

BOARD of SUPERVISORS



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## MEMORANDUM

TO: Katy Tang, Director  
**Small Business Commission, City Hall, Room 448**

FROM: Monique Crayton, Assistant Clerk, Public Safety and Neighborhood  
Services Committee, Board of Supervisors

DATE: December 23, 2025

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS  
Public Safety and Neighborhood Services Committee

The Board of Supervisors' Public Safety and Neighborhood Services Committee has received the following legislation, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

**File No. 251251 Police Code - Tenderloin and South of Market Retail  
Hours Restriction Pilot Program**

**Ordinance amending the Police Code to expand the current Tenderloin retail hours restriction pilot program, under which retail food and tobacco establishments in the restricted area are prohibited from being open to the public from 12:00 a.m. to 5:00 a.m., or from 2:00 a.m. to 5:00 a.m. if subject to regulation by the California Department of Alcoholic Beverage Control, to encompass a high-crime area across the Tenderloin and South of Market neighborhoods; and to extend the duration of the pilot program, currently set to expire in July 2026, to instead expire 18 months from the effective date of this Ordinance.**

Please return this cover sheet with the Commission's response to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, California 94102.

\*\*\*\*\*  
**RESPONSE FROM SMALL BUSINESS COMMISSION - Date: \_\_\_\_\_**

\_\_\_\_\_ **No Comment**

\_\_\_\_\_ **Recommendation Attached**

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**Chairperson, Small Business Commission**

CC:  
Office of Chair Dorsey

[Police Code - Tenderloin and South of Market Retail Hours Restriction Pilot Program]

**Ordinance amending the Police Code to expand the current Tenderloin retail hours restriction pilot program, under which retail food and tobacco establishments in the restricted area are prohibited from being open to the public from 12:00 a.m. to 5:00 a.m., or from 2:00 a.m. to 5:00 a.m. if subject to regulation by the California Department of Alcoholic Beverage Control, to encompass a high-crime area across the Tenderloin and South of Market neighborhoods; and to extend the duration of the pilot program, currently set to expire in July 2026, to instead expire 18 months from the effective date of this Ordinance.**

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. Article 58 of the Police Code is hereby amended by revising Sections 5800, 5801, 5802, 5809, 5812, and 5813, to read as follows:

**SEC. 5800. FINDINGS AND PURPOSE.**

(a) There is ~~an worsening~~ epidemic of opioid addiction and use in San Francisco, as in other major U.S. cities.

(b) San Francisco's Tenderloin police district (the "Tenderloin") and Southern police district (which includes the South of Market neighborhood) ~~has~~ have some of the City's highest rates of drug-related crime, including narcotics offenses and gun-related crimes frequently

1 connected with drug offenses. The Tenderloin is ~~also~~ home to a high density of low- and  
2 middle-income families, including many families with children. The South of Market  
3 neighborhood, which contains a mix of residential, commercial, hospitality, and entertainment uses  
4 that generate late-night pedestrian and vehicle activity, features a Sixth Street corridor that is among  
5 the highest-profile vehicular entry points to downtown San Francisco from Interstate 280.

6 (c) The high rate of drug-related crime in the Tenderloin and South of Market leads  
7 individuals and families that live, work, and attend school in the ~~neighborhood~~area to believe  
8 they face health and safety risks, including exposure to drugs, needles, human waste,  
9 uncontained refuse, and other hazardous materials that are left on sidewalks and streets.  
10 People who live, work, and attend school in the ~~neighborhood~~area have also expressed fear  
11 about exposure to drug sales and use, gunshots, physical assault, ~~and~~ intimidation by  
12 individuals or groups engaged in illegal activity, and property crimes such as theft and  
13 damage to storefronts and vehicles.

14 (d) The prevalence of drug sales and use in the Tenderloin and South of Market  
15 prompted the City to launch the Drug Market Agency Coordinated Command, led by the  
16 Police Department, to coordinate City, state, and federal resources to abate drug sales and  
17 use, and related criminal conduct, in the Tenderloin and South of Market.

