



SAN FRANCISCO PLANNING DEPARTMENT

Executive Summary Conditional Use

HEARING DATE: FEBRUARY 25TH, 2010

Date: February 18th, 2010
Case No.: **2009.0996C**
Project Address: **1784 UNION STREET**
Zoning: Union Street NCD (Neighborhood Commercial District)
40-X Height and Bulk District
Block/Lot: 0529/013
Project Sponsor: Jeff Jordan
303 Columbus Avenue
San Francisco, CA 94133
Staff Contact: Sharon Lai – (415) 575-9087
sharon.w.lai@sfgov.org
Recommendation: **Approval with Conditions**

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PROJECT DESCRIPTION

The project proposes to replace a vacant commercial space, last occupied by a retail antique store, dba "A Taste of Asia," with a new full-service restaurant, dba "Giordano Bros." The subject ground floor commercial space has been vacant since 2005. The commercial space is approximately 1140 square feet, and will provide approximately 26 indoor dining seats. The project proposes to occupy approximately 272 square feet in the rear yard to provide 14 outdoor patio seats. The proposal also includes an entertainment use proposed as amplified live music indoors. Other improvements include interior changes and window and door modifications, within the existing building footprint. The Sponsor also proposes to seek a type 41 (beer and wine) license for the subject establishment.

The full-service restaurant proposes to serve sandwiches mainly for lunch, dinner, late evening and weekend brunch service. The hours of operation will be between 11:30am to 10:00pm on Monday and Tuesdays; 11:30a.m. to 12:00am on Wednesday and Thursday; 11:30am to 1:30 am on Friday; 9:30am to 1:30am on Saturday; and 9:30am to 10:00pm on Sunday. The rear outdoor patio will operate from 11:30am to 9:00pm on weekdays and from 9:30am to 9:00pm on weekends. The full-service restaurant would be staffed by two to four employees at all times, which would result in a total of 7 full-time and 7-part time employment opportunities.

The proposed establishment, "Giordano Bros.," is a locally-owned business with one existing full-service restaurant located at 303 Columbus Avenue, within the North Beach NCD. The Police Department's Central Station verified that no complaints were found within the last year in association with that establishment. The subject location proposes to operate similarly to the North Beach neighborhood, 303 Columbus Street, full-service restaurant location. The North Beach location currently operates from 11:30am to 11:00pm on Sunday to Thursday and 11:30am to 1:30pm on Friday and Saturday. The existing

operation is a hybrid of a full-service and self-service restaurant in that customers order and pay at the counter prior to receiving food service.

SITE DESCRIPTION AND PRESENT USE

The proposed project is located at 1784 Union Street, on the north side of Union Street, between Octavia and Gough Streets, Block 0529, Lot 013. The property is located within the Union Street NCD (Neighborhood Commercial District) and a40-X height and bulk district. The property is developed with a commercial ground floor and two residential units above within the three-story mixed-use building. The subject building is located on a mid-block lot measuring 25-feet wide by approximately 85-feet deep. The subject building occupies approximately 72% of the lot and maintains approximately 500 square feet of the lot as open space. The subject commercial space has been vacant since 2005, and was last occupied by a retail antique store, dba "A Taste of Asia."

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The Project site is located in the Union Street Neighborhood Commercial District. The subject site is located on a block face occupied mostly by retail and personal services establishment. The opposite block face is mainly occupied by retail establishments; one full-service restaurant, "d.b.a. Trattoria Pizzeria"; and three vacant commercial storefronts. To the rear of the subject site, properties are zoned RH-3 (residential, house, three units).

The Union Street Neighborhood Commercial District is located in northern San Francisco between the Marina and Pacific Heights neighborhoods. The district lies along Union Street between Van Ness Avenue and Steiner, including an arm extending north on Fillmore Street to Lombard. The shopping area provides limited convenience goods for the residents of sections of the Cow Hollow, Golden Gate Valley, and Pacific Heights neighborhoods immediately surrounding the street. Important aspects of Union Street's business activity are eating and drinking establishments and specialty shops whose clientele comes from a wide trade area. There are also a significant number of professional, realty, and business offices. Many restaurants and bars are open into the evening hours, and on weekends the street's clothing, antique stores and galleries do a vigorous business.

The Union Street District controls are designed to provide sufficient growth opportunities for commercial development that is in keeping with the existing scale and character, promote continuous retail frontage, and protect adjacent residential livability. Small-scale buildings and neighborhood-serving uses are promoted, and rear yards above the ground story and at all residential levels are protected. Most commercial development is permitted at the first two stories of new buildings, while retail service uses are monitored at the third story and above. Controls are necessary to preserve the remaining convenience businesses and to reduce the cumulative impacts which the growth of certain uses have on neighborhood residents. Such controls prohibit additional drinking establishments and limit additional eating establishments, entertainment, and financial service uses. Most automobile and drive-up uses are prohibited in order to maintain continuous retail frontage and minimize further traffic congestion.

Housing development in new buildings is encouraged above the second story. Existing residential units are protected by limitations on demolitions and upper-story conversions.

