

1 [Administrative, Police, Transportation Codes - Entertainment Zones]

2
3 **Ordinance amending the Administrative, Police, and Transportation Codes to allow the**
4 **establishment and management of Entertainment Zones in which the outdoor**
5 **consumption of alcoholic beverages during designated events is allowed, subject to**
6 **certain conditions; to establish insurance requirements for Entertainment Zone events;**
7 **to establish an Entertainment Zone on Front Street between California Street and**
8 **Sacramento Street; to allow the outdoor consumption of alcoholic beverages in areas**
9 **subject to a Shared Space permit where the permit holder also holds a permit or**
10 **license from the California Department of Alcoholic Beverage Control; and affirming**
11 **the Planning Department's determination under the California Environmental Quality**
12 **Act.**

13
14 **NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font.
15 **Additions to Codes** are in *single-underline italics Times New Roman font*.
16 **Deletions to Codes** are in *strikethrough italics Times New Roman font*.
17 **Board amendment additions** are in double-underlined Arial font.
18 **Board amendment deletions** are in ~~strikethrough Arial font~~.
19 **Asterisks (* * * *)** indicate the omission of unchanged Code
20 subsections or parts of tables.

21 Be it ordained by the People of the City and County of San Francisco:

22 Section 1. General Findings.

23 (a) The COVID-19 pandemic had a devastating impact on San Francisco's
24 restaurants, bars, and entertainment venues. Finding new ways to attract residents, workers,
25 and visitors to our downtown and neighborhood commercial corridors will be critical to the
continued recovery of our nightlife sector and our economy.

1 (b) Across the country, numerous states, including Michigan, Ohio, North Carolina,
2 and Kansas, have found success enlivening communities through the designation of areas
3 where businesses may sell alcoholic beverages for consumption within public spaces
4 adjacent to their licensed premises.

5 (c) In 2023, the State of California adopted Senate Bill 76, which authorizes the City
6 and County of San Francisco to create by ordinance entertainment zones to enable
7 restaurants and bars to sell open containers of approved alcoholic beverages for consumption
8 during special events.

9
10 Section 2. CEQA Findings.

11 The Planning Department has determined that the actions contemplated in this
12 ordinance comply with the California Environmental Quality Act (California Public Resources
13 Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of
14 Supervisors in File No. 240475 and is incorporated herein by reference. The Board affirms
15 this determination.

16
17 Section 3. The Administrative Code is hereby amended by adding Chapter 94B,
18 consisting of Sections 94B.1 to 94B.4, to read as follows:

19 **CHAPTER 94B. ENTERTAINMENT ZONES**

20 **SEC. 94B.1. DEFINITIONS.**

21 *For the purposes of this Chapter 94B, the following definitions shall apply:*

22 *(a) "ABC" means the California Department of Alcoholic Beverage Control.*

23 *(b) "Entertainment Zone" has the meaning set forth in Section 23039.5 of the California*
24 *Business and Professions Code, as may be amended from time to time.*

1 (c) “Entertainment Zone Event” means a special event permitted or licensed by ABC that
2 occurs within the boundaries of an Entertainment Zone established in accordance with this Chapter
3 94B and within the hours permitted by this Chapter 94B and the Management Plan for the
4 Entertainment Zone.

5 (d) “Management Plan” means a plan approved by the Office of Economic and Workforce
6 Development (OEWD) for the management and regulation of Entertainment Zone Events.

7 **SEC. 94B.2. ENTERTAINMENT ZONE CONTROLS.**

8 (a) All commercial entities and organizations sponsoring or selling alcoholic beverages at an
9 Entertainment Zone Event shall comply with all applicable state and local laws and regulations,
10 including but not limited to the following:

11 (1) All applicable ABC license and permitting requirements;

12 (2) Sections 23357, 23358, and 23396 of the California Business and Professions Code,
13 as may be amended from time to time;

14 (3) All other laws governing the sale and consumption of alcoholic beverages and any
15 and all permits and licenses issued pursuant thereto;

16 (4) Transportation Code, Division I, Article 6;

17 (5) Transportation Code, Division II, Article 200, Sections 205 and 206; and

18 (6) Any applicable Management Plan issued by the Office of Economic and Workforce
19 Development under this Chapter 94B.