18 (e) Outdoor, public drug sales and use in the Tenderloin and South of Market are  
19 common and cause particularly acute public health and safety risks late at night (including in  
20 the very early hours of the morning), when large groups gather in lighted areas adjacent to  
21 open retail food and tobacco businesses to engage in drug sales and use.

22 (f) Large gatherings of people engaged in drug sales and use are particularly  
23 prevalent in the area of the Tenderloin and South of Market that is bounded by the following street  
24 segments, inclusive of properties abutting both sides of the streets: South Van Ness Avenue between  
25 Market Street and Thirteenth Street, Thirteenth Street between South Van Ness Avenue and Folsom

1 Street, Folsom Street between Thirteenth Street and Third Street, Third Street between Folsom Street  
2 and Market Street, Market Street between Third Street and Powell Street, Powell Street between  
3 Market Street and Geary Street, Geary Street between Powell Street and Polk Street, Polk Street  
4 between Geary Street and McAllister Street, McAllister Street between Polk Street and Larkin Street,  
5 Larkin Street between McAllister Street and Market Street, and Market Street between Ninth Street and  
6 Van Ness Avenue (an area referred to in this Article 58 as the “Tenderloin and South of Market Public  
7 Safety Area”).~~bounded to the north by O’Farrell Street, to the south by McAllister Street, to the east by~~  
8 ~~Jones Street, and to the west by Polk Street (an area referred to in this Article 58 as the “Tenderloin~~  
9 ~~Public Safety Area”).~~ A diagram of the approximate boundaries of the Tenderloin and South of Market  
10 Public Safety Area is provided in the Police Department report on file with the Clerk of the Board of  
11 Supervisors in File No. 251251 . The Police Department has analyzed ~~2023~~2025 incident reports  
12 for narcotics crimes and other crimes frequently connected with drug activity in the Tenderloin  
13 and South of Market, and determined that a relatively high concentration of these incidents  
14 between the hours of 12:00 a.m. and 5:00 a.m. were reported in the Tenderloin and South of  
15 Market Public Safety Area. The Police Department previously analyzed similar data from 2023  
16 incident reports and found a high concentration of such incidents in the Tenderloin. The Police  
17 Department has also observed that, as compared with similar-sized areas in the City, ~~including~~  
18 ~~other areas in the Tenderloin,~~ the Tenderloin and South of Market Public Safety Area has the  
19 highest concentration of large groups engaged in drug sales and use in public, outdoor  
20 spaces during late night (which includes very early morning) hours.

21 (g) Large groups of people engaged in drug sales and use in the Tenderloin and  
22 South of Market Public Safety Area generally form and congregate in the vicinity of retail  
23 businesses selling food and tobacco products that are open to the public during those hours.  
24 By being open so late, these retail food and tobacco establishments in effect facilitate the late  
25 nighttime drug market by providing a lighted gathering point for drug user~~s~~ and dealers, by

1 enabling drug user and dealers to take cover indoors to avoid police patrols, and, in some  
2 cases, by selling tobacco, tobacco paraphernalia, and other retail goods used by people  
3 engaged in drug use and sales.

4 (h) The Police Department compared 2025 data regarding narcotics offenses and other  
5 serious crimes often connected with narcotics – including homicide, rape, robbery, assaults, and  
6 shootings – that occurred between 12:00 a.m. and 5:00 a.m. in the Tenderloin and South of Market  
7 Public Safety Area with the same data from an area around the Chinatown and North Beach  
8 neighborhoods. The selected section of the Chinatown and North Beach neighborhood is equivalent to  
9 the Tenderloin and South of Market Public Safety Area in size and in its combination of commercial  
10 and residential uses, but in contrast to the Tenderloin and South of Market Public Safety Area, the  
11 Chinatown and North Beach area has fewer food and tobacco businesses open to the public late at  
12 night. The Police Department found that the rate of serious crime between 12:00 a.m. and 5:00 a.m.  
13 was significantly higher in the Tenderloin and South of Market Public Safety Area than in the  
14 Chinatown and North Beach area: Approximately 211 incidents of serious crime occurred in the  
15 Tenderloin and South of Market Public Safety Area between 12:00 a.m. and 5:00 a.m. during 2025, as  
16 compared with approximately 27 such incidents in the targeted Chinatown and North Beach area.

