

REVISED LEGISLATIVE DIGEST
(Amended in Committee – September 16, 2024)

[Various Codes - Greater Downtown Community Benefit District Master Permitting for Entertainment Activation Program]

Ordinance amending the Administrative Code to establish the Greater Downtown Community Benefit District Master Permitting for Entertainment Activation Program (“Greater Downtown Activation Program”) to coordinate and streamline permitting for Community Benefit District-sponsored public events taking place at certain locations in the Greater Downtown Area, and to designate Greater Downtown Activation Program locations as Entertainment Zones to allow the off-site consumption of alcoholic beverages purchased at businesses within the Entertainment Zone during events; amending the Public Works Code to establish the requirements for the Greater Downtown Activation Program; amending the Fire Code to establish a new permit type for the Greater Downtown Activation Program; affirming the Planning Department’s determination under the California Environmental Quality Act; and directing the Clerk of the Board of Supervisors to forward this ordinance to the California Building Standards Commission upon final passage

Existing Law

Existing City ordinances allow outdoor events in public spaces through various programs and permits, including the City Plaza program, Shared Spaces program, street encroachment permits issued by the Department of Public Works, road closure permits issued by the Municipal Transportation Agency, and outdoor assembly event permits issued by the Fire Department. Additionally, the Entertainment Commission regulates certain event-related activities through amplified sound, limited live performance, and entertainment permits. These permits generally cover a single event or expire within a short period of time. Drinking alcoholic beverages on streets and sidewalks is generally prohibited, except in specified areas such as outdoor seating at café tables and pursuant to certain event permits. Under existing state law, if the City designates an area as an Entertainment Zone, brick-and-mortar establishments with a license from the California Department of Alcoholic Beverage Control (“ABC”) may sell alcohol for consumption outdoors, within an Entertainment Zone. Currently there is one City-designated Entertainment Zone on Front Street. The Office of Economic and Workforce Development (“OEWD”) administers the Entertainment Zone regulations and issues a Management Plan for each Entertainment Zone event.

Amendments to Current Law

This ordinance establishes a new permit program managed by the Department of Public Works for ongoing outdoor events held by the non-profit organizations that administer Community Benefit Districts (“CBDs”) in the greater downtown area, generally encompassing downtown, a portion of South of Market (“SoMa”), and Union Square. The permits issued

under this program allow the CBDs to hold regular and ongoing outdoor events, called “Downtown Activation” events. Each CBD must commit to holding a minimum of twenty events annually at one or more specified locations within their CBD boundaries, called “Activation Locations.” Public Works may issue permits for one or more Activation Locations for periods up to five years. The ordinance creates a new Fire Department permit type specific to Downtown Activation events, which may be in place for multiple events at multiple Activation Locations, for up to five years. The ordinance establishes the fees applicable to the Public Works and Fire Department permits. The ordinance establishes that Activation Locations are eligible for Entertainment Commission amplified sound, limited live performance, and entertainment permits. The ordinance designates each Activation Location as an “Entertainment Zone,” thus allowing brick-and-mortar bars and restaurants within the Entertainment Zone to sell alcohol for patrons to consume outdoors at the Downtown Activation event. The ordinance modifies the Entertainment Zone requirements such that events held under an existing Downtown Activation permit do not also need a separate Entertainment Zone management plan issued by OEWD that would cover the same substantive requirements.

Background Information

Under state law, local governments may establish CBDs to augment public services with activities such as civic engagement events, additional security, litter removal, and graffiti abatement. The City has a total of 17 CBDs, including the four CBDs in the greater downtown area that are eligible for the Greater Downtown Activation Program.

Ordinance amendments were introduced at the September 9, 2024 Land Use and Transportation Committee meeting to decrease the required number of annual events from thirty to twenty, add Mark Lane to the Harlan Place Entertainment Zone, eliminate a proposed amendment to the definition of Limited Live Performance Locale regarding enclosed spaces, and clarify the requirements of the Transportation Code referenced in the ordinance. Ordinance amendments were introduced at the September 16, 2024 Land Use and Transportation Committee meeting to eliminate the exemption from Entertainment Commission permits that was included in prior versions of the ordinance.

n:\legana\as2024\2500009\01786620.docx