ENVIRONMENTAL REVIEW

The Conditional Use Application was determined by the San Francisco Planning Department to be exempt from environmental review pursuant to Title 14, Class 1(a) of Category 15301 (Existing Facilities) of the California Administrative Code.

HEARING NOTIFICATION

TYPE	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Classified News Ad	20 days	February 5, 2010	February 25, 2010	20 days
Posted Notice	20 days	February 5, 2010	February 25, 2010	20 days
Mailed Notice	20 days	February 5, 2010	February 25, 2010	20 days

PUBLIC COMMENT

- The Department has received 58 letters (54 from residents; and 4 from merchants), a petition with 73 signatures (55 from residents; and 18 from merchants), and two phone calls in opposition to this project, some of the comments and signature are overlapped by the same constituents; and 18 letters and a petition with 1,116 signatures in support. Staff received the majority of the public comment late Wednesday evening, on February 17, 2010. Due to the sheer volume of submitted comments that are mostly template letters with similar concerns, and the difficulty in replicating some of the photo documentations, staff has provided a summary of the comments below. Please note that copies can be made available to the Commission and a copy will also be brought to the hearing for your review.
- Concerns raised by residents and merchants include:
 - The existing “Giordano Bros.” location in North Beach has been commonly noted as a loud “sports bar” that is marketed to sports fans. The Union Street location will likely operate as a bar instead of a full-service restaurant.
 - Neighborhood Character. The addition of a “sports bar” is out of character with the existing neighborhood and will not be neighborhood serving to all residents.
 - There are existing restaurants and bars within the NCD and an additional one at the subject location is undesired.
 - The potential noise generated from truck loading and from patrons in the outdoor dining area, as well as proposed live music will significantly impact the quality of life for nearby residents, some of which have bedrooms facing the proposed outdoor seating. This would be a violation of the “Warranty of Quiet Possession, California Civil Code Section 1927,” and destroy the existing quiet condition of the block.
 - The subject property has historically been a retail use and the block has not had a late night establishment with outdoor activity facing towards the mid-block open space.
 - Negative experience with establishments serving alcohol in the past, where patrons of those establishments have become intoxicated and belligerent, which poses security concerns for properties and impacts the quality of life negatively.
 - The current vacant storefronts may be repopulated with other bar uses in the future, creating an overabundance of night time establishments that will disrupt the neighboring residents.

- The proposal will negatively impact property values, push out families and quality tenants.
- Lack of outreach conducted by Sponsors.
- A copy of a letter from the Union Street Association addressed to the Department of Alcoholic Beverage Control, in opposition to the beer and wine license was also submitted.
- Support letters were sent from residents, merchants, associations from the subject neighborhood as well as from other neighborhoods. Comments in support include:
 - The proposal will increase the mix of retail and restaurant goods and services for the neighborhood.
 - The existing “Giordano Bros.”, located in north beach, 303 Columbus, is a successful business, a good merchant and neighbor to the district.
 - There is a need for vibrant businesses that can bring foot traffic to the NCD.
 - There is a need to fill current vacancies.

ISSUES AND OTHER CONSIDERATIONS

- The proposed operation will likely consist of two to four employees at any one time and the following hours of operation: 11:30am to 10:00pm on Monday and Tuesdays; 11:30a.m. to 12:00am on Wednesday and Thursday; 11:30am to 1:30 am on Friday; 9:30am to 1:30am on Saturday; and 9:30am to 10:00pm on Sunday. The rear outdoor patio will operate from 11:30am to 9:00pm on weekdays and from 9:30am to 9:00pm on weekends. The subject site is well served by public transit so that potential customers should not adversely affect the traffic flow.
- There are concerns with the potential creation of added noise to the neighborhood due to the proposed rear outdoor dining and the indoor live music entertainment. To further mitigate noise impacts to the adjacent neighbors, condition #10 further restricts the hours as follows: indoor food service to end prior to midnight Sunday through Thursday, and to end prior to 1:30am on Friday and Saturday; outdoor food service to end prior to 8pm Sunday through Thursday, and to end prior to 9pm on Friday and Saturday; and all outdoor activities must terminate by 9pm Sunday through Thursday, and must terminate by 10pm on Friday and Saturday. Additionally, the sponsor proposes to increase the sound-proofing in the wall insulation and is the noise concerns are further addressed in condition 12 of Exhibit A as well as the Building Code.
- The existing Giordano Bros. location in North Beach as a hybrid of a full-service and self-service restaurant where customers order and pay at the counter prior to receiving food service. However, past department action has allowed similar hybrids to be categorized as full-service restaurants. The proposed establishment will have non-disposable utensils and plates and servers will bring food to the customers.
- The Commerce and Industry Element of the General Plan contains Guidelines for Specific Uses. For eating and drinking establishments, the Guidelines state, “the balance of commercial uses may be threatened when eating and drinking establishments occupy more than 20% of the total occupied commercial frontage.” Planning staff has performed a site survey of the Union Street

NCD and found a 12% concentration of eating and drinking establishments in the district including the proposed establishment.