17 (i) The Police Department previously compared 2023 data regarding narcotics offenses  
18 and other serious crimes often connected with narcotics – including homicide, rape, robbery,  
19 assaults, and shootings – that occurred between 12:00 a.m. and 5:00 a.m. in the Tenderloin  
20 Public Safety Area with the same data from an area around Portsmouth Square in Chinatown.  
21 The selected Portsmouth Square area is equivalent to the Tenderloin Public Safety Area in  
22 size and in its combination of commercial and residential uses, but in contrast to the  
23 Tenderloin Public Safety Area, the Portsmouth Square area has few or no retail food and  
24 tobacco businesses open to the public late at night. The Police Department found that the rate  
25 of serious crime between 12:00 a.m. and 5:00 a.m. was significantly higher in the Tenderloin

1 Public Safety Area than in the Portsmouth Square area: Approximately 190 incidents of  
2 serious crime occurred in the Tenderloin Public Safety Area between 12:00 a.m. and 5:00  
3 a.m. during 2023, as compared with approximately 30 such incidents in the targeted  
4 Portsmouth Square area.

5 (i) The gatherings of large groups engaged in drug activity late at night in the  
6 Tenderloin and South of Market Public Safety Area present particular health and safety risks  
7 and give rise to feelings of insecurity and fear on the part of local residents. The large groups  
8 contribute to property crimes and violent crime in the area. They leave large amounts of  
9 debris on the streets and sidewalks, creating unsanitary conditions. Residents living closest to  
10 congregation points for these groups, especially seniors and families with children, have  
11 expressed that they are so anxious about the hostile conditions they encounter on  
12 neighborhood sidewalks that they feel fearful to walk outdoors during the nighttime and early  
13 morning hours, when they are likely to encounter these groups engaged in drug-related  
14 activity and the debris generated by the groups. Residents must move past and through these  
15 large crowds in order to access or leave their homes; they describe feeling threatened and  
16 unsafe.

17 (j) Large groups engaged in drug use and sales late at night also present serious  
18 challenges to effective law enforcement. Large groups are difficult for the police to control and  
19 pose safety risks for officers, as the people engaged in illegal activity typically outnumber  
20 police officers on patrol. It is more difficult for police officers to observe and document  
21 behavior by individuals that would establish the reasonable suspicion or probable cause  
22 required for officers to initiate enforcement actions when individuals engaged in criminal  
23 conduct are embedded in a large crowd. Individuals are easily lost or concealed in a crowd,  
24 particularly when the crowd is comprised of many people engaging in illegal activity. And  
25 proximity to open retail businesses enables individuals engaged in criminal activity to take

1 cover inside the open retail business when a police patrol appears.

2 (l) In August 2024, following adoption of the ordinances in Board File Nos. 240407 and  
3 240696, the City implemented a two-year pilot program restricting the operating hours of retail food  
4 and tobacco establishments in a defined area of the Tenderloin, referred to as the “Tenderloin Public  
5 Safety Area,” to address late-night conditions associated with drug activity and related crime in a  
6 section of the Tenderloin.

7 (m) Since implementing the pilot, the Police Department has reported improvements in  
8 public safety and neighborhood conditions within the Tenderloin Public Safety Area.

