

ZECHSAN Business Development, Inc

A California Corporation

March 7, 2018

Angela Calvillo, Clerk of the Board
San Francisco Board of Supervisors
1 Dr. Carlton B. Goodlett Place, Room 244
San Francisco, CA 94102-4689

BOARD OF SUPERVISORS
CITY OF SAN FRANCISCO
2018 MAR 12 PM 2:37
BY AK

RE: **Public Convenience or Necessity Determination Resolution (PCN) Request**
Zechsan Business Development, Inc dba Executive Order Bar & Lounge / formerly, Sip Bar & Lounge
California ABC Liquor License Premises to Premises Transfer
FROM: 787 Broadway, San Francisco 94133; TO: 868 Mission Street, Westfield SF Centre, San Francisco 94103
ABC Type 48-On Sale General Public Premises

Dear Miss Calvillo:

Hello! My name is John Eric Sanchez. I have owned and operated my small business, SIP BAR & LOUNGE and The Hancock Room at 787 Broadway continuously from April 15, 2005 until February 28, 2018 with a Type 48 ABC license (#424403). As a result of city-mandated, soft-story seismic retrofit/construction work my former landlord is required to perform on my old location, they were unable to renew my lease when it expired. As a result, I was asked to vacate and seek a new location to move my business.

After months of searching, I was fortunate to find a potentially suitable location close to the neighborhood I have lived in for almost 17 years, on the street level of the Westfield SF Centre at 868 Mission Street in SOMA (District 6), that was formerly occupied by Volta restaurant and once had a type 47 liquor license.

On March 2, 2018, I submitted my application to transfer my liquor license with the ABC. On March 5, I was informed that I would need to apply for a Public Convenience and Necessity Resolution from the San Francisco Board of Supervisors to permit me to transfer my existing business and type 48 liquor license from 787 Broadway to the new location at the Westfield SF Centre at 868 Mission Street. That is the primary reason I am writing to you today.

First off, I felt that it would be important to know more about the person behind the request, so here is a little bit about me:

- I was born a little over 20 blocks down Mission Street from the proposed new bar's location at St. Luke's Hospital, just over 40 years ago.
- I graduated with a BA in Psychology and Business from the University of San Francisco in 1998, where I was also elected President of the University's student body, President of my chapter of Sigma Alpha Epsilon fraternity and served as an ex-officio member of the University Board of Trustees.
- I interned for The Honorable Congresswoman Nancy Pelosi on Capitol Hill immediately after graduating.
- I worked for Triage Consulting Group, a San Francisco-based, healthcare financial consulting firm for 6 years where I was mentored by the company's founders who inspired me to start my own business.
- In 2002, I became one of the original homeowners at the Yerba Buena Lofts on Folsom Street and have lived in SOMA – just a few blocks away from 868 Mission – for the past 17 years.
- I have served on the Yerba Buena Lofts Home Owners Association Board of Directors for the past 7 years.
- I am a certified, trained member of the San Francisco Fire Department's SOMA Community Emergency Response Team (CERT).

Background behind SIP BAR & LOUNGE and the proposed re-branded cocktail bar & lounge, EXECUTIVE ORDER to be opened at 868 Mission, with the consent of the San Francisco Board of Supervisors:

I purchased the Blind Tiger bar and re-opened it as SIP BAR & LOUNGE in 2005 at 787 Broadway at Powell, on the border of Chinatown, North Beach and Nob Hill in San Francisco as a small, 1,500 square foot, unpretentious, fun, DJ-focused cocktail bar and lounge.

Over the past 12 years, as the local economy changed and my original target demographic (and I) had matured- gotten married, starting raising families or moved out of the City, the business matured as well. It evolved into a go-to destination for thousands of small and large events (e.g. networking events, milestone birthdays, engagement and wedding receptions, campaign fundraisers, non-profit fundraisers, and corporate holiday parties).

