

LIQUOR LICENSE REVIEW

TO: Planning Department
AnMarie Rodgers/CTYPLN/SFGOV
Georgia Powell/CTYPLN/SFGOV@SFGOV
Fax No.: 558-6409

File: 150421

TO: Police Department
Lieutenant Dave Falzon
Inspector Nelly Gordon
Fax No.: 553-1463

DATE: April 23, 2015

This item is tentatively scheduled to be heard in four to six weeks.

PLEASE EMAIL YOUR RESPONSE BY: May 28, 2015, to Derek Evans, Clerk,
Neighborhood Services and Safety Committee.

Derek.Evans@sfgov.org - Fax No: 554-7714

Applicant Name: Adelaide and Mike Pollastro
and Business Name: Vom Fass
(900 North Point Street E205)

Applicant Address: 900 North Point Street E205
San Francisco, CA 94109
and Phone No. (206)369-7736 - Mobile
(415) 632-6188 - Store

PLANNING COMMENTS: Approval Denial

POLICE COMMENTS: Approval Denial

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO

Pacific Retail VFC1, Inc.
Dba Vom Fass Oils Vinegars Spices
Ghirardelli Square – Plaza Level
900 North Point Street E205
San Francisco, CA 94109

2015 APR 23 AM 11:27

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April 23, 2015

Clerk, Board of Supervisors
1 Dr. Carlton B. Goodlett Place, City Hall, Room 244
San Francisco, CA 94102

Dear Board of Supervisors,

We respectfully request your support in obtaining a double transfer of Liquor License #21-57621 from Herbert Fong and James Kui Louie (both deceased) with the license address 736 Divisadero to Pacific Retail VFC1, Inc. (dba Vom Fass Oils Vinegars Spirits) at Ghirardelli Square, 900 North Point Street E205, San Francisco, CA 94109.

We have the Type 21 license in escrow with Capital Trust Escrow 280 S. Beverly Drive, Beverly Hills, CA 90212. We have paid all applicable fees for the transfer and all funds for purchase of the license are in escrow. The widows selling the license are in need of funds and did not even have funds to pay the renewal. We had to pay the renewal fee out of our pocket as the license was already in penalty.

Currently we are doing business as Vom Fass Oils Vinegars Spices. We are seeking to add wine and spirits to our product line with the new dba Vom Fass Oils Vinegars Spirits. We have submitted the request for the new dba with the County Clerk, paid all fees and published the public notice as required. We are in the publication period now.

The business is owned and operated by me, Michael j. Pollastro, and my wife Alaide (Adelaide) Batista Pollastro. We have been in business since August of 2013. Our hours of operation are Sunday through Thursday 10 AM until 7 pm during off-season and 10 AM until 9 PM Fridays and Saturdays year round as well as Mondays through Thursdays during peak season. We stay open a little later during events and if the Square is unusually busy. The hours will remain the same when we add spirits and wine.

We have the exclusive right to market Vom Fass products in San Francisco and Santa Clara Counties. We currently offer Vom Fass [translates as 'from the cask' in German] oils, vinegars, and spices. As a core aspect of the business model, sampling from the cask is paramount. Vom Fass has a full line of Spirits, which we do not currently carry, primarily, because capital costs to purchase both the Type 47 license for on sale tasting and Type 21 licenses for off sale are too high to be profitable for a store of our size (800 square feet).

However, our brand has such enthusiasm for our location in Ghirardelli Square they have allowed special dispensation for us by relaxing their tasting rules such that we can add Vom Fass Spirits while

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remaining in accordance with state law. With our Type 21 license and some modest reconfiguration of our store, which the ABC has reviewed, we will be able to accommodate instructional tastings using a Type 86 license. We plan to offer regularly scheduled instructional tastings of our fine Spirits along with our oils and vinegars. This creates a unique gourmet tasting experience like no other.