9 (n) A six-month evaluation submitted to the Board of Supervisors showed a 13 percent  
10 reduction in distinct late-night (12:00 a.m. to 5:00 a.m.) violent crime and narcotics incidents within  
11 the Tenderloin Police District, a 14 percent reduction in violent crime and narcotics incidents within  
12 the Tenderloin Public Safety Area specifically, a 17.9 percent overall decline in calls for service  
13 between 12:00 a.m. and 5:00 a.m. in the Tenderloin Public Safety Area (including a 43.6 percent  
14 decline in officer-initiated calls during late-night hours), and a reduction in visible late-night street  
15 gatherings near formerly open retailers, documented by the Police Department in photographs and  
16 incident reports. These data indicate the pilot program is achieving its purpose of reducing late-night  
17 open-air drug markets, decreasing violent and property crime, and improving neighborhood livability.

18 (o) The Police Department has identified persistent late-night outdoor drug activity and  
19 congregation in portions of the South of Market neighborhood, particularly near late-night retailers  
20 and in areas with nightlife, transit, and hospitality uses, generating public health and safety concerns  
21 similar to those observed in the Tenderloin Public Safety Area. Residents, workers, and visitors in these  
22 portions of South of Market have reported exposure to drug use, discarded drug paraphernalia, and  
23 property crime associated with this late-night congregation of people, leading to heightened feelings of  
24 insecurity during nighttime and early-morning hours. The Tenderloin and South of Market Public  
25 Safety Area established in this Article represents an expansion of the Tenderloin Public Safety Area,



1 based upon the Police Department's determination that similar late-night conditions exist in adjacent  
2 portions of South of Market that warrant South of Market's inclusion in this pilot program.

3 (p) Because retail hour limits in the Tenderloin Public Safety Area have been effective in  
4 improving public health and safety in that area, broadening the pilot program to the Tenderloin and  
5 South of Market Public Safety Area is likely to yield similar benefits, given the similar problems  
6 occurring there.

7 (kq) The Office of the Mayor and the Police Department assert that barring retail  
8 food and tobacco establishments from being open to the public between 12:00 a.m. and 5:00  
9 a.m. is likely to yield public safety gains for local residents and visitors. Eliminating the  
10 nighttime safety problems is likely to increase the overall vibrancy of the Tenderloin and South  
11 of Market, which could yield economic benefits to businesses impacted by the restriction on  
12 hours of operation.

13 ~~—(l) In spite of the Department of Health's 2022 Overdose Prevention Plan, which committed~~  
14 ~~to open multiple "Wellness Hubs" across San Francisco in various impacted neighborhoods to reach~~  
15 ~~people who use drugs, provide overdose prevention services, and ultimately help improve street~~  
16 ~~conditions in San Francisco, the City has not operated any such sites since the closure of the~~  
17 ~~Tenderloin Center, in December 2022.~~

18 ~~—(m) Some businesses in the Tenderloin Public Safety Area, as of June 2024, have an active~~  
19 ~~liquor license from the California Department of Alcoholic Beverage Control (ABC), and are already~~  
20 ~~highly regulated, required to close by 2:00 a.m., and required to adhere to strict operating standards~~  
21 ~~as a condition of their license.~~

22 (nr) The Office of the Mayor and the Police Department assert that the requirements  
23 imposed in this Article 58 are likely to improve public safety in the Tenderloin and South of  
24 Market. This pilot program, prohibiting for ~~two years~~ 18 months retail food and tobacco  
25 establishments in the Tenderloin and South of Market Public Safety Area from being open to

1 the public between 12:00 a.m. and 5:00 a.m., or between 2:00 a.m. and 5:00 a.m. if they are  
2 ABC Licensees, will enable the Police Department and certain other City departments to  
3 evaluate the effectiveness of this restriction in improving public safety in the Tenderloin and  
4 South of Market. This will inform the judgment of the Police Department and policymakers as to  
5 next steps to take to maintain public safety in the Tenderloin and South of Market.

6 (e~~s~~) While the restrictions in Article 58 ~~may affect some businesses and~~ may result in  
7 some level of hardship for ~~those~~certain businesses, the City, in reliance upon the judgment of  
8 the Police Department, has determined that the potential benefits of these restrictions  
9 outweigh the potential harms, as the restrictions are attempting to address the urgent needs  
10 and conditions that exist in the Tenderloin and South of Market Public Safety Area.

