

REVISED LEGISLATIVE DIGEST
(Amended in Committee, 8/31/2020)

[Planning Code - Conversion of Certain Limited Restaurants to Restaurants - North Beach Neighborhood Special Use District]

Ordinance amending the Planning Code to allow certain Limited Restaurants in the North Beach Special Use District to convert to Restaurants that may apply for liquor licenses; and affirming the Planning Department’s determination under the California Environmental Quality Act; and making findings of consistency with the General Plan and the eight priority policies of Planning Code Section 101.1.

Existing Law

The Planning Code defines a Restaurant as “[a] Retail Sales and Service use that serves prepared, ready-to-eat cooked foods to customers for consumption on the premises and which has seating. (...) It may provide on-site beer, wine, and/or liquor sales for drinking on the premises (with ABC [California Alcoholic Beverage Control Board] license types 02, 23, 41, 47, 49, 59, 75, or 87) (...).” It specifically states that a restaurant is “distinct and separate from a Limited-Restaurant. A Limited Restaurant, in turn, is “[a] Retail Sales and Service Use that serves ready-to-eat foods and/or drinks to customers for consumption on or off the premises, that may or may not have seating. (...) It includes, but is not limited to, foods provided by sandwich shops, coffee houses, pizzerias, ice cream shops, bakeries, delicatessens, and confectioneries (...). It shall not provide on-site beer and/or wine sales for consumption on the premises, but may sell beer and/or wine for consumption off the premises,” with an ABC license.

In the North Beach Neighborhood Commercial District, Restaurants may add a liquor license from the ABC to provide on-site beer, wine and/or liquor by applying for a Conditional Use permit from the Planning Commission, subject to some the requirement that the Restaurant show that it is a Bona Fide Eating Place as defined in the Planning Code. Under the Code, a “Bona Fide Eating Place” is “[a] place that is regularly and in a bona fide manner used and kept open for the service of meals to guests for compensation and that has suitable kitchen facilities connected therewith, containing conveniences for cooking of an assortment of foods that may be required for ordinary meals.” Limited Restaurants, on the other hand, currently cannot request a Conditional Use permit to add a liquor license.

Amendments to Current Law

This ordinance would amend the controls for the North Beach Special Use District to allow Limited Restaurants in that district that existed as of March 1, 2020, to apply for a permit to convert to Restaurant use within six months after the effective date of the ordinance.

If the application to convert is approved, the Restaurant use shall be principally permitted, and it shall not require a separate Conditional Use Authorization to be able to sell alcohol on the premises. Further, applications to convert pursuant to this subsection shall be exempt from the notice provisions of Planning Code Section 311 and from the requirement under Section 780.3 that Restaurants only occupy spaces that were previously occupied by a Restaurant or a Bar.

The ordinance expires six months after its effective date.

Background Information

The COVID-19 pandemic has created unprecedented challenges for small businesses in San Francisco, including for food establishments that fall under the definitions for Restaurants and Limited Restaurants under the Planning Code. This ordinance aims to provide relief to Limited Restaurants that also operate as Bona Fide Eating Places in the North Beach Special Use District, to allow them to convert into Restaurants and be able to obtain liquor licenses.

This updated Legislative Digest corresponds to amendments to the legislation made by the Land Use and Transportation Committee on August 31, 2020.

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