- Currently, there is not a proposed sign program for this establishment on file with the Planning Department. Any proposed signage will be subject to the review and approval of the Planning Department.
- The proposed use is an independent use and locally owned. This is not a Formula Retail use and would serve the immediate neighborhood. The proposal requires a Section 312-neighborhood notification, which was conducted in conjunction with the conditional use authorization process.
- **AFTER A LARGE NUMBER OF OPPOSITION LETTERS WERE RECEIVED BY THE DEPARTMENT LATE WEDNESDAY EVENING, FEBRUARY 17TH, 2010, STAFF DISCUSSED CONTINUING THE HEARING IN ORDER TO PROVIDE THE SPONSOR MORE TIME TO WORK WITH AFFECTED NEIGHBORS. HOWEVER, THE SPONSOR WAS NOT INCLINED TO DO SO, AND BELIEVES THAT SUFFICIENT OUTREACH HAS BEEN CONDUCTED WITH THE NEIGHBORHOOD. WHILE THE DEPARTMENT IS STILL IN SUPPORT OF THE PROJECT, STAFF BELIEVES THAT FURTHER NEIGHBORHOOD OUTREACH WOULD BE APPROPRIATE.**

REQUIRED COMMISSION ACTION

In order for the project to proceed, the Commission must grant Conditional Use authorization to allow for a full-service restaurant with outdoor dining and indoor entertainment in the form of amplified live-music in the Union Street NCD.

BASIS FOR RECOMMENDATION

The Department believes this project is necessary and/or desirable under Section 303 of the Planning Code for the following reasons:

- The project promotes small-business ownership.
- The project is a neighborhood serving use.
- The District is well served by transit, therefore customers should not impact traffic.
- The proposed Project meets all applicable requirements of the Planning Code.
- Conditions have been attached to the Conditional Use authorization which restrict the hours of the establishment and outdoor dining area, as well as address potential noise concerns.

RECOMMENDATION:	Approval with Conditions
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Attachments:

Block Book Map
Sanborn Map
Aerial Photographs
Photographs
Reduced Plans
Business Overview

Attachment Checklist

- | | |
|--|---|
| <input checked="" type="checkbox"/> Executive Summary | <input checked="" type="checkbox"/> Project sponsor submittal |
| <input checked="" type="checkbox"/> Draft Motion | Drawings: <u>Existing Conditions</u> |
| <input checked="" type="checkbox"/> Zoning District Map | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Height & Bulk Map | Drawings: <u>Proposed Project</u> |
| <input checked="" type="checkbox"/> Parcel Map | <input checked="" type="checkbox"/> Check for legibility |
| <input checked="" type="checkbox"/> Sanborn Map | |
| <input checked="" type="checkbox"/> Aerial Photo | <input checked="" type="checkbox"/> Business Overview |
| <input checked="" type="checkbox"/> Context Photos | |
| <input checked="" type="checkbox"/> Site Photos | |
| <input checked="" type="checkbox"/> Existing North Beach Location Photos | |

Exhibits above marked with an "X" are included in this packet

Planner's Initials

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SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)

- | | |
|--|--|
| <input type="checkbox"/> Inclusionary Housing (Sec. 315) | <input type="checkbox"/> First Source Hiring (Admin. Code) |
| <input type="checkbox"/> Jobs Housing Linkage Program (Sec. 313) | <input type="checkbox"/> Child Care Requirement (Sec. 314) |
| <input type="checkbox"/> Downtown Park Fee (Sec. 139) | <input type="checkbox"/> Other |

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Planning Commission Draft Motion

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ADOPTING FINDINGS RELATING TO CONDITIONAL USE AUTHORIZATION PURSUANT TO SECTIONS 725.24, 725.42, 725.48 AND 303 OF THE PLANNING CODE TO ESTABLISH A NEW FULL-SERVICE RESTAURANT (DBA “GIORDANO BROS.”) IN THE VACANT GROUND FLOOR COMMERCIAL SPACE (LAST OCCUPIED BY A RETAIL USE); TO INCLUDE INDOOR ENTERTAINMENT SUCH AS LIVE MUSIC; AND TO ADD OUTDOOR SEATING IN THE REAR YARD, WITHIN THE UNION STREET NCD (NEIGHBORHOOD COMMERCIAL DISTRICT) AND 40-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On October 21st, 2009 Jeff Jordan (Project Sponsor) filed an application with the San Francisco Department (hereinafter “Department”) for Conditional Use Authorization under Planning Code Sections 725.24, 725.42, 725.48 and 303 to establish a full service restaurant (dba “Giordano Bros.”) with outdoor dining in the rear yard and indoor entertainment in the form of amplified live music, within the Union Street NCD (Neighborhood Commercial District) and a 40-X Height and Bulk District.

On February 25th, 2010, the Planning Commission (hereinafter “Commission”) conducted a duly noticed public hearing at a regularly scheduled meeting on Conditional Use Application No. 2009.0996C.