11 ~~—(p) To ensure positive investment in the community during the pilot program, the City should~~  
12 ~~ensure that community ambassadors, enhanced regular street and sidewalk cleaning, and trash pickup~~  
13 ~~are prioritized within the Tenderloin Public Safety Area.~~

14 (e~~t~~) This Article 58 is not intended to limit the enforcement of other laws and  
15 regulations by City departments, including but not limited to the City Attorney, Department of  
16 Public Health, Police Department, and Sheriff's Office, to address the conditions noted herein,  
17 and any state or federal agencies and regulators with jurisdiction to address matters that arise  
18 within the Tenderloin and South of Market Public Safety Area.

19 (f~~u~~) The Board of Supervisors urges the Office of the Mayor, the Police Department,  
20 and other City departments, as applicable, to continue to undertake enforcement efforts  
21 during this pilot program against businesses that are engaged in conduct that is already  
22 illegal, including illegal onsite gambling, fraud, and health and safety violations.

## 23 **SEC. 5801. DEFINITIONS.**

24 For purposes of this Article 58, the following terms shall have the following definitions:

25 "ABC" shall mean the California Department of Alcoholic Beverage Control.

1           “ABC Licensee” shall mean a Retail Establishment that holds an active license from  
2 the ABC to sell liquor.

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  
5 Director’s designee.

6           “DPH” shall mean the Department of Public Health.

7           “OEWD” shall mean the Office of Economic and Workforce Development.

8           “Restricted Hours” shall mean the period between 2:00 a.m. and 5:00 a.m., seven  
9 days a week, and including holidays for ABC Licensees, and between 12:00 a.m. and 5:00  
10 a.m. for Retail Establishments that do not hold an ABC ~~L~~icense.

11           “Retail Establishment” shall mean any business in the Tenderloin and South of Market  
12 Public Safety Area that operates as either or both of the following: 1) a market that sells any  
13 ~~prepackaged~~ food items and/or produce, including but not limited to any establishment that has  
14 or qualifies for a permit from the Department of Public Health to operate as a Food Product  
15 and Marketing Establishment, as defined in Section 440 of the Health Code; and/or 2) an  
16 establishment that sells any Tobacco Product, as defined in Section 19H.2 of the Health  
17 Code.

18           “Tenderloin and South of Market Public Safety Area” shall mean the area of the City  
19 bounded by the following street segments, inclusive of properties abutting both sides of the streets:  
20 South Van Ness Avenue between Market Street and Thirteenth Street, Thirteenth Street between South  
21 Van Ness Avenue and Folsom Street, Folsom Street between Thirteenth Street and Third Street, Third  
22 Street between Folsom Street and Market Street, Market Street between Third Street and Powell Street,  
23 Powell Street between Market Street and Geary Street, Geary Street between Powell Street and Polk  
24 Street, Polk Street between Geary Street and McAllister Street, McAllister Street between Polk Street  
25 and Larkin Street, Larkin Street between McAllister Street and Market Street, and Market Street

1 ~~between Ninth Street and Van Ness Avenue to the north by O'Farrell Street, to the south by McAllister~~  
2 ~~Street, to the east by Jones Street, and to the west by Polk Street, including both sides of the boundary~~  
3 ~~streets.~~

4 **SEC. 5802. ~~ESTABLISHMENT OF TWO-YEAR 18-MONTH~~ PILOT PROGRAM TO**  
5 **PROHIBIT OPERATION OF RETAIL ESTABLISHMENTS IN THE TENDERLOIN AND**  
6 **SOUTH OF MARKET PUBLIC SAFETY AREA DURING RESTRICTED HOURS.**

7 (a) For an 18-month ~~two-year~~ period beginning on the effective date of ~~this Article~~  
8 ~~58 the ordinance in Board File No. 251251~~, no Retail Establishment ~~as defined in section 5801~~ that  
9 is located in the Tenderloin and South of Market Public Safety Area may be open to the public  
10 during applicable Restricted Hours.

