

REVISED LEGISLATIVE DIGEST

(6/25/2013, Substituted)

[Planning Code - Mission Alcoholic Beverage Special Use District and Valencia Street Neighborhood Commercial Transit District]

Ordinance amending the Planning Code, Mission Alcoholic Beverage Special Use District controls to allow the transfer of liquor licenses under specified circumstances, to restrict the sale of alcohol for off-site consumption, and to exempt from the controls grocery stores and certain institutional, arts and other uses; establishing operating conditions for liquor-related uses; amending the Valencia Street Neighborhood Commercial Transit District controls to restrict the conversion of existing ground floor retail uses to restaurants; and making environmental findings, Planning Code, Section 302 findings, and findings of consistency with the General Plan and the Priority Policies of Planning Code Section 101.1.

Existing Law

Planning Code Section 249.60 establishes the Mission Alcoholic Beverage Special Use District (SUD) in the area generally bounded by Guerrero Street, San Jose Avenue, Randall Street, Mission Street, Cesar Chavez Street, Potrero Avenue and Fourteenth Street. The SUD prohibits new bars and establishments where alcoholic beverages are sold, served, or given away for either on-site or off-site consumption and thus essentially prohibits the transfer of a liquor license to another establishment. An existing establishment cannot substantially change the manner or character of its operation, expand the square footage devoted to the sale of alcoholic beverages, or change its type of retail liquor license and the use is deemed abandoned if the establishment discontinues operation use for 30 days or longer. Exceptions are provided for bona fide eating places, non-profit theaters, bowling alleys, and single-screen movie theaters.

Planning Code Section 726.1 establishes the Valencia Street Neighborhood Commercial Transit District (NCT). The controls for this NCT are set forth in the Section 726 Zoning Control Table and there are Specific Provisions in the Table that apply to massage establishments and fringe financial services.

Amendments to Current Law

Planning Code Section 249.60 would restrict the sale of alcohol for off-site consumption and continue to prohibit new Liquor Stores. Certain uses which are not likely to generate negative impacts on the surrounding area are eligible for liquor licenses that are transferred from within or from outside the SUD. A Conditional Use authorization is required for a new or relocated Bar or the relocation of an existing Liquor Establishment. Good Neighbor operating conditions

are established for all new, relocated, or expanded Liquor Establishments in the SUD. Temporary closure of a Liquor Establishment for repair, renovation, or remodeling for more than 120 days is allowed if it would bring the existing use into closer conformity with the new controls, with the underlying zoning, or with the Code's urban design principles. The Specific Provisions in the Valencia Street NCT's Zoning Control Table are amended to restrict the ground floor conversion of Retail to Restaurant use.

Background Information

The 17-year old controls were originally intended to reduce the neighborhood impacts of alcohol-serving establishments and to limit the proliferation of liquor stores. However, the inflexible controls have had only mixed results. In some cases, they have preserved problem businesses while preventing the establishment of new and innovative uses supported by the neighborhood. The controls have also created unintended consequences such as concentration of establishments and favoring of larger businesses over smaller independent stores. The increased flexibility of the proposed controls is intended to address these issues.