FILE NO. 240407

ORDINANCE NO.

1	[Police Code - Tenderloin Retail Hours Restriction Pilot Program]
2	
3	Ordinance amending the Police Code to create a two-year pilot program, during which
4	retail food and tobacco establishments in a high-crime area of the Tenderloin police
5	district are prohibited from being open to the public from 12:00 a.m. to 5:00 a.m.; and
6	authorizing the Department of Public Health to impose administrative fines for violation
7	of the hours restriction, declaring an establishment's operation in violation of the
8	hours restriction to be a public nuisance, authorizing enforcement actions by the City
9	Attorney, and creating a private right of action for persons harmed by a violation of the
10	hours restriction.
11	NOTE: Unchanged Code text and uncodified text are in plain Arial font.
12	Additions to Codes are in <i>single-underline italics Times New Roman font</i> . Deletions to Codes are in <i>strikethrough italics Times New Roman font</i> . Board amendment additions are in <u>double-underlined Arial font</u> .
13	Board amendment deletions are in <u>additions are in additions</u> . Board amendment deletions are in strikethrough Arial font. Asterisks (* * * *) indicate the omission of unchanged Code
14	subsections or parts of tables.
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16	Be it ordained by the People of the City and County of San Francisco:
17	
18	Section 1. The Police Code is hereby amended by adding Article 58, to read as
19	follows:
20	ARTICLE 58: TENDERLOIN RETAIL ESTABLISHMENT PILOT PROGRAM
21	SEC. 5800. FINDINGS AND PURPOSE.
22	(a) There is a worsening epidemic of opioid addiction and use in San Francisco, as in other
23	major U.S. cities.
24	(b) San Francisco's Tenderloin police district (the "Tenderloin") has the City's highest rate
25	of drug-related crime, including narcotics offenses and gun-related crimes frequently connected with

1	drug offenses. The Tenderloin is also home to a high density of low- and middle-income families,
2	including many families with children.
3	(c) The high rate of drug-related crime in the Tenderloin leads individuals and families that
4	live, work, and attend school in the neighborhood to believe they face health and safety risks, including
5	exposure to drugs, needles, human waste, uncontained refuse, and other hazardous materials that are
6	left on sidewalks and streets. People who live, work, and attend school in the neighborhood have also
7	expressed fear about exposure to drug sales and use, gunshots, physical assault and intimidation by
8	individuals or groups engaged in illegal activity, and property crimes such as theft and damage to
9	storefronts and vehicles.
10	(d) The prevalence of drug sales and use in the Tenderloin prompted the City to launch the
11	Drug Market Agency Coordinated Command, led by the Police Department, to coordinate City, state,
12	and federal resources to abate drug sales and use, and related criminal conduct, in the Tenderloin.
13	(e) Outdoor, public drug sales and use in the Tenderloin are common and cause particularly
14	acute public health and safety risks late at night (including in the very early hours of the morning),
15	when large groups gather in lighted areas adjacent to open retail food and tobacco businesses to
16	engage in drug sales and use.
17	(f) Large gatherings of people engaged in drug sales and use are particularly prevalent in the
18	area of the Tenderloin bounded to the north by O'Farrell Street, to the south by McAllister Street, to
19	the east by Jones Street, and to the west by Polk Street (an area referred to in this Article 58 as the
20	"Tenderloin Public Safety Area"). The Police Department has analyzed 2023 incident reports for
21	narcotics crimes and other crimes frequently connected with drug activity in the Tenderloin, and
22	determined that a relatively high concentration of these incidents between the hours of 12:00 a.m. and
23	5:00 a.m. were reported in the Tenderloin Public Safety Area. The Police Department has also
24	observed that, as compared with similar-sized areas in the City, including other areas in the
25	Tenderloin, the Tenderloin Public Safety Area has the highest concentration of large groups engaged in

<u>drug sales and use in public, outdoor spaces during late night (which includes very early morning)</u>
hours.

