
Legislative Review: BOS File #240407 Tenderloin Retail Hours Restriction Pilot Program
Sponsor: Mayor
Date Introduced: 4/23/24
Scheduled for BOS Committee: Land Use and Transportation Committee

Legislative Overview: This legislation would establish restricted operating hours for certain retail establishments within a specified boundary in the Tenderloin with the intended outcome of reducing health and safety risks associated with drug use and sales that take place during early morning hours in close proximity to certain businesses.

Amendments to Current Law

Currently, retail establishments in Downtown Commercial Districts (C-3) and Residential Commercial High Density Districts (RC-4) do not have general non-residential hours of operation limitations. This legislation would add restrictions to hours of operation for certain retail establishments within the pilot program boundaries.

This legislation would create a two-year pilot program within an area bounded north by O'Farrell Street, to the south by McAllister Street, to the east by Jones Street, and to the west by Polk Street, including both sides of the boundary streets. Retail establishments within this area that sell prepackaged food or produce or tobacco products would not be able to operate between 12:00 a.m. and 5:00 a.m. The pilot program would be enforced by the Department of Public Health (DPH) and the San Francisco Police Department (SFPD). Violations would be enforced on a per-hour basis and fines can go up to \$1,000 per hour of violation.

Background, Issues, and Considerations

Who benefits from or will be burdened by your proposal (geographically, ethnically, linguistically)?
What are your strategies for advancing racial equity or mitigating unintended consequences?

- The Tenderloin has the City's highest rate of drug-related crime. Requiring businesses to close during early morning hours will limit food and tobacco availability, as well as blighted public gathering areas, which SFPD has found to be associated with drug sales. A reduction in drug sales will benefit neighborhood residents, many of whom are low and middle income families, including families with children. 2019 Amercian Community Survey data found that 42% of Tenderloin residents are foreign born, and 97% are renters. 29% of residents are Asian, 24% are Latino, 9% are African American, and 32% are White.

What was the development process of this proposal? Whose input have you sought out? What feedback did you hear and did you incorporate it into this proposal? If not, why not?

- City staff conducted door to door outreach to all businesses in the pilot area to discuss potential impacts of this proposal, as well as the reasoning and desired outcome for the pilot program. The majority of businesses expressed support for restricting hours in order to curtail early morning drug activity, while some retail establishments were concerned about decreases in sales as a result.
- The boundaries and the restricted hours established in this pilot program were based on SFPD observations and incident reports of drug use and associated crimes.

Is this proposal punitive or enforcement based? What are the other alternatives for proactive compliance?

- This proposal is punitive and enforcement based. It is a two-year pilot to determine the program's effectiveness and whether there are alternative solutions to address drug-related crimes in the area.

Given the diversity of San Francisco, how would this policy play out in different cultural settings? How does it accommodate cultural norms?

- This pilot program applies to all specified retail establishments within the program boundaries.