File No. <u>180137</u>

Committee Item No. <u>2</u> Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

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\square	Draft ABC Form 522-2

Prepared by:	John Carroll	Date:	February 9, 2018
Prepared by:		Date:	

FILE NO. 180137

MOTION NO.

[Special On-Sale General Liquor License - Verifying Completion of Preapplication Meeting - 1701 Yosemite Avenue - Café Envy]

Motion verifying that Café Envy LLC, doing business as Café Envy, located at 1701 Yosemite Avenue, has completed the preapplication meeting requirement under California Business and Professions Code, Section 23826.13, for the issuance of a new, non-transferable, Type-87 neighborhood-restricted special on-sale general liquor license.

WHEREAS, California Business and Professions Code, Section 23826.13, provides for a new type of affordable, non-transferable liquor license for existing and new restaurants in seven San Francisco neighborhoods as follows: 1) Third Street in Bayview, 2) San Bruno Avenue in Portola, 3) Leland Street and Bayshore in Visitacion Valley, 4) Mission Street in the Excelsior, 5) Ocean Avenue, 6) Taraval Street in the Sunset, and 7) Noriega Street in the Sunset; and

WHEREAS, Five neighborhood-restricted special on-sale general licenses are available in these neighborhoods, to encourage neighborhood activation by reducing storefront vacancies, boost foot traffic, add to the variety of neighborhood-serving small businesses, create good jobs for residents, and provide important spaces for neighbors to meet and socialize; and

WHEREAS, The California Department of Alcoholic Beverage Control ("ABC") notified Café Envy LLC, located at 1701 Yosemite Avenue, that they were selected following a drawing, and may submit a full neighborhood-restricted special on-sale general license application; and

Supervisor Cohen BOARD OF SUPERVISORS WHEREAS, Prior to submitting such an application, an applicant must conduct a minimum of one preapplication meeting to discuss the application with neighbors and members of the community within the census tract which the premises are located; and

WHEREAS, Applicants must submit to ABC, on form ABC-522-2, signed verification by the local government body that states the applicant has completed the preapplication meeting; and

WHEREAS, Café Envy LLC, as required by Business and Professions Code, Section 23826.13, must mail notification of the preapplication meeting at least 14 calendar days before the meeting to all individuals and organizations within a 500-foot radius of the premises for which the license is to be issued; as well as any relevant neighborhood associations for the neighborhood in which the premises is located, as identified on a list maintained by the Planning Department of the City and County of San Francisco; and the Chief of Police for the San Francisco Police Department, as required; and

WHEREAS, Café Envy LLC, doing business as Café Envy, located at 1701 Yosemite Avenue has provided the Board of Supervisors supporting documents, including a copy of the applicant's preapplication meeting notice, a signed preapplication meeting proof of mailing, and meeting minutes or equivalent evidencing completion of the preapplication meeting held on February 5, 2018, at 4618 3rd Street; and

WHEREAS, These required supporting documents are on file with the Clerk of the Board of Supervisors in File No. 180137; now, therefore, be it

MOVED, That the Board of Supervisors verifies that Café Envy LLC, doing business as Café Envy, located at 1701 Yosemite Avenue has completed the preapplication meeting pursuant to California Business and Professions Code, Section 23826.13; and, be it

FURTHER MOVED, That the Clerk of the Board of Supervisors is hereby authorized to sign the ABC-522-2 on behalf of the Board of Supervisors verifying Café Envy LLC, doing

Supervisor Cohen BOARD OF SUPERVISORS

business as Café Envy, located at 1701 Yosemite Avenue has completed the preapplication meeting. Supervisor Cohen Page 3 BOARD OF SUPERVISORS



To:	Angela Calvillo, Clerk of the Board	
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From: Ben Van Houten, Office of Economic and Workforce Development

Re: Type 87 Liquor Licenses & Community Outreach Obligation

Date: November 28, 2017

In the coming weeks, a series of applicants for Type 87 liquor licenses will be requesting that the Board of Supervisors confirm that the applicants have satisfied a pre-application community outreach requirement unique to this new type of license. This memo provides background information regarding the Type 87 license and the community outreach obligation.

In 2016, the California Legislature adopted SB 1285, codified as California Business & Professions Code Section 23826.13. This legislation authorized the creation of a new type of affordable, non-transferable liquor license exclusively for restaurants located in a set of target San Francisco neighborhoods (Bayview, Excelsior, Ocean Avenue, Portola, Noriega Street, Taraval Street and Visitacion Valley).