The Project was determined by the Department to be Categorical Exempt from the California Environmental Quality Act ("CEQA") as a Class 1a exemption under CEQA Guidelines as described in the determination contained in the Planning Department files for this project. The Commission has reviewed and concurs with said determination.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff, and other interested parties.

MOVED, that the Commission hereby authorizes the Conditional Use requested in Application No. 2009.0996C, subject to the conditions contained in "EXHIBIT A" of this motion, based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.
2. **Site Description and Present Use.** The proposed project is located at 1784 Union Street, on the north side of Union Street, between Octavia and Gough Streets, Block 0529, Lot 013. The property is located within the Union Street NCD (Neighborhood Commercial District) and a40-X height and bulk district. The property is developed with a commercial ground floor and two residential units above within the three-story mixed-use building. The subject building is located on a mid-block lot measuring 25-feet wide by approximately 85-feet deep. The subject building occupies approximately 72% of the lot and maintains approximately 500 square feet of the lot as open space. The subject commercial space has been vacant since 2005, and was last occupied by a retail antique store, dba "A Taste of Asia."
3. **Surrounding Properties and Neighborhood.** The Project site is located in the Union Street Neighborhood Commercial District. The subject site is located on a block face occupied mostly by retail and personal services establishment. The opposite block face is mainly occupied by retail establishments; one full-service restaurant, "d.b.a. Trattoria Pizzeria"; and three vacant commercial storefronts. To the rear of the subject site, properties are zoned RH-3 (residential, house, three units).

The Union Street Neighborhood Commercial District is located in northern San Francisco between the Marina and Pacific Heights neighborhoods. The district lies along Union Street between Van Ness Avenue and Steiner, including an arm extending north on Fillmore Street to Lombard. The shopping area provides limited convenience goods for the residents of sections of the Cow Hollow, Golden Gate Valley, and Pacific Heights neighborhoods immediately surrounding the street. Important aspects of Union Street's business activity are eating and drinking establishments and specialty shops whose

clientele comes from a wide trade area. There are also a significant number of professional, realty, and business offices. Many restaurants and bars are open into the evening hours, and on weekends the street's clothing, antique stores and galleries do a vigorous business.

The Union Street District controls are designed to provide sufficient growth opportunities for commercial development that is in keeping with the existing scale and character, promote continuous retail frontage, and protect adjacent residential livability. Small-scale buildings and neighborhood-serving uses are promoted, and rear yards above the ground story and at all residential levels are protected. Most commercial development is permitted at the first two stories of new buildings, while retail service uses are monitored at the third story and above. Controls are necessary to preserve the remaining convenience businesses and to reduce the cumulative impacts which the growth of certain uses have on neighborhood residents. Such controls prohibit additional drinking establishments and limit additional eating establishments, entertainment, and financial service uses. Most automobile and drive-up uses are prohibited in order to maintain continuous retail frontage and minimize further traffic congestion.

Housing development in new buildings is encouraged above the second story. Existing residential units are protected by limitations on demolitions and upper-story conversions.

- 4. Project Description.** The project proposes to replace a vacant commercial space, last occupied by a retail antique store, dba "A Taste of Asia," with a new full-service restaurant, dba "Giordano Bros." The subject ground floor commercial space has been vacant since 2005. The commercial space is approximately 1140 square feet, and will provide approximately 26 indoor dining seats. The project proposes to occupy approximately 272 square feet in the rear yard to provide 14 outdoor patio seats. The proposal also includes an entertainment use proposed as amplified live music indoors. Other improvements include interior changes and window and door modifications, within the existing building footprint. The Sponsor also proposes to seek a type 41 (beer and wine) license for the subject establishment.

The full-service restaurant proposes to serve sandwiches mainly for lunch, dinner, late evening and weekend brunch service. The hours of operation will be between 11:30am to 10:00pm on Monday and Tuesdays; 11:30a.m. to 12:00am on Wednesday and Thursday; 11:30am to 1:30 am on Friday; 9:30am to 1:30am on Saturday; and 9:30am to 10:00pm on Sunday. The rear outdoor patio will operate from 11:30am to 9:00pm on weekdays and from 9:30am to 9:00pm on weekends. The full-service restaurant would be staffed by two to four employees at all times, which would result in a total of 7 full-time and 7-part time employment opportunities.

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NCD. The Police Department's Central Station verified that no complaints were found within the last year in association with that establishment. The subject location proposes to operate similarly to the North Beach neighborhood, 303 Columbus Street, full-service restaurant location. The North Beach location currently operates from 11:30am to 11:00pm on Sunday to Thursday and 11:30am to 1:30pm on Friday and Saturday. The existing operation is a hybrid of a full-service and self-service restaurant in that customers order and pay at the counter prior to receiving food service.

