LIQUOR LICENSE REVIEW

TO: **Planning Department** File: 171244 GOV DV@SFGOV FECTIVED Block/lot: 0612/020 DEC 12 2017 DEC 12 2017 Quad:NW Record #2017-01587 AnMarie Rodgers/CTYPLN/SFGOV Georgia Powell/CTYPLN/SFGOV@SFGOV Fax No.: (415) 558-6409 TO: Police Department Inspector Nelly Gordon Phone: (415) 837-7273 DATE: December 12, 2017 MIS Please submit your response in four to six weeks for the matter to be heard. PLEASE EMAIL YOUR RESPONSE BY: January 23, 2018, to John Carroll, Public Safety and Neighborhood Services Committee Clerk. john.carroll@sfgov.org - Fax No: 554-5163 **Applicant Name:** Verve Holdings, LLC **Business Name:** Verve **Application Address:** 2358 Fillmore Street San Francisco, CA 94115 and contact info: Contact: Richard D. Warren 510-528-4423 PLANNING COMMENTS: Approval in Denial Type-21 ABC license permitted in Upper Fillmore NCD per P.C. Motion No. 20071. Must comply with all conditions of NSR#2018K 5-68978 Devid Weissglass (415)575-9177 Devid Weissglass (415)575-9177 POLICE COMMENTS: Approval Denial

Richard D. Warren Attorney at Law

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BY FEDEX

December 11, 2107

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

Re: Verve Holdings CA, LLC Dba Verve 2358 Fillmore Street (near Washington St) San Francisco, CA 94115 ABC File No. 21-579994 (pending) Application for Public Convenience and Necessity (PCN) Determination for Off Sale General Alcohol Beverage License

Dear Clerk and Honorable Supervisors

On behalf of Verve Holdings CA, LLC ("Verve"), I am applying for a Public Convenience and Necessity (PCN) determination by the Board of Supervisors for an Off Sale General Alcohol business to operate at 2358 Fillmore Street, near Washington Street. The proprietors of Verve are a veteran wine importer/retailer and a master sommelier.

Verve's application to the California Department of Alcoholic Beverage Control (ABC) for the transfer of the Type 21 Off Sale General ABC license is pending as ABC File No. 579994, and has been approved by San Francisco Police Department subject to conditions accepted by Verve (copy attached). The ABC has also approved Verve's application subject to obtaining a Conditional Use Authorization (CUA) from the Planning Commission and the PCN determination from this Board. The CUA application was approved unanimously by the Planning Commission on December 7, 2017.

Verve will also be applying this week for a Type 86 Instructional Tasting License from the ABC, but a Type 86 license does not require a PCN.

The ABC license is being transferred from 395 Geary Blvd., San Francisco, CA 94102.

Verve's permitted hours of operation will be 9:00 a.m. to 11:00 p.m. Verve will normally be open from 10:00 a.m. to 8:00 p.m., but it plans to provide instructional tastings to be offered in the evenings to accommodate its patrons, and those events may extend later than 8:00 p.m.

Hon. Board of Supervisors December 11, 2107 Page 2

VERVE WILL SERVE THE NEIGHBORHOOD AND THE CITY

Verve will provide the neighborhood and City with expertly selected beer, wines and spirits through this retail store and its online platform. The distinctive wines and spirits to be offered may be found at <u>www.vervewines.com</u>.

Verve is a liquor store founded by Master Sommelier Dustin Wilson and wine merchant Derrick Mize. They opened their first store in December 2016 at 24 Hubert Street in the Tribeca neighborhood of New York. Verve's founders personally taste all products offered in stores and provide recommendations to all customers based on taste preferences. They plan to offer on-site tastings of some of their products with a Type 86 Instructional Tasting ABC license.

Verve will serve the neighborhood patrons, encouraging walk-in customers by offering delivery options. San Francisco resident employment opportunities will be provided.

Verve will serve the City by offering expertly selected wine and spirit varieties not commonly found, and by introducing San Francisco residents to wine makers and custom distillers through instructional tasting events.

I invite your questions, and request your support of Verve's ABC license application by approving a determination that Verve will provide public convenience.

