in a physical change in the environment.

Public Comment

As of the date of this report, the Planning Department has not received any public comment regarding the proposed Ordinance.

ATTACHMENTS:

Exhibit A: Draft Planning Commission Resolution
Exhibit B: Board of Supervisors File No. 260180

Portions of this report were drafted and/or edited with the assistance of Microsoft Copilot, in accordance with the City and County of San Francisco's policy on the use of generative AI tools.

BOARD of SUPERVISORS



City Hall
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: May 20, 2026
To: Planning Department/Planning Commission
From: John Carroll, Assistant Clerk, Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 260180 – VERSION 2
Planning Code - Planning Code - Relocation and Re-establishment of Liquor Establishments

- ☒ California Environmental Quality Act (CEQA) Determination *(California Public Resources Code, Sections 21000 et seq.)* Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or reasonably foreseeable indirect physical change in the environment.
- ☒ Ordinance / Resolution
- ☐ Ballot Measure
- 6/4/2026 *Joy Navarrete*
- ☒ Amendment to the Planning Code, including the following Findings:
(Planning Code, Section 302(b): 90 days for Planning Commission review)
- ☒ General Plan ☒ Planning Code, Section 101.1 ☒ Planning Code, Section 302
- ☐ Amendment to the Administrative Code, involving Land Use/Planning
(Board Rule 3.23: 30 days for possible Planning Department review)
- ☐ General Plan Referral for Non-Planning Code Amendments
(Charter, Section 4.105, and Administrative Code, Section 2A.53)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- ☐ Historic Preservation Commission
- ☐ Landmark *(Planning Code, Section 1004.3)*
- ☐ Cultural Districts *(Charter, Section 4.135 & Board Rule 3.23)*
- ☐ Mills Act Contract *(Government Code, Section 50280)*
- ☐ Designation for Significant/Contributory Buildings *(Planning Code, Article 11)*

Please send the Planning Department/Commission recommendation/determination to John Carroll at john.carroll@sfgov.org.

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TDD/TTY No. (415) 554-5227

MEMORANDUM

Date: March 4, 2026
To: Planning Department/Planning Commission
From: John Carroll, Assistant Clerk, Land Use and Transportation Committee
Subject: Board of Supervisors Legislation Referral - File No. 260180
Planning Code - Relocation of Bar Uses

- ☒ California Environmental Quality Act (CEQA) Determination
(*California Public Resources Code, Sections 21000 et seq.*)
☒ Ordinance / Resolution
☐ Ballot Measure
- Not defined as a project under CEQA Guidelines Sections 15378 and 15060(c)(2) because it would not result in a direct or indirect physical change in the environment.
- 3/25/2026 *Joy Navarrete*
- ☒ Amendment to the Planning Code, including the following Findings:
(*Planning Code, Section 302(b): 90 days for Planning Commission review*)
☒ General Plan ☒ Planning Code, Section 101.1 ☒ Planning Code, Section 302
- ☐ Amendment to the Administrative Code, involving Land Use/Planning
(*Board Rule 3.23: 30 days for possible Planning Department review*)
- ☐ General Plan Referral for Non-Planning Code Amendments
(*Charter, Section 4.105, and Administrative Code, Section 2A.53*)
(Required for legislation concerning the acquisition, vacation, sale, or change in use of City property; subdivision of land; construction, improvement, extension, widening, narrowing, removal, or relocation of public ways, transportation routes, ground, open space, buildings, or structures; plans for public housing and publicly-assisted private housing; redevelopment plans; development agreements; the annual capital expenditure plan and six-year capital improvement program; and any capital improvement project or long-term financing proposal such as general obligation or revenue bonds.)
- ☐ Historic Preservation Commission
☐ Landmark (*Planning Code, Section 1004.3*)
☐ Cultural Districts (*Charter, Section 4.135 & Board Rule 3.23*)
☐ Mills Act Contract (*Government Code, Section 50280*)
☐ Designation for Significant/Contributory Buildings (*Planning Code, Article 11*)

Please send the Planning Department/Commission recommendation/determination to John Carroll at john.carroll@sfgov.org.