20 (b) Open alcoholic beverages may be consumed on any public street, avenue, sidewalk,
21 stairway, alley, or thoroughfare within an Entertainment Zone during an Entertainment Zone Event, as
22 set forth in Police Code Section 21, subject to any other restrictions imposed by state or local law.

23 (c) All open alcoholic beverages consumed during an Entertainment Zone Event shall be
24 purchased only from a premises located within the Entertainment Zone that is authorized under
25 California Business and Professions Code Section 23357, 23358, or 23396, as may be amended from

1 time to time, to permit consumers to leave the premises with open containers of alcoholic beverages for
2 consumption off the premises, or an organization that is authorized by an ABC special event permit or
3 license to make such sales within the Entertainment Zone.

4 **SECTION 94B.3. IMPLEMENTATION.**

5 (a) Within 90 days of the effective date of this Chapter 94B, OEWD shall issue rules for the
6 implementation of this Chapter. OEWD may revise these rules from time to time as it deems
7 appropriate.

8 (b) Within 90 days of the establishment or modification of an Entertainment Zone, OEWD shall
9 do the following:

10 (1) in consultation with the Police Department, provide the following information to
11 ABC, pursuant to Section 25690 of the California Business and Professions Code:

12 (A) A copy of the ordinance establishing or modifying the Entertainment Zone;

13 (B) Information as may be necessary to identify the boundaries of the
14 Entertainment Zone;

15 (C) The days and hours of operation of the Entertainment Zone;

16 (D) The types of alcoholic beverages permitted within the Entertainment Zone;

17 and

18 (E) The approved nonglass and nonmetal containers in which alcoholic
19 beverages may be authorized; and

20 (2) issue a Management Plan for the Entertainment Zone, as follows:

21 (A) The Management Plan shall establish a process or procedure to readily
22 identify individuals purchasing or consuming alcoholic beverages within the Entertainment Zone as
23 being 21 years of age or older;

24 (B) The Management Plan shall require that any person or organization seeking
25 a City permit under Division I, Article 6 or Division II, Section 206 of the Transportation Code for an

1 Entertainment Zone Event shall comply with the insurance requirements applicable to that permit, and
2 all rules and regulations authorized by the Transportation Code;

3 _____ (C) The Management Plan may include requirements not otherwise imposed by
4 state or local law, including but not limited to additional requirements for approved beverage
5 containers, additional restrictions on the hours of operation for Entertainment Zone Events, and other
6 time, place, and manner restrictions; and

7 _____ (D) Upon issuance or revision of a Management Plan, the Office of Economic
8 and Workforce Development shall transmit a copy of that Plan to ABC.

9 (c) Any holder of an ABC license or permit that wishes to allow customers to leave the
10 premises with open containers of alcoholic beverages for consumption off the premises during an
11 Entertainment Zone Event shall provide to the Office of Economic and Workforce Development a copy
12 of the notice provided to ABC under Section 23357, 23358, or 23396 of the California Business and
13 Professions Code, as applicable, at the same time such notice is provided to ABC.

14 **SEC. 94B.4. FRONT STREET ENTERTAINMENT ZONE.**

15 (a) All public streets, sidewalks and public rights-of-way on Front Street between California
16 Street and Sacramento Street are hereby designated as the Front Street Entertainment Zone under
17 Sections 23039.5 and 25690 of the California Business and Professions Code.

18 (b) An Entertainment Zone Event within the Front Street Entertainment Zone must receive a
19 permit for the use of a public street under Transportation Code Division I, Section 6.6 or 6.16 or
20 Transportation Code Division II, Section 206.

21 (c) Outdoor consumption of alcoholic beverages within this Entertainment Zone is authorized
22 during any Entertainment Zone Event on any day of the year between the hours of noon and 11:59pm,
23 inclusive, subject to any additional limitations imposed by any ABC permit or license and by the
24 Management Plan for this Entertainment Zone.