Respectfully submitted, Richard DWare Dware D Warren State With Annual State D Warren State Warr

Cc: John Carroll, Public Safety and Neighborhood Committee Rosette Flores, ABC (by email only)

Attachments: ABC License Conditions CUA Staff Report Verve Press Kit Rendering of Store Display

BEFORE THE DEPARTMENT OF ALCOHOLIC BEVERAGE CONTROL OF THE STATE OF CALIFORNIA

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IN THE MATTER OF THE APPLICATION OF

VERVE HOLDINGS CA, LLC VERVE 2358 FILLMORE ST SAN FRANCISCO, CA 94115-1813 FILE 21-579994 REG.

PETITION FOR CONDITIONAL LICENSE

For Issuance of an Off-Sale General - License

Under the Alcoholic Beverage Control Act

WHEREAS, petitioner(s) has/have filed an application for the issuance of the above-referred-to license(s) for the above-mentioned premises; and,

WHEREAS, the proposed premises and/or parking lot, operated in conjunction therewith, are located within 100 feet of residences(s); and,

WHEREAS, issuance of the applied-for license without the below-described conditions would interfere with the quiet enjoyment of the property by nearby residents and constitute grounds for the denial of the application under the provisions of Rule 61.4, of Chapter 1, Title 4, of the California Code of Regulations; and,

WHEREAS, the proposed premises is within 600 feet from consideration points; and,

WHEREAS, pursuant to Section 23958 of the Business and Professions Code, the Department may deny an application for a license where issuance would result in or add to an undue concentration of licenses; and,

WHEREAS, the proposed premises are located in Census Tract #135 where there presently exists an undue concentration of licenses as defined by Section 23958.4 of the Business and Professions Code; and

WHEREAS, the proposed premises are located in a crime reporting district that has a 20% greater number of reported crimes, as defined in subdivision (c) of Section 23958.4 of the Business and Professions Code, than the average number of reported crimes as determined from all crime reporting districts within the jurisdiction of the local law enforcement agency; and,

WHEREAS, the petitioners stipulate that by reason of the aforementioned high crime and overconcentration of licenses, grounds exist for denial of the applied-for license; and,

Initials

ABC-172 (5/94)

21-579994 Page 2

WHEREAS, the San Francisco Police Department has protested the unconditional issuance of the license; and,

WHEREAS, the issuance of an unrestricted license at the applied-for location would tend to aggravate the existing law enforcement problem; and,

WHEREAS, the San Francisco Police Department withdrew its protest based upon the imposition of the belowlisted conditions; and,

WHEREAS, the issuance of an unrestricted license would be contrary to public welfare and morals;

NOW, THEREFORE, the undersigned petitioner(s) do/does hereby petition for a conditional license as follows, to-wit:

- 1 Sales of alcoholic beverages shall be permitted only between the hours of 9:00 a.m. and 11:00 p.m. each day of the week.
- 2 The petitioner(s) shall be responsible for maintaining free of litter the area adjacent to the premises over which they have control.
- 3 Loitering (loitering is defined as "to stand idly about; linger aimlessly without lawful business") is prohibited on any sidewalks or property adjacent to the licensed premises under the control of the licensee as depicted on the ABC-257 dated 03/27/2017.
- 4 Graffiti shall be removed from the premises and all parking lots under the control of the licensee within 72 hours of application. If the graffiti occurs on a Friday or weekend day, or on a holiday, the licensee shall remove the graffiti with 72 hours following the beginning of the next week day.

21-579994 Page 3

This petition for conditional license is made pursuant to the provisions of Sections 23800 through 23805 of the Business and Professions Code and will be carried forward in any transfer at the applicant-premises.

Petitioner(s) agree(s) to retain a copy of this petition on the premises at all times and will be prepared to produce it immediately upon the request of any peace officer.

The petitioner(s) understand(s) that any violation of the foregoing condition(s) shall be grounds for the suspension or revocation of the license(s).