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MEMORANDUM

TO: Derrick Lew, Police Chief
Anne Taupier, Executive Director, Office of Economic and Workforce Development

FROM: John Carroll, Assistant Clerk, Land Use and Transportation Committee

DATE: May 20, 2026

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced as a substitute by Supervisor Walton on May 12, 2026.

File No. 260180

Ordinance amending the Planning Code to principally permit the relocation of Bar Uses with Alcohol Beverage Control licenses as of May 19, 2003, within the Third Street Alcohol Restricted Use District (RUD) and the Bayview Neighborhood Commercial District (NCD); allow establishments with Alcohol Beverage Control licenses as of May 19, 2003, to re-establish the use under the existing license within the RUD and NCD; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: john.carroll@sfgov.org.

cc:

Offices of Chair Melgar and Supervisor Walton
Steven Lopez, Police Department
Carl Nicita, Police Department
Giannina Miranda, Police Department
Brandon Erickson, Police Department
Natalie Villatoro-Crain, Police Department
David Goff, Police Department
Alesandra Lozano, Office of Economic and Workforce Development

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MEMORANDUM

TO: Derrick Lew, Police Chief
Anne Taupier, Executive Director, Office of Economic and Workforce Development

FROM: John Carroll, Assistant Clerk, Land Use and Transportation Committee

DATE: March 5, 2026

SUBJECT: LEGISLATION INTRODUCED

The Board of Supervisors' Land Use and Transportation Committee has received the following proposed legislation, introduced by Supervisor Walton on February 24, 2026.

File No. 260180

Ordinance amending the Planning Code to principally permit the relocation of Bar Uses with Alcohol Beverage Control licenses as of May 19, 2003, within the Third Street Alcohol Restricted Use District and the Bayview Neighborhood Commercial District; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302.

If you have comments or reports to be included with the file, please forward them to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102 or by email at: john.carroll@sfgov.org.

cc:

Offices of Chair Melgar and Supervisor Walton
Steven Lopez, Police Department
Carl Nicita, Police Department
Giannina Miranda, Police Department
Brandon Erickson, Police Department
Natalie Villatoro-Crain, Police Department
David Goff, Police Department
Alesandra Lozano, Office of Economic and Workforce Development

Introduction Form

(by a Member of the Board of Supervisors or the Mayor)

I hereby submit the following item for introduction (select only one):

- ☐ 1. For reference to Committee (Ordinance, Resolution, Motion or Charter Amendment)
- ☐ 2. Request for next printed agenda (For Adoption Without Committee Reference)
(Routine, non-controversial and/or commendatory matters only)
- ☐ 3. Request for Hearing on a subject matter at Committee
- ☐ 4. Request for Letter beginning with "Supervisor inquires..."
- ☐ 5. City Attorney Request
- ☐ 6. Call File No. from Committee.
- ☐ 7. Budget and Legislative Analyst Request (attached written Motion)
- ☒ 8. Substitute Legislation File No.
- ☐ 9. Reactivate File No.
- ☐ 10. Topic submitted for Mayoral Appearance before the Board on

The proposed legislation should be forwarded to the following (please check all appropriate boxes):

- ☐ Small Business Commission ☐ Youth Commission ☐ Ethics Commission
- ☐ Planning Commission ☐ Building Inspection Commission ☐ Human Resources Department

General Plan Referral sent to the Planning Department (proposed legislation subject to Charter 4.105 & Admin 2A.53):

- ☐ Yes ☐ No

(Note: For Imperative Agenda items (a Resolution not on the printed agenda), use the Imperative Agenda Form.)

Sponsor(s):

Walton

Subject:

Planning Code - Relocation and Re-establishment of Liquor Establishments

Long Title or text listed:

Ordinance amending the Planning Code to principally permit the relocation of Bar Uses with Alcohol Beverage Control licenses as of May 19, 2003 within the Third Street Alcohol Restricted Use District (RUD) and the Bayview Neighborhood Commercial District (NCD); allow establishments with Alcohol Beverage Control licenses as of May 19, 2003 to re-establish the use under the existing license within the RUD and NCD; affirming the Planning Department's determination under the California Environmental Quality Act; making findings of consistency with the General Plan, and the eight priority policies of Planning Code, Section 101.1; and making findings of public necessity, convenience, and welfare pursuant to Planning Code, Section 302

Signature of Sponsoring Supervisor: Walton