5. **Public Comment.** The Department has received 58 letters (54 from residents; and 4 from merchants), a petition with 73 signatures (55 from residents; and 18 from merchants), and two phone calls in opposition to this project, some of the comments and signature are overlapped by the same constituents; and 18 letters and a petition with 1,116 signatures in support. Staff received the majority of the public comment late Wednesday evening, on February 17, 2010. Due to the sheer volume of submitted comments that are mostly template letters with similar concerns, and the difficulty in replicating some of the photo documentations, staff has provided a summary of the comments below. Please note that copies can be made available to the Commission and a copy will also be brought to the hearing for your review.
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 - Neighborhood Character. The addition of a "sports bar" is out of character with the existing neighborhood and will not be neighborhood serving to all residents.
 - There are existing restaurants and bars within the NCD and an additional one at the subject location is undesired.
 - The potential noise generated from truck loading and from patrons in the outdoor dining area, as well as proposed live music will significantly impact the quality of life for nearby residents, some of which have bedrooms facing the proposed outdoor seating. This would be a violation of the "Warranty of Quiet Possession, California Civil Code Section 1927," and destroy the existing quiet condition of the block.
 - The subject property has historically been a retail use and the block has not had a late night establishment with outdoor activity facing towards the mid-block open space.
 - Negative experience with establishments serving alcohol in the past, where patrons of those establishments have become intoxicated and belligerent, which poses security concerns for properties and impacts the quality of life negatively.
 - The current vacant storefronts may be repopulated with other bar uses in the future, creating an overabundance of night time establishments that will disrupt the neighboring residents.

- The proposal will negatively impact property values, push out families and quality tenants.
 - Lack of outreach conducted by Sponsors.
 - A copy of a letter from the Union Street Association addressed to the Department of Alcoholic Beverage Control, in opposition to the beer and wine license was also submitted.
 - Support letters were sent from residents, merchants, associations from the subject neighborhood as well as from other neighborhoods. Comments in support include:
 - The proposal will increase the mix of retail and restaurant goods and services for the neighborhood.
 - The existing "Giordano Bros.", located in north beach, 303 Columbus, is a successful business, a good merchant and neighbor to the district.
 - There is a need for vibrant businesses that can bring foot traffic to the NCD.
 - There is a need to fill current vacancies.
6. **Planning Code Compliance:** The Commission finds that the Project is consistent with the relevant provisions of the Planning Code in the following manner:

- A. **Full-service Restaurant Use.** Planning Code Section 725.42 states that a conditional use authorization is required to establish a full-service restaurant use on the ground floor, as defined by Planning Code Section 790.92, and with the additional control that:

the Planning Commission may approve a full-service restaurant providing on-site beer and/or wine sales (with ABC license 40, 41 or 60) if, in addition to meeting the criteria set forth in Section 303, the use (1) is located on the ground floor, and (2) the Planning Commission finds that an additional full-service restaurant would not result in a net total of more than 32 full-service restaurants in the Union Street Neighborhood Commercial District. The Planning Department shall apply Article 7 zoning controls for Union Street Full-Service Restaurants to conditional use authorizations required by Planning Code § 178, including but not limited to significant alterations, modifications, and intensifications of use.

A full-service restaurant is defined as:

a retail eating or eating and drinking use which serves food to customers primarily for consumption on the premises, and is not specifically designed to attract and accommodate high customer volumes or turnover.

It has seating and serves prepared, ready-to-eat cooked foods for consumption on the premises. Guests typically order and receive food

and beverage while seated at tables on the premises and pay for service after the meal is consumed.

It includes, but is not limited to, lunch counters, coffee shops, soda fountains and full-service dining establishments. It is distinct and separate from a small or large fast-food restaurant, as defined in Sections 790.90 and 790.91 of this Code.

It may provide on-site beer and/or wine sales for drinking on the premises (with ABC licenses 40, 41 or 60). If it serves liquor for drinking on the premises (with ABC licenses 47 or 48), or does not admit minors (with ABC licenses 42 or 61), then it shall also be considered a bar, as defined in Section 790.22 of this Code.

The Project Sponsor intends to establish a new full-service restaurant as specified in Planning Code Section 790.92 and pursuant to the 2009 Ordinance no.0008-09 that would permit 5 new full-service restaurants for a net total of no more than 32 restaurants in the Union Street Neighborhood Commercial District. The proposed Project is the second restaurant to apply under the recent legislation since it was adopted in January of 2009. There has been one additional restaurant use approved in August 13th, 2009 and the subject establishment is the second restaurant to be proposed since the adoption of the Ordinance in 2009.

- B. **Hours of Operation.** Planning Code Section 725.27 states that maintaining hours of operation from 6a.m. to 2a.m. is permitted, as defined by Planning Code Section 790.48.

The proposed hours of operation for "Giordano Bros." are between 11:30am to 10:00pm on Monday and Tuesdays; 11:30a.m. to 12:00am on Wednesday and Thursday; 11:30am to 1:30 am on Friday; 9:30am to 1:30am on Saturday; and 9:30am to 10:00pm on Sunday. The rear outdoor patio proposes to operate from 11:30am to 9:00pm on weekdays and from 9:30am to 9:00pm on weekends. The proposed hours comply with the permitted hours of operation, however, to further mitigate noise impacts to neighbors, Condition #10 in Exhibit A states that the indoor food service shall end prior to midnight Sunday through Thursday, and shall end prior to 1:30am on Friday and Saturday. Outdoor food service shall end prior to 8pm Sunday through Thursday, and shall end prior to 9pm on Friday and Saturday. All outdoor activities must terminate by 9pm Sunday through Thursday, and must terminate by 10pm on Friday and Saturday.