DATED THIS	514	DAY OF_	June		, 20 <u>7</u> .
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Applicant/Petitioner

Applicant/Petitioner



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Conditional Use

HEARING DATE: DECEMBER 7, 2017

Date:	November 30, 2017			
Case No.:	2017-008461CUA			
Project Address:	2358 Fillmore Street			
Zoning:	Upper Fillmore Neighborhood Commercial District			
	40-X Height and Bulk District			
Block/Lot:	0612 / 022			
Project Sponsor:	Richard Warren			
	929 Fresno Avenue			
	Berkeley, CA 94707			
Staff Contact:	David Weissglass - (415) 575-9177			
	<u>david.weissglass@sfgov.org</u>			
Recommendation:	Approval with Conditions			

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

Fax: 415.558.6409

Planning Information: 415.558.6377

PROJECT DESCRIPTION

The project sponsor proposes to open a Liquor Store (d.b.a. "Verve") in a currently vacant retail space at the ground floor of the two-story commercial building located at 2358 Fillmore Street. The business would operate with a Type-21 ABC license (Off-sale General), selling a variety of wines and spirits to customers from the hours of 10:00 a.m. – 10:00 p.m. This will be the second "Verve" location in the world. The first store opened in December 2016 at 24 Hubert Street in the Tribeca neighborhood of New York, New York.

The operators are also seeking a Type-86 ABC license to allow on-site tastings of certain wines and spirits in the store. They plan to continue to sell their products online, which is permitted by the Department of Alcoholic Beverage Control. The project also includes interior tenant improvements and signage alterations. The existing tenant space measures approximately 810 square feet, and the size would not change as a result of the project.

SITE DESCRIPTION AND PRESENT USE

The project site is located on the southeast corner of Fillmore and Washington Streets, Block 0612, Lot 022 in Pacific Heights. The subject property is located within the Upper Fillmore Neighborhood Commercial District ("NCD") and the 40-X Height and Bulk District. The property is developed with a late 19th century two-story commercial building, with the only other ground-floor tenant being a women's clothing store (d.b.a. "Curve") adjacent to the subject tenant space. The tenant space at 2358 Fillmore Street is currently vacant; the most recent tenant of the space was "Gimme Shoes," a shoe retailer which vacated the space in early 2017.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The area surrounding the project site is mixed-use in character. A variety of commercial establishments are located within ground floor storefronts in the Upper Fillmore NCD, including restaurants, bars, apparel stores, convenience stores, and other types of retailers. Buildings in the vicinity typically range from one to three stories in height. Upper floors of buildings are generally occupied by offices or residential units. Surrounding areas are primarily zoned RH-2, and RM-1, and these areas are predominantly residential in nature.

ENVIRONMENTAL REVIEW

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

HEARING NOTIFICATION

ТҮРЕ	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	November 17, 2017	November 17, 2017	20 days
Posted Notice	20 days	November 17, 2017	November 17, 2017	20 days
Mailed Notice	20 days	November 17, 2017	November 17, 2017	20 days

The required Section 312 neighborhood notification process was conducted as part of this Project's Conditional Use Notice.

PUBLIC COMMENT/COMMUNITY OUTREACH

To date, the Department has not received any correspondence regarding this proposal.

ISSUES AND OTHER CONSIDERATIONS

- The tenant space at 2358 Fillmore Street is currently vacant; the most recent tenant of the space was "Gimme Shoes," a shoe retailer which vacated the space in early 2017.
- The property is a two-story commercial building with two retail spaces on the ground floor. The
 other retail space is a women's clothing store (d.b.a. "Curve"). The second story is occupied by
 offices.
- The establishment plans to employ approximately 5 employees, with 2-3 employees working at any given time.

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant conditional use authorization to allow the establishment of a liquor store within the Upper Fillmore NCD, pursuant to Planning Code Section 718.

BASIS FOR RECOMMENDATION

- The project promotes the operation of small businesses in Neighborhood Commercial Districts and contributes to the viability of the overall Upper Fillmore NCD.
- The project would not displace an existing retail tenant providing convenience goods and services to the neighborhood.
- The hybrid nature of the business, offering sales of wine and spirits as well as on-site tastings, will activate the Fillmore Street streetscape throughout the day and evening.
- The project meets all applicable requirements of the Planning Code.
- The project is desirable for, and compatible with the surrounding neighborhood.
- The business is not a Formula Retail use and would serve the immediate neighborhood.