3 (g) Large groups of people engaged in drug sales and use in the Tenderloin Public Safety Area 4 generally form and congregate in the vicinity of retail businesses selling food and tobacco products that are open to the public during those hours. By being open so late, these retail food and tobacco 5 6 establishments in effect facilitate the late nighttime drug market by providing a lighted gathering point 7 for drug users and dealers, by enabling drug user and dealers to take cover indoors to avoid police 8 patrols, and, in some cases, by selling tobacco, tobacco paraphernalia, and other retail goods used by 9 people engaged in drug use and sales. (h) The Police Department compared 2023 data regarding narcotics offenses and other 10 serious crimes often connected with narcotics – including homicide, rape, robbery, assaults, and 11 12 shootings – that occurred between 12:00 a.m. and 5:00 a.m. in the Tenderloin Public Safety Area with 13 the same data from an area around Portsmouth Square in Chinatown. The selected Portsmouth Square 14 area is equivalent to the Tenderloin Public Safety Area in size and in its combination of commercial 15 and residential uses, but in contrast to the Tenderloin Public Safety Area, the Portsmouth Square area 16 has few or no retail food and tobacco businesses open to the public late at night. The Police 17 Department found that the rate of serious crime between 12:00 a.m. and 5:00 a.m. was significantly 18 higher in the Tenderloin Public Safety Area than in the Portsmouth Square area: Approximately 190 19 incidents of serious crime occurred in the Tenderloin Public Safety Area between 12:00 a.m. and 5:00 20 a.m. during 2023, as compared with approximately 30 such incidents in the targeted Portsmouth 21 Square area. 22 (i) The gatherings of large groups engaged in drug activity late at night in the Tenderloin 23 Public Safety Area present particular health and safety risks and give rise to feelings of insecurity and fear on the part of local residents. The large groups contribute to property crimes and violent crime in 24 25 the area. They leave large amounts of debris on the streets and sidewalks, creating unsanitary

1	conditions. Residents living closest to congregation points for these groups, especially seniors and
2	families with children, have expressed that they are so anxious about the hostile conditions they
3	encounter on neighborhood sidewalks that they feel fearful to walk outdoors during the nighttime and
4	early morning hours, when they are likely to encounter these groups engaged in drug-related activity
5	and the debris generated by the groups. Residents must move past and through these large crowds in
6	order to access or leave their homes; they describe feeling threatened and unsafe.
7	(j) Large groups engaged in drug use and sales late at night also present serious challenges to
8	effective law enforcement. Large groups are difficult for the police to control and pose safety risks for
9	officers, as the people engaged in illegal activity typically outnumber police officers on patrol. It is
10	more difficult for police officers to observe and document behavior by individuals that would establish
11	the reasonable suspicion or probable cause required for officers to initiate enforcement actions when
12	individuals engaged in criminal conduct are embedded in a large crowd. Individuals are easily lost or
13	concealed in a crowd, particularly when the crowd is comprised of many people engaging in illegal
14	activity. And proximity to open retail businesses enables individuals engaged in criminal activity to
15	take cover inside the open retail business when a police patrol appears.
16	(k) Barring retail food and tobacco establishments from being open to the public between
17	12:00 a.m. and 5:00 a.m. is likely to yield public safety gains for local residents and visitors.
18	Eliminating the nighttime safety problems is likely to increase the overall vibrancy of the Tenderloin,
19	which could yield economic benefits to businesses impacted by the restriction on hours of operation.
20	(1) Based on the foregoing, the requirements imposed in this Article 58 are likely to improve
21	public safety in the Tenderloin. This pilot program, prohibiting for two years retail food and tobacco
22	establishments in the Tenderloin Public Safety Area from being open to the public between 12:00 a.m.
23	and 5:00 a.m., will enable the Police Department to evaluate the effectiveness of this restriction in
24	improving public safety in the Tenderloin. This will inform the judgment of the Police Department and
25	policymakers as to next steps to take to maintain public safety in the Tenderloin.