- C. **Parking.** Planning Section 151 of the Planning Code requires off-street parking for every 200 square-feet of occupied floor area, where the occupied floor area exceeds 5,000 square-feet.

The Subject Property contains approximately 1,140 square-feet of occupied floor area and thus does not require any off-street parking.

- D. **Street Frontage in Neighborhood Commercial Districts.** Section 145.1 of the Planning Code requires that NC Districts containing specific uses, including large fast-food restaurants, have at least ½ the total width of the new or altered structure at the commercial street frontage devoted to entrances to commercially used space, windows or display space at the pedestrian eye-level. Such windows shall use clear, un-tinted glass, except for decorative or architectural accent. Any decorative railings or decorated grille work, other than wire mesh, which is placed in front or behind such windows, shall be at least 75 percent open to perpendicular view and no more than six feet in height above grade.

The subject commercial space has approximately 17 feet of frontage on Union Street with approximately 15 feet devoted to either the restaurant entrance or storefront window space. The windows are clear and unobstructed. The project proposes to replace the existing storefront windows with operable windows.

- E. **Signage.** Currently, there is not a proposed sign program on file with the Planning Department. Any proposed signage will be subject to the review and approval of the Planning Department.
7. **Planning Code Section 303** establishes criteria for the Planning Commission to consider when reviewing applications for Conditional Use approval. On balance, the project does comply with said criteria in that:
- A. The proposed new uses and building, at the size and intensity contemplated and at the proposed location, will provide a development that is necessary or desirable, and compatible with, the neighborhood or the community.

The size of the proposed use is in keeping with other storefronts on the block face. The proposed 1,140 square foot full-service restaurant proposing to serve sandwiches would be the first restaurant within the subject block face. This use will compliment the mix of goods and services currently available in the district and contribute to the economic vitality of the neighborhood by occupying a vacant storefront.

- B. The proposed project will not be detrimental to the health, safety, convenience or general welfare of persons residing or working in the vicinity. There are no features of the project that could be detrimental to the health, safety or convenience of those residing or working the area, in that:
- i. Nature of proposed site, including its size and shape, and the proposed size, shape and arrangement of structures;

The height and bulk of the existing building will remain the same and the project will not alter the existing appearance or character of the project vicinity. The proposed window and door modifications will not affect the building envelope.

- ii. The accessibility and traffic patterns for persons and vehicles, the type and volume of such traffic, and the adequacy of proposed off-street parking and loading;

The Planning Code does not require parking or loading for a 1,140 square-foot full-service restaurant. The Project Site is well-served by public transit. Transit lines serving the site area include the Golden Gate Transit 10, 70, 72, 73, 76, 80, 93, and 101; and Muni 41, 45, 47, 49, and 90. There are on-street metered and non-metered parking spaces as well as parking garages along Union Street.

- iii. The safeguards afforded to prevent noxious or offensive emissions such as noise, glare, dust and odor;

The proposed use is subject to the standard Conditions of Approval for full-service restaurants as outlined in Exhibit A of this Motion. Conditions 12 and 13 specifically obligate the Project Sponsor to mitigate odor and noise generated by the restaurant use. The Project Sponsor has indicated the intent to provide interior sound proofing in order to mitigate any noise that would be generated from the establishment. The Project Sponsor had also indicated that the exhaust hood would be installed to limit food odor impacts on surrounding properties and is placed a minimum of 10 feet away from any property lines.

- iv. Treatment given, as appropriate, to such aspects as landscaping, screening, open spaces, parking and loading areas, service areas, lighting and signs;

The proposed full-service restaurant proposes to make interior improvements and to make exterior window and door modifications. A sign program is not proposed at the current time and the Department shall review all future lighting and signs proposed for the new business in accordance with conditions listed in Exhibit A.

- C. That the use as proposed will comply with the applicable provisions of the Planning Code and will not adversely affect the General Plan.

The Project complies with all relevant requirements and standards of the Planning Code and is consistent with objectives and policies of the General Plan as detailed below.

- D. That the use as proposed would provide development that is in conformity with the purpose of the applicable Neighborhood Commercial District.

The proposed Project is consistent with the stated purposes of the Union Street Neighborhood Commercial District in that the intended use is located at the ground floor, and will provide a compatible convenience service for the immediately surrounding neighborhoods.

- 8. **General Plan Compliance.** The Project is, on balance, consistent with the following Objectives and Policies of the General Plan:

NEIGHBORHOOD COMMERCE

Objectives and Policies

OBJECTIVE 1:

MANAGE ECONOMIC GROWTH AND CHANGE TO ENSURE ENHANCEMENT OF THE TOTAL CITY LIVING AND WORKINIG ENVIRONMENT.