RECOMMENDATION: Approval with Conditions

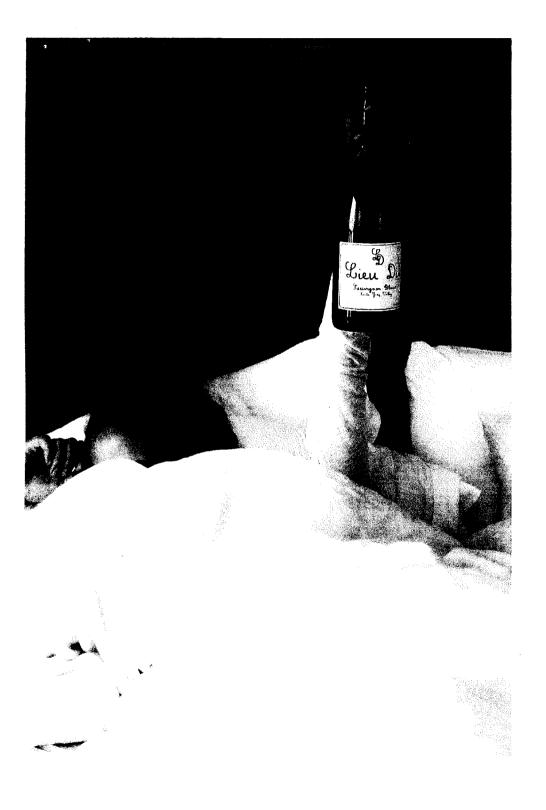
Attachments:

Block Book Map Sanborn Map Aerial Photographs ABC License Conditions Project Sponsor Submittal Plans

VerveWine

PRESS KIT 2017





ABOUT

Verve Wine is an entirely new way to buy and discover wine.

Founded by a Master Sommelier and a veteran wine merchant, Verve Wine offers a smart and streamlined winebuying experience that is perfectly tailored to your unique tastes, price point and sense of adventure. The result is exciting, thoroughly delicious bottles of wine landing on your doorstep in time for your fanciest dinner party, your laziest Sunday evening, and everything in between.

Whether you're exploring Verve Wine's elegant online platform or browsing the shelves at their charming brick and mortar location at 24 Hubert Street in Manhattan's TriBeCa neighborhood, the Verve Wine experience is transparent, friendly, informative, and perfectly curated to your wine needs and interests.

PHILOSOPHY

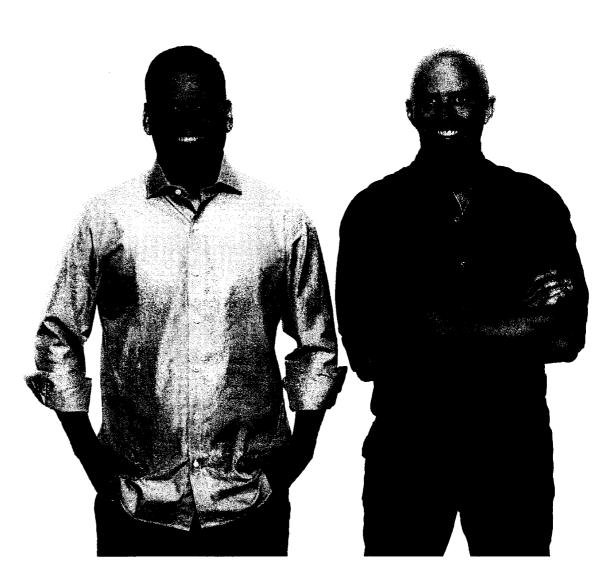
Verve Wine founders Dustin Wilson and Derrick Mize know a lot about wineand they know that there's a lot of complicated jargon that can be difficult to understand: from the vast number of grapes and regions to funky tasting notes and never-ending wine lists. So they decided to kick it off the pedestal. They founded Verve Wine to make discovering interesting wine accessible to everyone, from the casual rose drinker to the serious connoisseur.

Verve Wine believes that you shouldn't have to be an expert to find and enjoy unique, compelling wines, and that the beverages you choose to drink are just as important to consider as the food you choose to eat. The wines at Verve Wine are made by passionate people around the world who respect their land and use a hands-off, sustainable approach to farming and production. Each wine has been tasted by Dustin and Derrick, and chosen because they think it's worth getting to know. They won't sell anything they wouldn't drink themselves or recommend to their own friends or family.