1 Section 4. Article 1 of the Police Code is hereby amended by revising Section 21 to
2 read as follows:

3 **SEC. 21. CONSUMING ALCOHOLIC BEVERAGES ON PUBLIC STREETS, ETC.,**
4 **OR ON PUBLIC PROPERTY OPEN TO PUBLIC VIEW PROHIBITED; PENALTY.**

5 (a) Except as specified in this Section 21, No person shall consume any alcoholic
6 beverage in any quantity on any public street, avenue, sidewalk, stairway, alley, or
7 thoroughfare within the City and County of San Francisco; nor shall any person consume any
8 alcoholic beverage within 15 feet of any public way or thoroughfare while on a private
9 stairway, doorway, or other private property open to public view without the express or implied
10 permission of the owner, the owner's his agent, or the person in lawful possession thereof;
11 provided, however, that,

12 (b) ~~the~~ The provisions of this Section 21 shall not apply to

13 (1) the interior portion of any private dwelling, habitat, or building;

14 (2) ~~to~~ the consumption by persons in the areas herein designated of any duly
15 prescribed and dispensed medication having alcoholic content; ~~or~~ and

16 (3) ~~to~~ those persons consuming alcoholic beverages while viewing a parade for
17 which a permit has been granted pursuant to Section 367 of this Code.

18 (c) Further, this Section 21 shall not be applicable in the following areas:

19 (1) those prescribed areas and during such time for which permission for
20 temporary use or occupancy of public streets and appurtenant areas has been granted by:

21 (1)(A) The Board of Supervisors pursuant to the provisions of Section
22 2.70 of the Administrative Code;

23 (2)(B) The Department of Public Works pursuant to the provisions of
24 Article 5.2 of the Public Works Code for a business establishment anywhere in San Francisco
25

1 that meets the requirements of a Restaurant or Bar use, defined in Planning Code Section
2 102, as interpreted by the Zoning Administrator; ~~or~~

3 ~~(3)(C)~~ The Department of Public Works pursuant to the provisions of
4 Article 5.2 of the Public Works Code for a business establishment that had a valid tables and
5 chairs permit and California Department of Alcoholic Beverage Control beverage license or
6 permit on the effective date of this Section 21; and

7 (D) Any Shared Spaces permit under Administrative Code Chapter 94A where
8 the business establishment holding that permit has a California Department of Alcoholic Beverage
9 Control beverage license or permit allowing the consumption of alcoholic beverages in the area
10 designated by the Shared Spaces permit; and

11 (2) Any Entertainment Zone under Administrative Code Chapter 94B during an
12 Entertainment Zone Event.

13 ~~(db)~~ **Penalty.** Any person who shall violate the provisions of this Section 21 shall be
14 guilty of an infraction, the penalty for which shall be a fine of not less than \$25 nor more than
15 \$100.

16
17 Section 5. Division I, Article 6 of the Transportation Code is hereby amended by
18 revising Section 6.7, to read as follows:

19 **SEC. 6.7. CONDITIONS.**

20 Any permission for the temporary use or occupancy of a public street authorized by
21 the City shall be subject to the following conditions:

22 * * * *

23 (l) Applicants for permission to hold a street fair on a predominantly commercial street
24 shall comply with the following requirements for insurance coverage. For purposes of this
25 subsection (l), a "predominantly commercial street" shall mean a street block on which at least

1 50% of front footage of private property on the ground floor of the street is used for
2 commercial purposes. A street block shall be measured from street intersection to street
3 intersection, but shall not include any alley intersection.

4 (1) Applicants shall maintain in force, during the full term of the permit,
5 insurance as follows:

6 (A) General Liability Insurance with limits not less than \$500,000 each
7 occurrence Combined Single Limit Bodily Injury and Property Damage, including Contractual
8 Liability, Personal Injury, Broadform Property Damage, Products and Completed Operations
9 Coverages;

10 (B) If any vehicles will be operated by the applicant in connection with
11 street fair activities under the permit, Automobile Liability Insurance with limits not less than
12 \$500,000 each occurrence Combined Single Limit Bodily Injury and Property Damage,
13 including owned, non-owned and hired auto coverages, as applicable; and

14 (C) If the applicant has employees, Workers' Compensation with
15 Employers' Liability limits not less than \$500,000 each accident.

