

REUBEN, JUNIUS & ROSE, LLP

Justin A. Zucker
jzucker@reubenlaw.com

November 19, 2020

Delivered Via E-Mail & Messenger (john.carroll@sfgov.org)

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

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2020 NOV 24 AM 10:08
BY [Signature]

**Re: Liquor License Public Convenience or Necessity Request
355 Bayshore Boulevard – Grocery Outlet bargain market
Our File No.: 8864.03**

Dear Ms. Calvillo:

This office represents Grocery Outlet bargain market (“**Grocery Outlet**”), the project sponsor of a full-service, locally owned and independently operated grocery store at 355 Bayshore Boulevard (the “**Property**”). Grocery Outlet obtained strong neighborhood support and unanimous approval from the Planning Commission to re-establish a grocery store into the vacant building that previously had been a Smart & Final grocery store (the “**Project**”). The addition of alcohol sales will help ensure the long-term viability of the grocery store and provide the neighborhood with a convenient one-stop shop for food, household supplies, and beverages. On December 23, 2019, the Grocery Outlet filed a building permit to construct Project tenant improvements. The Grocery Outlet expects the market to begin operation in March 2021.

The Grocery Outlet now seeks a type-21 off-sale general license from the California Department of Alcohol Beverage Control (“**ABC**”). On November 6, 2020, Grocery Outlet filed an application with ABC for a license transfer of an existing license at the Property (previous License No. 21-373170), with new License No. 622103 (See **Exhibit A**). The ABC letter mailings were completed on November 6, 2020, pursuant to state law. Smart & Final closed in November 2018 and had a type-21 off-sale general license at the Property. However, due to the transfer of a license after 90 days from Smart & Final’s closure, Grocery Outlet must obtain a determination by the Board of Supervisors that the public convenience or necessity will be served by the issuance of this license for operations at the Property.

The Project will establish a Grocery Outlet to be locally owned and independently operated at the Property, an existing building last occupied by a Smart & Final grocery store with at-grade parking. The Grocery Outlet would occupy approximately 14,792 square feet of ground floor

San Francisco Office
One Bush Street, Suite 600, San Francisco, CA 94104
tel: 415-567-9000 | fax: 415-399-9480

Oakland Office
492 9th Street, Suite 200, Oakland, CA 94607
tel: 510-527-5589

www.reubenlaw.com

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space, adjacent to an operating O'Reilly Auto Parts. The Grocery Outlet would sell daily needs and desirable goods and services to neighborhood residents, including hygienics (e.g., toilet paper, paper towels, soaps, etc.), fresh and local produce, fresh meats and deli products, organics, and some grab-and-go foods. Adding alcoholic beverages to the offerings of this proposed neighborhood market will serve the public convenience and necessity of the neighborhood by increasing the variety of goods offered at this location. Customers will have products readily available in one location when they would otherwise be obliged to travel to several locations to purchase these items. Area workers and residents will have a new full-service grocery store that will provide a convenient shopping experience. The proposed hours of operation are 8 a.m. to 9 p.m. daily.

The Grocery Outlet is committed to providing a much-needed, full-service grocery store to the Bayview neighborhood. The Grocery Outlet's tenant improvements also include the installation of new security cameras covering the liquor aisles, check stands, entrances, exits and other areas within the store. Higher resolution cameras will be going in the liquor area. The video system will have a 30-day retrieval function that can track previous days' activity. The security system will deter theft and improper sales of alcoholic beverage products. Additionally, as a locally owned and operated grocery store, the operator will be able to respond to any security issues that may come up. Although safety or security issues on the property are not anticipated, these measures will ensure that the alcohol sales will not result in any negative impacts on the surrounding neighbors.

For the reasons outlined above, I respectfully request that this letter be forwarded to the Public Safety and Neighborhood Services Committee of the Board and that the Committee and the full Board of Supervisors make a determination under California Business & Professions Code §23958.4 that the public need or convenience would be served by the issuance of a type-21 off-sale general license to Grocery Outlet.

Please contact me with any questions you have.

Very truly yours,

REUBEN, JUNIUS & ROSE, LLP



Justin A. Zucker

Enclosure

EXHIBIT A



CALIFORNIA DEPARTMENT OF

Alcoholic Beverage Control

Report Date: Thursday, November 12, 2020

LICENSE INFORMATION

License Number: 622103 **Primary Owner:** GROCERY OUTLET INC **Office of Application:**
24 - SAN FRANCISCO

BUSINESS NAME

GROCERY OUTLET

BUSINESS ADDRESS

355 BAYSHORE BLVD , SAN FRANCISCO, CA, 94124

County: SAN FRANCISCO **Census Tract:** 9809.00

LICENSEE INFORMATION

Licensee: GROCERY OUTLET INC

Company Information

OFFICER: LINDBERG, ERIC JOHN (DIRECTOR)

OFFICER: LINDBERG, ERIC JOHN (PRESIDENT)

OFFICER: LINDBERG, ERIC JOHN (CHIEF EXECUTIVE OFFICER)

OFFICER: READ, STEVEN MACGREGOR JR (DIRECTOR)

OFFICER: READ, STEVEN MACGREGOR JR (CHIEF EXECUTIVE OFFICER)

OFFICER: BRACHER, CHARLES CHRISTIAN (CHIEF FINANCIAL OFFICER)

OFFICER: SHEEDY, ROBERT JOSEPH (PRESIDENT)

OFFICER: BURKE, PAMELA BARNUM (VICE PRESIDENT)

OFFICER: BURKE, PAMELA BARNUM (SECRETARY/ASST SEC)

STOCKHOLDER: GOBP MIDCO INC

LICENSE TYPES

21 - OFF-SALE GENERAL

License Type Status: PENDING **Status Date:** 06-NOV-2020 **Term:** 12 Month(s)

Original Issue Date: **Expiration Date:** **Master:** Y **Duplicate:** **Fee Code:** P40 **Transfers:**

From License Number: 21-373170

OPERATING RESTRICTIONS:

No Operating Restrictions found

DISCIPLINARY ACTION:

No Active Disciplinary Action found

DISCIPLINARY HISTORY:

No Disciplinary History found.

HOLDS:

Hold Type: FORM 220 **Hold Date:** 06-NOV-2020

ESCROWS:

CALIFORNIA BUSINESS ESCROW INC, 1748 MAIN ST ESCALON,CALIFORNIA 95320