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2	SEC. 5801. DEFINITIONS.
3	"City" shall mean the City and County of San Francisco.
4	"Director" shall mean the Director of the Department of Public Health, or the Director's
5	<u>designee.</u>
6	"DPH" shall mean the Department of Public Health.
7	"Restricted Hours" shall mean the period between 12:00 a.m. and 5:00 a.m., seven days a
8	week, and including holidays.
9	"Retail Establishment" shall mean any business in the Tenderloin Public Safety Area that
10	operates as either or both of the following: 1) a market that sells any prepackaged food items and/or
11	produce, including but not limited to any establishment that has or qualifies for a permit from the
12	Department of Public Health to operate as a Food Product and Marketing Establishment, as defined in
13	Section 440 of the Health Code; and/or 2) an establishment that sells any Tobacco Product, as defined
14	in Section 19H.2 of the Health Code.
15	"Tenderloin Public Safety Area" shall mean the area of the City bounded to the north by
16	<u>O'Farrell Street, to the south by McAllister Street, to the east by Jones Street, and to the west by Polk</u>
17	Street, including both sides of the boundary streets.
18	
19	SEC. 5802. ESTABLISHMENT OF TWO-YEAR PILOT PROGRAM TO PROHIBIT
20	OPERATION OF RETAIL ESTABLISHMENTS IN THE TENDERLOIN PUBLIC SAFETY
21	AREA DURING RESTRICTED HOURS.
22	For a two-year period beginning on the effective date of this Article 58, no Retail Establishment
23	in the Tenderloin Public Safety Area may be open to the public during Restricted Hours.
24	
25	SEC. 5803. ADMINISTRATIVE ENFORCEMENT – DEPARTMENTS.

1	(a) Enforcing Department. This Article 58 shall be administered and enforced by the
2	Department of Public Health (DPH). The Director may adopt rules, regulations, and guidelines to
3	carry out the provisions and purposes of this Article.
4	(b) Supporting Department. The Police Department shall ensure that its members document
5	violations of Section 5802 in incident reports or other formats, such as body-worn camera footage,
6	provided those other formats capture the information typically included in an incident report, and shall
7	refer documented violations to DPH for enforcement. The Police Department shall assist in DPH's
8	administrative enforcement as requested by DPH, including by providing incident reports or equivalent
9	documentation and other evidence when requested by DPH, and by making Police Department
10	members available to provide declarations and/or testimony at hearings when requested by DPH.
11	
12	<u>SEC. 5804. ADMINISTRATIVE ENFORCEMENT PROCEDURE – NOTICE OF</u>
13	VIOLATION, HEARING, AND ORDER.
14	(a) If the Director determines that a Retail Establishment has violated Section 5802, the
15	Director may issue a Notice of Violation to the Retail Establishment, the owner of real property where
16	the violation occurred, and/or other person(s) the Director deems responsible for causing the violation
17	(collectively, "Responsible Parties"). The issuance of the Notice of Violation may be by hand delivery,
18	registered mail, or electronic mail. The Notice of Violation may be directed at one or more
19	Responsible Parties; use herein of the singular term "Responsible Party" is merely for ease of
20	<u>reference.</u>
21	(b) The Notice of Violation shall include the following information:
22	(1) That the Director has determined that the Retail Establishment has operated in
23	violation of this Article 58;
24	(2) The alleged acts or failures to act that constitute the basis for the Director's
25	determination;

1	(3) That the Director intends to take enforcement action against the Responsible Party,
2	and the nature of that action, including the administrative penalty and enforcement costs to be
3	<u>imposed;</u>
4	(4) That the Responsible Party has the right to request a hearing before the Director
5	within 15 days after the Notice of Violation is issued, which request must be made in writing.
6	(c) If no request for a hearing is filed with the Director within the appropriate period, the
7	right to request a hearing shall be deemed waived, and the Director's determination shall become final
8	and effective 15 days after the Notice of Violation was issued. The Director shall issue an order
9	imposing the enforcement action, and shall send the order to the Responsible Partys by hand delivery,
10	registered mail, or electronic mail. In subsequent civil proceedings, such violations shall be deemed not
11	to have been corrected. The failure of the Responsible Party to request a hearing shall constitute a
12	failure to exhaust administrative remedies and shall preclude the Responsible Party from obtaining
13	judicial review of the validity of the enforcement action.
14	(d) Upon a timely request for a hearing, the Director shall, within 15 days of the request,
15	notify the Responsible Party of the date, time, and place of the hearing. Such notification may be made
16	by hand delivery, registered mail, or electronic mail. The Director shall make available to the
17	Responsible Party any evidence obtained in support of the Notice of Violation. Such hearing shall be
18	held no later than 60 days after the Director receives the request, unless time is extended by mutual
19	agreement of the Responsible Party and the Director.
20	(e) The Director shall serve as hearing officer and conduct the hearing, or the Director shall
21	designate another person to serve as hearing officer, who shall have the same authority as the Director
22	to hear and decide the case and make any orders consistent with this Article 58. The Responsible Party
23	may present evidence for consideration, subject to any rules adopted by the hearing officer for the
24	orderly conduct of the hearing. Within 60 days of the conclusion of the hearing, the hearing officer
25	shall render a decision in the form of a written order, which the Director shall promptly serve on the