16 (2) General Liability and Automobile Liability Insurance policies shall be
17 endorsed to provide the following:

18 (A) Name as additional insureds the City and County of San Francisco,
19 its officers, agents, and employees; *and*

20 (B) That such policies are primary insurance to any other insurance
21 available to the Additional Insureds with respect to any claims arising out of activities under
22 the permit, and that insurance applies separately to each insured against whom claim is made
23 or suit is brought.

24 (3) Certificates of insurance, in format and with insurers satisfactory to the City
25 evidencing all applicable coverages shall be furnished to the City not less than 10 working

1 days prior to the date of the event and before commencing any operations under the permit,
2 with complete copies of policies to be furnished to the City upon request.

3 (4) The insurance requirement of this subsection (l) shall be waived by the
4 Board of Supervisors if the applicant certifies in writing that (A) the purpose of the street fair is
5 First Amendment expression and (B) the cost of obtaining insurance is so financially
6 burdensome that it would constitute an unreasonable prior restraint on the right of First
7 Amendment expression, or that it has been impossible for the applicant to obtain insurance
8 coverage.

9 (5) Notwithstanding subsection (l)(1) of this Section 6.7, an applicant seeking
10 permission for the temporary use or occupancy of a public street for an Entertainment Zone Event
11 under Administrative Code Chapter 94B shall maintain insurance coverage in a form and amount
12 satisfactory to the City, which shall not be less than the coverage required by subsection (l)(1) of this
13 Section 6.7.

14 * * * *

15 (p) Entertainment Zone Events. In addition to complying with all applicable provisions of this
16 Article 6, any person or organization seeking permission for the temporary use or occupancy of a
17 portion of a public street for an Entertainment Zone Event as defined in Administrative Code Section
18 94B.1 shall comply with all applicable provisions of Administrative Code Chapter 94B.

19
20 Section 6. Effective Date. This ordinance shall become effective 30 days after
21 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the
22 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board
23 of Supervisors overrides the Mayor's veto of the ordinance.

1 Section 7. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors
2 intends to amend only those words, phrases, paragraphs, subsections, sections, articles,
3 numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal
4 Code that are explicitly shown in this ordinance as additions, deletions, Board amendment
5 additions, and Board amendment deletions in accordance with the "Note" that appears under
6 the official title of the ordinance.

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8 APPROVED AS TO FORM:
9 DAVID CHIU, City Attorney

10 By: /s/ Victoria Wong
11 VICTORIA WONG
12 Deputy City Attorney

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City and County of San Francisco

Tails Ordinance

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 240475

Date Passed: June 25, 2024

Ordinance amending the Administrative, Police, and Transportation Codes to allow the establishment and management of Entertainment Zones in which the outdoor consumption of alcoholic beverages during designated events is allowed, subject to certain conditions; to establish insurance requirements for Entertainment Zone events; to establish an Entertainment Zone on Front Street between California Street and Sacramento Street; to allow the outdoor consumption of alcoholic beverages in areas subject to a Shared Space permit where the permit holder also holds a permit or license from the California Department of Alcoholic Beverage Control; and affirming the Planning Department's determination under the California Environmental Quality Act.

June 10, 2024 Rules Committee - RECOMMENDED

June 18, 2024 Board of Supervisors - PASSED ON FIRST READING

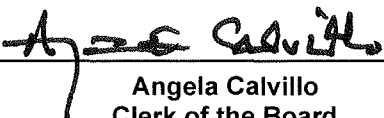
Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

June 25, 2024 Board of Supervisors - FINALLY PASSED


Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 240475


I hereby certify that the foregoing Ordinance was **FINALLY PASSED** on 6/25/2024 by the Board of Supervisors of the City and County of San Francisco.



Angela Calvillo
Clerk of the Board



London N. Breed
Mayor



Date Approved