855 Folsom Street 540 | San Francisco | CA 94107 | 415.699.6545 | johneric@siploungesf.com

In 2012, I took an underutilized space inside the venue, redesigned & rebranded it to offer one of the City's first bar-within-a-bar concepts *not* focused on the Prohibition era, but in tribute to the early history of the American Revolution, the founding of the United States and its early ties to alcoholic beverages, and named it after one of America's first alcohol smugglers/bootleggers & Founding Fathers- John Hancock, while also honoring some of America's first notable Presidents, First Ladies and other influential figures of the time. The Hancock Room was born out of my love of American History and politics, my time working in DC, years of collecting antiques & researching alcohol consumption in the original 13 colonies. The fixtures, furnishings and decor were my vision of what the parlor room in Hancock's Boston home might have felt like, where plans for the American Revolution may have been devised by common men & women.

Because of the theme's popularity with our guests, I wanted to continue and expand on The Hancock Room concept with the new venue- EXECUTIVE ORDER- by paying tribute not only to the Founders, but to Presidents Lincoln, Teddy and Franklin Delano Roosevelt and their First Ladies, their deeds (e.g. Lincoln & the Emancipation Proclamation, FDR & the New Deal, creation of the WPA, etc), the political movements, people and life and times surrounding their presidencies.

How is the premises operation different from the other like-type establishments in the area?

There are a number of "dive" bars, a plethora of restaurants and hotel bars in the area, but there is not any other place exactly like my concept that celebrates our common American story, that welcomes locals and guests from all walks of life and backgrounds in quite the way I have done for nearly 13 years at my previous location.

I have been working with local architects, designers and seeking input from members of the San Francisco Presidio chapter of the Daughters of the American Revolution to curate and create a warm and inviting, interactive-museum-like environment, showcasing portraits, memorabilia, decor and artifacts to display throughout the space.

Being located near many other businesses, several hotels, and Moscone Convention Center- which attract people from all over the United States and the world, I believe that the common themes of early American History will create a welcoming & familiar environment for both locals and visitors to San Francisco.

Owning and operating a business in the actual neighborhood in which I live will also allow me to provide a place for my community of neighbors to gather, socialize and celebrate important events in their lives and draw us all closer.

With the new, much larger premises (approximately 4,000 square feet of public space), high traffic location, and close proximity to the Moscone Convention Center and hotels, I wanted to create a space that could be useful both during the day and night.

Our plan is to open at 7am weekdays to offer a differentiated, "slow-coffee" (and tea) service concept- opposite of the standard, wait-in-line, order, wait for your name to be called, rushed experience most of us have become accustomed to at Starbucks or other "fast-coffee" providers- that allows guests to be seated comfortably in our lounge area, relax while they wait for their coffee or tea to be brought out, and take their time drinking coffee or tea while meeting with colleagues. We also plan to offer a variety of pastries rolled out on a "dim-sum-style" cart to each table for guests to order. Due to the limited space that many "fast-coffee" providers and local area hotels offer for locals and guests to sit, gather informally and meet, work from their laptops, etc. we would stay open providing coffee & pastries throughout the morning and early afternoon.

In the afternoon, starting at approximately 3pm, we would transition to begin alcoholic beverage service for guests wanting to unwind and socialize after conferences, meetings, business and work. Evenings and nights starting at approximately 5pm, our kitchen would provide a small-plates, bar bites menu of heavy appetizer-type food as well.

How will issuance of the license enhance the quality of life in the area of the premises?

How will issuance of the license serve the city and community surrounding the applicant premises?

According to the Moscone Convention Center's website, between 2016-2017, over a million attendees or exhibitors registered or were ticketed for a Moscone Convention Center event. On a given day, the streets surrounding Moscone are flooded with people. Before, during and after conferences, many attendees want to gather for pre-conference meetings to prep for the day, to step away from the convention center itself to recharge in between sessions, and gather socially for post-conference receptions or events with their colleagues. As it currently stands, there are a number of large-corporate-owned hotels and restaurants with facilities that can accommodate large scale 300 person events, but there are few, if any, locally-owned and operated bar venues of equivalent size in the immediate area. We seek to be the locally-owned, uniquely curated venue that can provide an alternative to the large corporate-owned spaces.