1	<u>Responsible Parties. Service of the written order may be made by hand delivery, registered mail, or</u>
2	<u>electronic mail. The order shall state whether the Notice of Violation has been upheld (in whole or in</u>
3	part), and the enforcement action taken against each party.
4	(f) If the order directs the Responsible Party to pay an administrative penalty and/or
5	enforcement costs, such amount shall be paid within fifteen days from the mailing of the order; the
6	order shall inform the Responsible Party of such deadline for payment.
7	
8	SEC. 5805. VIOLATIONS, ADMINISTRATIVE PENALTIES, AND ENFORCEMENT
9	<u>COSTS.</u>
10	(a) Violations Subject to Penalties. For purposes of assessing penalties for violation of
11	Section 5802, each one-hour period within Restricted Hours during which, at any time, a Retail
12	Establishment is open to the public in violation of Section 5802 is a separate violation. A Responsible
13	Party may not be cited or found civilly liable for multiple violations of Section 5802 in a single 12 a.m
14	to-5 a.m. period unless (1) the violations are at least one hour apart from one another, and (2) at the
15	time of the preceding violation, the Responsible Party receives warning of its violation of Section 5802
16	and continues to operate or operates again in violation of Section 5802 after such warning has been
17	given.
18	(b) Penalty Amounts. In setting the amount of the administrative penalty, which shall not
19	exceed \$1,000 per violation, the Director may consider any one or more mitigating or aggravating
20	circumstances presented, including, but not limited to, the following: the nature and seriousness of the
21	misconduct giving rise to the violation, the number of violations, the persistence of the misconduct, the
22	length of time over which the misconduct occurred, the willfulness of the Responsible Party's
23	misconduct, and the responsible party's assets, liabilities and net worth.
24	(c) Enforcement Costs. In any action where a violation is found, the Director shall assess
25	DPH's costs of enforcement against the Responsible Party.

1	(d) Payment and Collection of Administrative Penalty and Enforcement Costs. Any
2	administrative penalty and/or enforcement costs assessed under this Article 58 is a debt to the City and
3	shall be paid to the Treasurer of the City and County of San Francisco. Any amount paid late shall be
4	subject to an additional late fine of 10% on the unpaid amount. The sum of the unpaid amount and the
5	10% late fine shall accrue interest at the rate of 1% per month (or fraction thereof) until fully paid; any
6	partial payments made shall first be applied to accrued interest. The City may file a civil action or
7	pursue any other legal remedy to collect such unpaid amount, fine, and interest. In any civil action for
8	collection, the City shall be entitled to obtain a judgment for the unpaid amounts, fine, and interest, and
9	for the costs and attorneys' fees incurred by the City in bringing such civil action.
10	(e) Lien for Administrative Penalty. Where an activity or condition on San Francisco real
11	property has caused, contributed to, or been a substantial factor in causing the violation, the Director
12	may initiate proceedings to make any unpaid administrative penalty, enforcement costs, fine, and
13	interest, and all additional authorized costs and attorneys' fees, a lien on the property. Such liens shall
14	be imposed in accordance with Administrative Code Sections 10.230-10.237, or any successor
15	provisions. Before initiating lien proceedings, the Director shall send a request for payment under
16	Administrative Code Section 10.230A.
17	
18	SEC. 5806. PUBLIC NUISANCE.
19	<u>A Retail Establishment's operation in violation of Section 5802 shall be a public nuisance,</u>
20	which may be remedied as provided by law, including, but not limited to, the provisions of Article 3
21	(commencing with Section 11570) of Chapter 10 of Division 10 of the California Health and Safety
22	<u>Code.</u>
23	
24	SEC. 5807. ENFORCEMENT BY CITY ATTORNEY.
25	