We believe that there is "public convenience necessity" because many patrons, both local and tourists are excited to see our well established and reputable Vom Fass brand in our location only to be disappointed that we do not have the Vom Fass line of Spirits. Adding Spirits and wine will enhance our unique tasting experience in Ghirardelli Square and delight people who know the Vom Fass world-wide reputation for quality. Fortunately, at present my wife and my staff work hard to ensure our patrons leave happy, but not without some difficulty and much disappointment due to our lack of Spirits. Some of the most inviting and memorable products are the Spirits that our patrons have enjoyed internationally. The addition of the spirits will benefit our location and add to city tax revenue."

With Ghirardelli Square under new ownership/management and in a state of continued renovation, daily traffic has been affected. Not only will this help us be true to our brand by offering the entire Vom Fass line, the additional revenue from spirits and wine will ensure our success. It should also increase our employment and allow our staff to earn higher wages since they are on a daily sales driven bonus plan.

The management at Ghirardelli Square fully supports this upgrade to our store because Vom Fass is a respected worldwide brand that enhances the Square's attraction for tourists and adds to the revitalization of Ghirardelli Square so that locals can also enjoy it. Adding spirits will help increase tourist traffic for the Square and also bring in locals for our one-of-a kind product that we believe San Franciscans will appreciate. The quality of our Spirits is both exquisite and unique. They are a true value for their price, though they are not inexpensive.

This upgrade to our store will have no negative impact in the community as it is inside Ghirardelli Square at the Plaza level and does not face the street. Thus it will enhance the experience of those visiting the Square without affecting the neighbors. San Francisco City Planning has reviewed our project and because we are in C2 zoning with 2 other alcohol based business we do not need a conditional use permit. We have also had a preliminary site inspection by San Francisco Police Officer Duarte and the required ABC site inspection was completed by Mr. Risel Melodias this week. We estimate that Spirits will increase our taxable sales by 500% or more since most of our current sales are not taxable because they are classified as food products. The added tax revenue for the city will come primarily from tourists.

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Being able to better accommodate tourists, who know the Vom Fass product from its European following, will not only increase the local community's tax base but will subsidize access to products not available elsewhere in San Francisco. We will not be competing with local package stores as we will sell primarily Vom Fass products plus a few other unique and exquisite brands targeted at tourists and upscale patrons of the Fairmont Hotel next door to us. These brands are not usually stocked by corner package stores. For example we plan to handle a few of the best tequilas and our wines will be mostly **organic** wines primarily from the local regions such as Sonoma and Napa. We, unlike any other Vom Fass stores world-wide, carry local California olive oil and we are committed to supporting the local economy while also catering to the European tastes of San Franciscans. Only open for 19 months we are already contributors to the SF Food Bank and the Aquatic Park Senior Center. We believe we can do more to support our community if we have can achieve improved profitability from sales of spirits and wine.

Respectfully,



Adelaide and Mike Pollastro

Vom Fass

415-404-6980 STORE

206-369-7736 Mobile XXX Best NRR To CALL

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SAN FRANCISCO

Pacific Retail VFC1, Inc.
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Respectfully,

Adelaide and Mike Pollastro
Vom Fass

206 - 369 - 7736

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

Pacific Retail VFC 1, Inc.

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

900 N Point St E205, San Francisco CA 94109-1192

3. LICENSE TYPE

21

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 | |

Other - describe: **Specialty retail selling high quality food & beverages with oils, vinegars, spices, spirits**

5. COUNTY POPULATION

4,143/836,620

6. TOTAL NUMBER OF LICENSES IN COUNTY

955

On-Sale Off-Sale

7. RATIO OF LICENSES TO POPULATION IN COUNTY

1 2500

On-Sale Off-Sale

8. CENSUS TRACT NUMBER

102

9. NO. OF LICENSES ALLOWED IN CENSUS TRACT

4

On-Sale Off-Sale

10. NO. OF LICENSES EXISTING IN CENSUS TRACT

4

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

106

14. TOTAL NUMBER OF REPORTING DISTRICTS

653

15. TOTAL NUMBER OF OFFENSES IN ALL REPORTING DISTRICTS

53,948

16. AVERAGE NO. OF OFFENSES PER DISTRICT

83

17. 120% OF AVERAGE NUMBER OF OFFENSES

99

18. TOTAL NUMBER OF OFFENSES IN REPORTING DISTRICT

149

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)

JM4.13.2015