Equally important is providing a gathering space for members of the immediate Yerba Buena/SOMA and larger city-wide community to meet, learn, socialize, and enjoy themselves. We plan to continue to offer a space for non-profit organizations to host fundraiser events during the week, to provide locally-focused programming from MeetUp "how-to" events to job networking events, to guest lecturers, to provide entertainment for guests when we showcase up-and-coming comedians and singers to perform during open-mic evenings, and for local artists and DJs to showcase their talents to the local community. With its convenient location, in close proximity to where people work and shop, close proximity to MUNI, the MUNI Metro and BART stations, and the Westfield SF Centre's dedicated Uber/Lyft/rideshare white-zone pickup areas, it will be easy for the community to get to the venue from work and back to their homes.

How will issuance of the applied-for license ensure the quiet enjoyment of the area's residents?

We are in a commercially-zoned area of the city, so the issuance of the applied-for license should not directly impede with local resident's quiet enjoyment of their homes.

What fiscal benefit will the community experience as a result of the issuance of the applied-for license?

Our estimates show that this business has the potential to generate up to \$3,000,000 in revenue per year. In order to generate this kind of income, we would need to create a number of jobs for back of house kitchen staff, front of house servers, bartenders and baristas to staff the venue from 7am until 12am and 2am on weekends to provide service to our guests. Employees would have jobs and benefits. The city would benefit from fees and taxes generated by this revenue.

How will the premises operation not enhance crime within a high crime or police problem area?

Will the applicant consider the imposition of conditions to address community or law enforcement concerns?

As it sits now (and for the last 6 months), as an empty restaurant space on a major South of Market street, on the corner of Mission and Jessie West between 4th & 5th Streets, the blacked-out windows and lack of a physical presence of activity at 868 Mission invites/encourages taggers/graffiti, vandalism, loitering, drug use and potentially other crime.

I believe that it is important to show (and be) a positive, physical presence in the area, to discourage would-be vandals or perpetrators from engaging in criminal behavior. By being open from as early as 7am to serve coffee & pastries during the day, to staying open to serve small bites and drinks until 12midnight weeknights and 2am Thursday through Saturday nights, the visible, positive, community-engaged presence of a business and its guests could help to discourage loitering, vandalism and other potentially detrimental activities.

As we have in the past with our previous location, we continue to welcome the opportunity to collaborate with the SFPD to help discourage and reduce crime in the neighborhood and will abide by any and all conditions that the SFPD recommends.

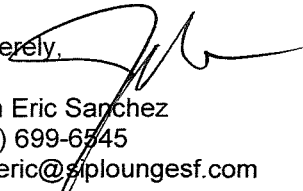
I hope that the Board of Supervisors will find that the inclusion of my business to the area would be a benefit to both locals and visitors alike.

I would be pleased to meet with you personally to discuss my background, as well as more details about my plans for the space at 868 Mission Street, at your convenience. In the meantime, however, please contact me with any questions or concerns you may have at the e-mail or phone number below.

To recap, per your guidelines, here is a bullet point list of information you might require:

- Name: John Eric Sanchez, President, Zechsan Business Development, Inc
- Daytime Phone: (415) 699-6545
- Business Name and Address:
 - Old Location: SIP BAR & LOUNGE 787 Broadway, San Francisco, CA 94133;
 - New Location: EXECUTIVE ORDER BAR & LOUNGE 868 Mission St, San Francisco, CA 94103
- Mailing Address: 855 Folsom Street #540, San Francisco, CA 94107
- Type of License to be Transferred: 48- ON SALE GENERAL PUBLIC PREMISES to be Transferred FROM 787 Broadway TO 868 Mission Street
- Proposed Business Hours of Operation: Sunday 11:00am-12:00am; Monday-Wednesday 7:00am-12:00am; Thursday-Friday 7:00am-2:00am; Saturday 11:00am-2:00am.

Sincerely,


John Eric Sanchez
(415) 699-6545
johneric@siploungesf.com



California Department of Alcoholic Beverage Control
License Query System Summary as of 03/05/2018

License Information	
License Number:	591594
Primary Owner:	ZECHSAN BUSINESS DEVELOPMENT INC
ABC Office of Application:	24 - SAN FRANCISCO

Business Name
EXECUTIVE ORDER BAR & LOUNGE

Business Address	
868 MISSION ST	
SAN FRANCISCO, CA. 94103	
County: SAN FRANCISCO	Census Tract: 0176.01