1	(a) The City Attorney may at any time institute civil proceedings for injunctive and monetary
2	relief, including civil penalties, against any Retail Establishment for violation of this Article 58, without
3	regard to whether the Director has issued a notice of violation, instituted abatement proceedings,
4	scheduled or held a hearing on a notice of violation, or issued a final decision.
5	(b) At any time, the Director may refer a case to the City Attorney's Office for civil
6	enforcement, but a referral is not required for the City Attorney to bring a civil action under subsection
7	<u>(a).</u>
8	(c) Action for Injunction and Civil Penalty. Any Retail Establishment that violates Section
9	5802 shall be enjoined and shall be subject to a civil penalty in an amount not to exceed \$1,000 per
10	violation, subject to the limitations set forth in Section 5805(a), above. Such penalty shall be assessed
11	and recovered in a civil action brought in the name of the people of the City and County of San
12	Francisco by the City Attorney in any court of competent jurisdiction. In assessing the amount of the
13	civil penalty, the court shall consider any one or more of the relevant circumstances presented by any
14	of the parties to the case, including but not limited to, the following: the nature and seriousness of the
15	misconduct giving rise to the violation, the number of violations, the persistence of the misconduct, the
16	length of time over which the misconduct occurred, the willfulness of the defendant's misconduct, and
17	the defendant's assets, liabilities and net worth.
18	(d) Attorneys' Fees. The City Attorney shall recover reasonable attorneys' fees if the City is
19	the prevailing party in any court case or special proceeding to enforce this Article 58 and if the City
20	Attorney elects, at the initiation of the action, to seek recovery of attorneys' fees and provides notice of
21	such intention to the adverse party or parties.
22	(e) Remedies under this Section 5807 are non-exclusive and cumulative to all other remedies
23	available at law or equity.
24	
25	SEC. 5808. PRIVATE RIGHT OF ACTION.

1	(a) Any Retail Establishment that violates Section 5802 may be liable for damages in a civil
2	action brought by any person that has been harmed by the Retail Establishment's operation in violation
3	of Section 5802. Such damages shall be in addition to any other rights and remedies that may be
4	available to the person bringing a civil action under this Section 5808.
5	(b) This Article 58 shall not create any private right of action against the City.
6	
7	SEC. 5809. NO CONFLICT WITH FEDERAL OR STATE LAW.
8	Nothing in this Article 58 shall be interpreted or applied so as to create any requirement,
9	power, or duty in conflict with any federal or state law.
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11	SEC. 5810. UNDERTAKING FOR THE GENERAL WELFARE.
12	In enacting and implementing this Article 58, the City is assuming an undertaking only to
13	promote the general welfare. It is not assuming, nor is it imposing on its officers and employees, an
14	obligation for breach of which it is liable in money damages to any person who claims that such breach
15	proximately caused injury.
16	
17	<u>SEC. 5811. SEVERABILITY.</u>
18	If any section, subsection, sentence, clause, phrase, or word of this ordinance, or any
19	application thereof to any person or circumstance, is held to be invalid or unconstitutional by a
20	decision of a court of competent jurisdiction, such decision shall not affect the validity of the remaining
21	portions or applications of the ordinance. The Board of Supervisors hereby declares that it would have
22	passed this ordinance and each and every section, subsection, sentence, clause, phrase, and word not
23	declared invalid or unconstitutional without regard to whether any other portion of this ordinance or
24	application thereof would be subsequently declared invalid or unconstitutional.
25	

1	SEC. 5812. REMOVAL FROM CODE.
2	At or after two years from the effective date of this ordinance, the City Attorney is authorized to
3	cause this Article 58 to be removed from the Administrative Code, unless it has been re-enacted or
4	extended by ordinance.
5	
6	Section 2. Effective Date. This ordinance shall become effective 30 days after
7	enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
8	ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
9	of Supervisors overrides the Mayor's veto of the ordinance.
10	
11	APPROVED AS TO FORM:
12	DAVID CHIU, City Attorney
13	By: <u>/s/ Sarah Crowley</u> SARAH CROWLEY
14	Deputy City Attorney
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