The bill was developed to help address challenges these commercial corridors face in supporting existing restaurants and attracting new ones to vacant storefronts. Successful restaurants provide a number of benefits to neighborhoods, by reducing storefront vacancies, adding to the variety of neighborhood-serving small businesses, creating good jobs for residents, providing important spaces for neighbors to meet and socialize, and boosting foot traffic.

One barrier that hinders the success of businesses in these neighborhoods is the prohibitively high cost of a full liquor license that allows a restaurant to serve spirits in addition to beer and wine. Because state law has capped the number of full liquor licenses available in San Francisco, licenses can only be purchased from existing business owners. Due to the scarcity of available licenses, full liquor licenses are currently being sold for prices exceeding \$250,000 each.

SB 1285 authorized the California Department of Alcoholic Beverage Control ("ABC") to issue five nontransferable neighborhood-restricted licenses to new or existing restaurants located in the abovementioned target neighborhoods. These licenses are available at the state's existing application fee for a new full liquor license, currently set at \$13,800. This price is far more accessible for small business owners than the high prices on the secondary market.

Businesses interested in applying for these licenses, designated as "Type 87" liquor licenses by the ABC, were invited to submit preliminary "priority applications" from September 11-22, 2017 at the San Francisco ABC office. Because more than five businesses submitted priority applications for Type 87 licenses, the ABC conducted a public drawing on October 12, 2017 to establish the order in which it would begin inviting applicants to submit formal applications for Type 87 licenses.

Beginning on October 12, the first five applicants drawn were invited to complete the required preapplication process and submit a full liquor license application within 90 days. If one of those five businesses chooses to withdraw their application or is otherwise unable to qualify for a license, the ABC will invite the next business on the drawing list to submit a full application, and will continue this process until five licenses have been issued.

Prior to submitting a full application for a Type 87 license, a prospective applicant must hold at least one pre-application community meeting to discuss the application with neighbors and members of the community in which the premises are located. At least 14 calendar days before the community meeting is set to occur, the applicant must mail written notice of the meeting to every resident within a 500-foot radius of the premises, to neighborhood associations identified by the Planning Department, and to the Chief of Police.

Following the completion of the community meeting, the applicant must secure, on ABC Form 522-2, signed verification from the San Francisco Board of Supervisors that the applicant has completed the required community outreach. Each resolution to confirm that an applicant has satisfied the outreach obligation will be heard in the Board's Public Safety and Neighborhood Services Committee. An applicant will be expected to provide the following items in order to demonstrate satisfaction of the community outreach obligation: a copy of the applicant's pre-application meeting notice, a signed document offering proof of mailing, and meeting minutes or equivalent materials evidencing completion of the meeting.

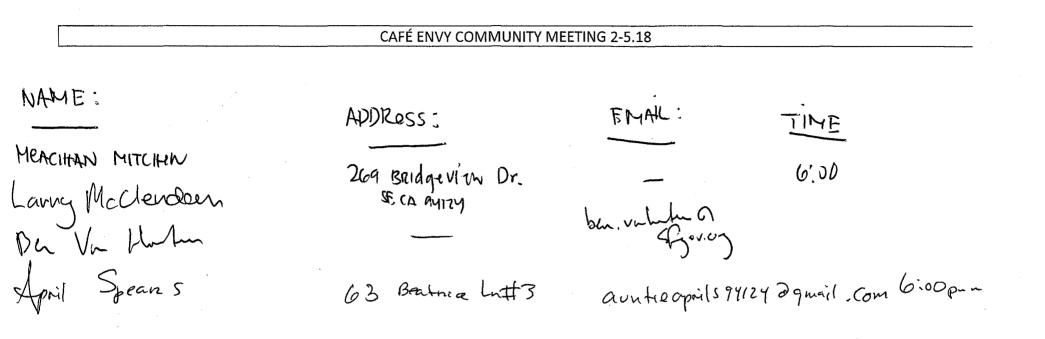
The signed Form 522-2 must be submitted to ABC at the time the applicant submits their full application for a Type 87 license in order for that application to be deemed complete by the ABC. Following the submission of a complete application, ABC staff will undertake the standard review process that applies to any new liquor license application, including, among other requirements, referring the application to the San Francisco Planning Department and San Francisco Police Department for their review.

Café Envy Community Meeting Recap

On Monday, February 5th from 6pm-7pm a community meeting took place at Auntie Aprils Chicken, Waffles & Soulfood (4618 3rd Street) to discuss the overall plan for Cafe Envy. Four attendees were present including April Spears, Meaghan Mitchell, Larry McClendon and Ben Van Houten.

On February 6th at 3pm, April Spears spoke with SFPD's Lieutenant Nelly Gordon to discuss the business plan for Cafe Envy, as she was not able to attend the community meeting on February 5th.