Licensee Information	
Licensee: ZECHSAN BUSINESS DEVELOPMENT INC	
Company Information	
OFFICER: SANCHEZ, JOHN ERIC KROMHOUT (PRESIDENT/SECRETARY)	
STOCKHOLDER: SANCHEZ, JOHN ERIC KROMHOUT	

License Types			
1)	License Type:	48 - ON-SALE GENERAL PUBLIC PREMISES	
	License Type Status:	PENDING	
	Status Date:	05-MAR-2018	Term: 12 Month(s)
	Original Issue Date:		Expiration Date:
	Master: Y	Duplicate: 0	Fee Code: P40
	License Type was Transferred On:	From: 48-424403	
	License Type was Transferred On:	To:	

Operating Restrictions
... No Operating Restrictions found ...

Disciplinary Action
... No Active Disciplinary Action found ...

Disciplinary History
... No Disciplinary History found ...

Holds	
Hold Date: 05-MAR-2018	Type: FORM 220

Escrows
... No Escrow found ...

For a definition of codes, view our glossary.

INFORMATION AND INSTRUCTIONS -

SECTION 23958.4 B&P

Instructions This form is to be used for all applications for original issuance or premises to premises transfer of licenses.

- Part 1 is to be completed by an ABC employee, given to applicant with pre-application package, with copy retained in holding file or applicant's district file.
- Part 2 is to be completed by the applicant, and returned to ABC.
- Part 3 is to be completed by the local governing body or its designated subordinate officer or body, and returned to ABC.

PART 1 - TO BE COMPLETED BY ABC

1. APPLICANT'S NAME

ZECHSAN BUSINESS DEVELOPMENT, INC

2. PREMISES ADDRESS (Street number and name, city, zip code)

868 Mission St., San Francisco CA 94103-3007

3. LICENSE TYPE

48

4. TYPE OF BUSINESS

- | | | | |
|---|--|--|--|
| <input type="checkbox"/> Full Service Restaurant | <input type="checkbox"/> Hofbrau/Cafeteria | <input type="checkbox"/> Cocktail Lounge | <input type="checkbox"/> Private Club |
| <input type="checkbox"/> Deli or Specialty Restaurant | <input type="checkbox"/> Comedy Club | <input type="checkbox"/> Night Club | <input type="checkbox"/> Veterans Club |
| <input type="checkbox"/> Cafe/Coffee Shop | <input type="checkbox"/> Brew Pub | <input type="checkbox"/> Tavern: Beer | <input type="checkbox"/> Fraternal Club |
| <input type="checkbox"/> Bed & Breakfast: | <input type="checkbox"/> Theater | <input type="checkbox"/> Tavern: Beer & Wine | <input type="checkbox"/> Wine Tasting Room |
| <input type="checkbox"/> Wine only | <input type="checkbox"/> All | | |
-
- | | | | |
|---|--|--|--|
| <input type="checkbox"/> Supermarket | <input type="checkbox"/> Membership Store | <input type="checkbox"/> Service Station | <input type="checkbox"/> Swap Meet/Flea Market |
| <input type="checkbox"/> Liquor Store | <input type="checkbox"/> Department Store | <input type="checkbox"/> Convenience Market | <input type="checkbox"/> Drive-in Dairy |
| <input type="checkbox"/> Drug/Variety Store | <input type="checkbox"/> Florist/Gift Shop | <input type="checkbox"/> Convenience Market w/Gasoline | |
| <input type="checkbox"/> Other - describe: | | | |

5. COUNTY POPULATION

866,583

6. TOTAL NUMBER OF LICENSES IN COUNTY

On-Sale Off-Sale

7. RATIO OF LICENSES TO POPULATION IN COUNTY

279 On-Sale Off-Sale

8. CENSUS TRACT NUMBER

176.01

9. NO. OF LICENSES ALLOWED IN CENSUS TRACT

27 On-Sale Off-Sale

10. NO. OF LICENSES EXISTING IN CENSUS TRACT

70 On-Sale Off-Sale

11. IS THE ABOVE CENSUS TRACT OVERCONCENTRATED WITH LICENSES? (i.e., does the ratio of licenses to population in the census tract exceed the ratio of licenses to population for the entire county?)