Policy 1.1:

Encourage development which provides substantial net benefits and minimizes undesirable consequences. Discourage development that has substantial undesirable consequences that cannot be mitigated.

Policy 1.2:

Assure that all commercial and industrial uses meet minimum, reasonable performance standards.

Policy 1.3:

Locate commercial and industrial activities according to a generalized commercial and industrial land use plan.

The proposed development will provide desirable services to the neighborhood and will provide resident employment opportunities to those in the community. Further, the Project Site is located within a Neighborhood Commercial District and is thus consistent with activities in the commercial land use plan.

OBJECTIVE 2:

MAINTAIN AND ENHANCE A SOUND AND DIVERSE ECONOMIC BASE AND FISCAL STRUCTURE FOR THE CITY.

Policy 2.1:

Seek to retain existing commercial and industrial activity and to attract new such activity to the City.

There are currently 14 vacant storefronts within the Union Street NCD. The Project will occupy a currently vacant storefront with a neighborhood serving use, where one currently does not exist, thereby enhancing the diverse economic base of the City.

OBJECTIVE 6:

MAINTAIN AND STRENGTHEN VIABLE NEIGHBORHOOD COMMERCIAL AREAS EASILY ACCESSIBLE TO CITY RESIDENTS.

Policy 6.1:

Ensure and encourage the retention and provision of neighborhood-serving goods and services in the city's neighborhood commercial districts, while recognizing and encouraging diversity among the districts.

No commercial tenant would be displaced and the project would not prevent the district from achieving optimal diversity in the types of goods and services available in the neighborhood.

The following guidelines, in addition to others in this objective for neighborhood commercial districts, should be employed in the development of overall district zoning controls as well as in the review of individual permit applications, which require case-by-case review and City Planning Commission approval. Pertinent guidelines may be applied as conditions of approval of individual permit applications. In general, uses should be encouraged which meet the guidelines; conversely, uses should be discouraged which do not.

Policy 6.2:

Promote economically vital neighborhood commercial districts which foster small business enterprises and entrepreneurship and which are responsive to the economic and technological innovation in the marketplace and society.

An independent entrepreneur is sponsoring the proposal. The proposed use is a neighborhood serving use. This is not a Formula Retail use.

The following guidelines, in addition to others in this objective for neighborhood commercial districts, should be employed in the development of overall district zoning controls as well as in the review of individual permit applications, which require case-by-case review and City Planning Commission approval. Pertinent guidelines may be applied as conditions of approval of individual permit applications. In general, uses should be encouraged which meet the guidelines; conversely, uses should be discouraged which do not.

Eating and Drinking Establishments

Eating and drinking establishments include bars, sit-down restaurants, fast food restaurants, self-service restaurants, and take-out food. Associated uses, which can serve similar functions and create similar land use impacts, include ice cream stores, bakeries and cookie stores. Guidelines for eating and drinking establishments are needed to achieve the following purposes:

- Regulate the distribution and proliferation of eating and drinking establishments, especially in districts experiencing increased commercial activity;
 - Control nuisances associated with their proliferation;
 - Preserve storefronts for other types of local-serving businesses; and
 - Maintain a balanced mix of commercial goods and services.
- The regulation of eating and drinking establishments should consider the following:
- Balance of retail sales and services;
 - Current inventory and composition of eating and drinking establishments;

- Total occupied commercial linear frontage, relative to the total district frontage;
- Uses on surrounding properties;
- Available parking facilities, both existing and proposed;
- Existing traffic and parking congestion; and
- Potential impacts on the surrounding community.

The Commerce and Industry Element of the General Plan contains Guidelines for Specific Uses. For eating and drinking establishments, the Guidelines state, "the balance of commercial uses may be threatened when eating and drinking establishments occupy more than 20 percent of the total occupied commercial frontage." Planning staff has performed a site survey of the Union Street Neighborhood Commercial District which contains the proposed building. With the proposed restaurant use, approximately 12 percent of the frontage in the NCD would be occupied by eating and drinking establishments.

9. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:

- A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The proposal would enhance the district by providing a full-service restaurant on a block where one does not exist, and by occupying a ground floor commercial space that has been vacant since 2005. The business would be locally owned and it creates a total of 7 full-time and 7-part time employment opportunities for the community. The proposed improvements are within the existing building footprint.

- B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

No housing is proposed by the Project. The proposed alterations are within the existing building footprint.

- C. That the City's supply of affordable housing be preserved and enhanced,

No housing is removed for this Project.

- D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The Project Site is well-served by public transit. Transit lines serving the Site area include the Golden Gate Transit 10, 70, 72, 73, 76, 80, 93, and 101; and Muni 41, 45, 47, 49, and 90.

There are on-street metered and non-metered parking spaces as well parking garages along Union Street.

- E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The Project will not displace any service or industry establishment. The project will not affect industrial or service sector uses or related employment opportunities. Ownership of industrial or service sector businesses will not be affected by this project.

- F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The Project is designed and will be constructed to conform to the structural and seismic safety requirements of the City Building Code. This proposal will not impact the property's ability to withstand an earthquake.