11 (b) At least 15 days prior to the start of the pilot program, ~~DPH and~~ OEWD shall  
12 contact all Retail Establishments (including ABC Licensees) to explain the new restrictions  
13 and restricted hours. Such contact shall be conducted in the appropriate language to ensure  
14 that the operator of the establishment is able to understand the new restrictions. ~~In addition,~~  
15 ~~OEWD shall create a way for businesses in the Tenderloin Public Safety Area to provide feedback to~~  
16 ~~the City regarding the pilot program, its enforcement, and its effects.~~

17 **SEC. 5809. REPORTING REQUIREMENTS**

18 No later than six months after the effective date of the ordinance in Board File No. 251251, the  
19 Police Department ~~Six months following the start of this pilot program, the Drug Market Agency~~  
20 ~~Coordination Center ("DMACC")~~ shall submit a report to the Clerk of the Board of Supervisors,  
21 along with a proposed resolution accepting the report. The report shall outline progress made  
22 to address conditions in the Tenderloin and South of Market Public Safety Area, including  
23 enforcement under Article 58 and other City-led enforcement actions related to addressing the  
24 conditions noted in Section 5800, including any relevant updates from ~~DMACC~~, the City  
25 Attorney, DPH, the Police Department, the Sheriff and any other entities working with the City.

1 While the report may include other details as departments see fit to include, the report shall at  
2 minimum include information about how crime patterns and statistics have changed in the  
3 Tenderloin and South of Market Public Safety Area since the enactment of the expanded pilot  
4 covering the Tenderloin and South of Market Public Safety Area, including the number of  
5 enforcement actions under Article 58, other related enforcement actions in the Tenderloin and  
6 South of Market Public Safety Area, and reported calls for service during early morning hours  
7 ~~throughout the duration of the pilot program.~~

8 The report shall also include updates from OEWD about outreach efforts and any  
9 other programs designed to help businesses within the Tenderloin and South of Market Public  
10 Safety Area and an overview of feedback from businesses regarding the effects of the pilot  
11 program.

12 A hearing shall be held on the matter by the Board of Supervisors or one of its  
13 committees.

14 \* \* \* \*

#### 15 **SEC. 5812. SEVERABILITY.**

16 If any section, subsection, sentence, clause, phrase, or word of this  
17 ~~ordinance~~ Article 58, or any application thereof to any person or circumstance, is held to be  
18 invalid or unconstitutional by a decision of a court of competent jurisdiction, such decision  
19 shall not affect the validity of the remaining portions or applications of the ordinance. The  
20 Board of Supervisors hereby declares that it would have ~~passed~~ adopted this ~~ordinance~~ Article 58  
21 and each and every section, subsection, sentence, clause, phrase, and word not declared  
22 invalid or unconstitutional without regard to whether any other portion of this ~~ordinance~~  
23 Article 58 or application thereof would be subsequently declared invalid or unconstitutional.

#### 24 **SEC. 5813. EXPIRATION ~~REMOVAL FROM CODE~~.**

25 This Article 58 shall expire by operation of law 18 months after the effective date of the

1 ordinance in Board File No 251251. Upon its expiration, ~~At or after two years from the effective date~~  
2 ~~of this ordinance,~~ the City Attorney is authorized to cause this Article 58 to be removed from the  
3 ~~Administrative Police Code unless it has been re-enacted or extended by ordinance.~~

4  
5 Section 2. Effective Date. This ordinance shall become effective 30 days after  
6 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
7 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
8 of Supervisors overrides the Mayor's veto of the ordinance.

9  
10 APPROVED AS TO FORM:  
11 DAVID CHIU, City Attorney

12 By: /s/ Sarah Crowley  
13 SARAH CROWLEY  
14 Deputy City Attorney

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