- Yes, the number of existing licenses exceeds the number allowed
- No, the number of existing licenses is lower than the number allowed

12. DOES LAW ENFORCEMENT AGENCY MAINTAIN CRIME STATISTICS?

- Yes (Go to Item #13) No (Go to Item #20)

13. CRIME REPORTING DISTRICT NUMBER

210

14. TOTAL NUMBER OF REPORTING DISTRICTS

653

15. TOTAL NUMBER OF OFFENSES IN ALL REPORTING DISTRICTS

51,848

16. AVERAGE NO. OF OFFENSES PER DISTRICT

79

17. 120% OF AVERAGE NUMBER OF OFFENSES

95

18. TOTAL NUMBER OF OFFENSES IN REPORTING DISTRICT

487

19. IS THE PREMISES LOCATED IN A HIGH CRIME REPORTING DISTRICT? (i.e., has a 20% greater number of reported crimes than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency)

- Yes, the total number of offenses in the reporting district equals or exceeds the total number in item #17
- No, the total number of offenses in the reporting district is lower than the total number in item #17

20. CHECK THE BOX THAT APPLIES (check only one box)

- a. If "No" is checked in both item #11 and item #19, Section 23958.4 B&P does not apply to this application, and no additional information will be needed on this issue. Advise the applicant to bring this completed form to ABC when filing the application.
- b. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for a non-retail license, a retail bona fide public eating place license, a retail license issued for a hotel, motel or other lodging establishment as defined in Section 25503.16(b) B&P, or a retail license issued in conjunction with a beer manufacturer's license, or winegrower's license, advise the applicant to complete Section 2 and bring the completed form to ABC when filing the application or as soon as possible thereafter.
- c. If "Yes" is checked in either item #11 or item #19, and the applicant is applying for an off-sale beer and wine license, an off-sale general license, an on-sale beer license, an on-sale beer and wine (public premises) license, or an on-sale general (public premises) license, advise the applicant to take this form to the local governing body, or its designated subordinate officer or body to have them complete Section 3. The completed form will need to be provided to ABC in order to process the application.

Governing Body/Designated Subordinate Name: Board of Supervisors

FOR DEPARTMENT USE ONLY

PREPARED BY (Name of Department Employee)

PART 2 - TO BE COMPLETED BY THE APPLICANT (If box #20b is checked)

21. Based on the information on the reverse, the Department may approve your application if you can show that public convenience or necessity would be served by the issuance of the license. Please describe below the reasons why issuance of another license is justified in this area. You may attach a separate sheet or additional documentation, if desired. Do *not* proceed to Part 3.

PLEASE SEE ATTACHED LETTER TO THE CLERK OF THE SAN FRANCISCO BOARD OF SUPERVISORS, MAILED ON MARCH 7, 2018.

22. APPLICANT SIGNATURE



23. DATE SIGNED

3-7-18

PART 3 - TO BE COMPLETED BY LOCAL OFFICIALS (If box #20c is checked)

The applicant named on the reverse is applying for a license to sell alcoholic beverages at a premises where undue concentration exists (i.e., an over-concentration of licenses and/or a higher than average crime rate as defined in Section 23958.4 of the Business and Professions Code). Sections 23958 and 23958.4 of the Business and Professions Code requires the Department to deny the application unless the local governing body of the area in which the applicant premises are located, or its designated subordinate officer or body, determines within 90 days of notification of a completed application that public convenience or necessity would be served by the issuance. Please complete items #24 to #30 below and certify or affix an official seal, or attach a copy of the Council or Board resolution or a signed letter on official letterhead stating whether or not the issuance of the applied for license would serve as a public convenience or necessity.

24. WILL PUBLIC CONVENIENCE OR NECESSITY BE SERVED BY ISSUANCE OF THIS ALCOHOLIC BEVERAGE LICENSE?

Yes No See Attached (i.e., letter, resolution, etc.)

25. ADDITIONAL COMMENTS, IF DESIRED (may include reasons for approval or denial of public convenience or necessity):

26. CITY/COUNTY OFFICIAL NAME

27. CITY/COUNTY OFFICIAL TITLE

28. CITY/COUNTY OFFICIAL PHONE NUMBER

29. CITY/COUNTY OFFICIAL SIGNATURE

30. DATE SIGNED