There is also ongoing community outreach with the Merchants of Butchertown and EDOT.



Proof of Mailing of Notice Regarding Type 87 Liquor License Pre-Application Meeting

Please complete this form, attach the original notice of your pre-application meeting regarding your intention to apply for a Type 87 liquor license, and submit to the Clerk of the San Francisco Board of Supervisors.

Applicant(s) Name(s):	envy	
Address of Premises to be Licensed:	1701	Yosemite

I, <u>April</u> <u>Speare</u>, mailed the attached notice of my preapplication meeting regarding my intention to apply for a Type 87 liquor license to each resident of real property within a 500-foot radius of the above-listed premises, as well as to neighborhood associations and the Chief of Police, by depositing the sealed items with the United States Postal Service (USPS) with the postage fully prepaid as follows:

Date:	Jan 22, 2018
Time:	<u>6:00 p.m.</u>
USPS Location:	1300 Evans St SF (A 94/2)
Signature:	Add

Auntie April's Chicken and Waffles 4618 3rd Street Tel 415-643-4983 Auntieaprils94124@gmail.com Auniteaprilsf.com



Chicken, Waffles, & Soul Food

January 15th, 2017

Re: Community Meeting About Cafe Envy

Dear Fellow Community Member of the Bayview,

If you haven't already heard Cafe Envy is scheduled to debut in the Bayview this Spring. This new venture is a passion project from Chef April Spears of Auntie April's Chicken, Waffles and Soulfood who is working alongside her community partner Meaghan Mitchell.

The new restaurant will be located at 1701 Yosemite Ave and will feature a light and healthy inspired fare. Cafe Envy will also feature cafe-style tables, full bar seating, and areas for customers to plug in and use their laptops. Our goal is to create more of a cozy "living room style" atmosphere, couches along with a coffee table topped with magazines, board games and books will also be available.

Our hope is to add to the growing nightlife of the community by hosting events in the evening like art shows and live music performances. We are also looking at the possibility of having outdoor seating.

We value your feedback as a member of the community and hopefully a future customer, but want to start by ensuring we are good neighbors. To that end, we would like to invite you to a community meeting where we will discuss the concept of Cafe Envy and our application for a neighborhood restricted "special on-sale use" general liquor license.

The details are as follows:

Community Meeting: Date: Monday February 5th 2018 Time: 6pm-7:30pm Location: Auntie April's Chicken, Waffles & Soulfood 4618 Third Street San Francisco, CA 94124

We hope you will join us and look forward to serving you at the future Cafe Envy.

Warmest Regards

ORIGINAL NEIGHBORHOOD-RESTRICTED SPECIAL ON-SALE GENERAL LICENSE PUBLIC MEETING REQUIREMENT VERIFICATION

Envy Name of Applicant: yosemite tue SF. CA 94124 Address of applied-for premises:

Pursuant to Section 23826.13 of the California Business and Professions Code, the San Francisco Board of Supervisors hereby verifies that the above applicant for an original neighborhoodrestricted special on-sale general license (Type 87) has completed the public meeting requirements as prescribed by the statute.

Signature of Board of Supervisors Representative

ABC-522-2 (8/17)

Print Form		
Introduction Form	-0.5 0 57 Str. 5 Vino 1	
By a Member of the Board of Supervisors or Mayor	2010 FER - 6 PM 2: 01	
I hereby submit the following item for introduction (select only one):	Time stamp or meeting date <u>AK</u>	
✓ 1. For reference to Committee. (An Ordinance, Resolution, Motion or Charter Amendment	t).	
2. Request for next printed agenda Without Reference to Committee.		
3. Request for hearing on a subject matter at Committee.		
4. Request for letter beginning :"Supervisor	inquiries"	
5. City Attorney Request.		
6. Call File No. from Committee.		
7. Budget Analyst request (attached written motion).	2.	
8. Substitute Legislation File No.		
9. Reactivate File No.		
10. Question(s) submitted for Mayoral Appearance before the BOS on		
Please check the appropriate boxes. The proposed legislation should be forwarded to the following Small Business Commission	ommission	
Note: For the Imperative Agenda (a resolution not on the printed agenda), use the Impera	ative Form.	
Sponsor(s):		
Sup. Malia Cohen		
Subject:		
Special On-Sale General Liquor License - Verifying Completion of Preapplication Meeting -	1701 Yosemite Avenue	
The text is listed:		
Motion verifying that Café Envy LLC, doing business as Café Envy, located at 1701 Yosemite completed the preapplication meeting requirement for the issuance of a new, non-transferable, neighborhood-restricted special on-sale general liquor license.		
Signature of Sponsoring Supervisor:	(the	
For Clerk's Use Only		