The Verve Wine team believes that buying and drinking wine should be about much more than a commercial transaction; it should be an experience, an education, an opportunity for connection and—most importantly—delicious good fun.

THE TEAM

Derrick Mize and Dustin Wilson founded Verve Wine with the goal of using their extensive mutual knowledge of the wine industry—from wine importing and retail sales to wine production, hospitality, and the bottleby-bottle expertise expected of a Master Sommelier—to make the industry they love more transparent, engaging and fun for everyone involved.





DERRICK MIZE

is a veteran wine merchant with over twenty years of experience. His resume includes roles at the acclaimed Italian wine importer, Vinifera Imports, and as head wine buyer at Ristorante Paoletti in Highlands, NC. In 2002, Derrick joined Mario Batali and Joe Bastianich's NYCbased Italian Wine Merchants and later cofounded the wine retailer New York Vintners in 2006. Derrick's experience has given him a vast knowledge of European wines and an understanding of the relationships necessary to procure unique, high quality selections in today's marketplace.



DUSTIN WILSON

is a Master Sommelier based in New York City. His career spans some of the top restaurants across the US-Frasca Food & Wine in Boulder, CO; The Little Nell, in Aspen; and RN74 in San Francisco. Dustin is best known for his position as Wine Director of the 3 Michelin-starred restaurant, Eleven Madison Park. This expertise led him to have a leading role in the critically acclaimed wine documentary, SOMM, and he was later featured in the film's sequel, SOMM: Into the Bottle.

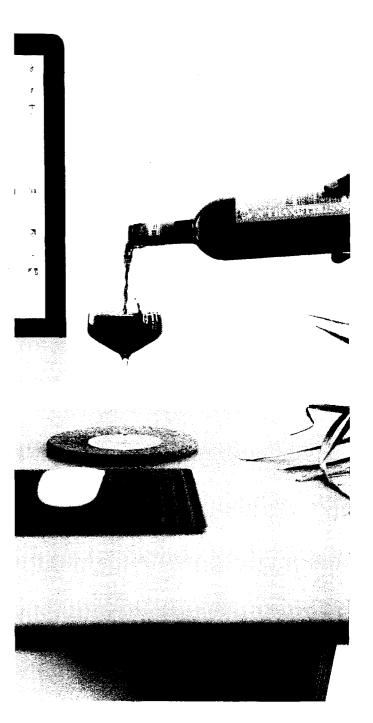
A BO UT THE PLATFORM

Verve Wine makes discovering great wine as easy as buying an outfit, booking a flight or ordering pizza online. Its seamless online platform is both elegant and approachable, designed to guide users to the perfect wine for any mood, meal, or occasion.

The site features a rotating selection of seasonal recommendations along with Wilson's favorite bottles at every price point. Users can filter their searches by flavor, grape, style or region, as well as by occasions ranging from holiday parties to home cooked dinners and movie nights in. Pairings are offered for staple foods like pizza, tacos and pasta, as well as for flavor profiles such as salty, spicy and sweet.

Every bottle at Verve Wine has a story to tell, and each wine features a detail page with clever tasting notes, fun food pairings and straightforward explanations of the bottle's origin and style. Users can track their order history to remember wines they loved, build wish lists for future purchase, and contact a sommelier with questions and requests.

In 2017 Verve Wine plans to launch a recommendation feature that will use technology to expand the reach and influence of Wilson's extensive knowledge of wine. The algorithm will suggest wines based on customers' likes, dislikes, palates and preferences -as if you were ordering from a somm at a restaurant.





24 HUBERT STREET

Verve Wine's first brick and mortar shop is located at 24 Hubert Street in Manhattan's TriBeCa neighborhood.

Like Verve Wine's online platform, the wine selection at 24 Hubert Street features a thoughtfully curated, handpicked selection of Derrick and Dustin's global greatist hits. The shop also serves as the site of a range of wine classes and events hosted by Derrick, Dustin, and the rest of the Verve Wine team.

CONNECT WITH US

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