- G. That landmarks and historic buildings be preserved.

A landmark or historic building does not occupy the Project site.

- H. That our parks and open space and their access to sunlight and vistas be protected from development.

The project will have no negative impact on existing parks and their access to sunlight and vistas. The subject lot's minimum usable open spaces requirements for the two existing dwelling units will be met. The project proposes to maintain a minimum of 200 square feet of usable open space pursuant to Planning Code Section 725.93, 135, and 136.

10. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
11. The Commission hereby finds that approval of the Conditional Use authorization would promote the health, safety and welfare of the City.

DECISION

That based upon the Record, the submissions by the Applicant, the staff of the Department and other interested parties, the oral testimony presented to this Commission at the public hearings, and all other written materials submitted by all parties, the Commission hereby **APPROVES Conditional Use Application No. 2009.0996C** subject to the following conditions attached hereto as "EXHIBIT A" in general conformance with plans filed with the Application as received on February 25, 2010 and stamped "EXHIBIT B", which is incorporated herein by reference as though fully set forth.

APPEAL AND EFFECTIVE DATE OF MOTION: Any aggrieved person may appeal this Conditional Use Authorization to the Board of Supervisors within thirty (30) days after the date of this Motion No. XXXXX. The effective date of this Motion shall be the date of this Motion if not appealed (After the 30-day period has expired) OR the date of the decision of the Board of Supervisors if appealed to the Board of Supervisors. For further information, please contact the Board of Supervisors at (415) 554-5184, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on February 25th, 2010.

Linda D. Avery
Commission Secretary

AYES:

NAYS:

ABSENT:

ADOPTED: February 25, 2010

Exhibit A

Conditions of Approval

1. **APPROVED USE**

This authorization is for a Conditional Use Authorization under Planning Code Sections 725.24, 725.42, 725.48, and 303 of the Planning Code to allow a new full-service restaurant with outdoor activity and other entertainment (d.b.a. Giordano Bros. as defined under Planning Code Section 790.92 in the Union Street Neighborhood Commercial District and a 40-X Height and Bulk District, in general conformance with plans filed with the Application as dated on October 21, 2009 and labeled "EXHIBIT B" included in the docket for **Case No. 2009.0996C**, reviewed and approved by the Commission on February 25, 2010.

2. **VALIDITY, EXPIRATION, AND EXTENSION**

This Conditional Use approval is **valid for three years** from the effective date of the Motion No. XXXX authorizing the proposed retail use and shall automatically expire on February 25, 2013. **This authorization is just an approval of the proposed use and is not a permit to implement the approved use.** This authorization and right vested by virtue of this action shall be deemed void and cancelled if a Building Permit from the Department of Building Inspection to implement the approved use has not been obtained prior to the expiration of this Conditional Use approval. The validity of Conditional Use approval may be extended at the discretion of Zoning Administrator only if the failure to issue a Building Permit by the Department of Building Inspection is delayed by the city, state, or federal agency or by appeal of the issuance of such Building Permit. However, the extension must be requested prior to the expiration of this Conditional Use approval.

3. **MAJOR AND MINOR CHANGES AND MODIFICATIONS OF CONDITIONS**

Minor changes to the approved plans may be approved administratively by the Zoning Administrator. Major changes and modifications of conditions shall be subject to review and approval by the Planning Commission requiring a new Conditional Use approval or amendment to this Conditional Use approval as determined by the Zoning Administrator. Such changes must be requested prior to the expiration of this Conditional Use approval.

4. **RECORDING OF CONDITIONS OF APPROVAL**

Prior to the issuance of a Building Permit Application for the proposed full-service restaurant, the Project Sponsor or the responsible party shall record a Notice of Special Restrictions as approved by the Zoning Administrator in the Official Records of the Recorder of City and County of San Francisco for the premises (Assessor's Block 0529, Lot 013), which notice shall state that the proposed use has been authorized by the Motion No. XXXX and is subject to the conditions of approval of this Motion.

5. **BUILDING PERMIT TO IMPLEMENT THE APPROVED PROJECT**

A Building Permit from the Department of Building Inspection must be obtained to implement the approved use **within three years** from the effective date of Motion No.

XXXX approving the proposed full-service restaurant. The Building Permit Application shall include plans in conformance with the plans on file with the Department in the docket for **2009.0996C** (labeled EXHIBIT B), reviewed and approved by the Planning Commission on date February 25, 2010 under the Motion No. XXXX. The plans are required to record the approved use of the premises even if there is no new construction or minor interior changes. The conditions of approval shall be reproduced on the Index Sheet of the plans submitted with the Building Permit Application. The Index Sheet of the plans shall reference to this Conditional Use Authorization and any subsequent amendments or modifications.

The Project shall also comply with all other applicable city codes as required by other city departments. Additionally, no change in the character of occupancy or change to a different group of occupancy as described under the Building Code shall be made without first obtaining a Certificate of Occupancy from the Department of Building Inspection and approval from the Planning Department and other city departments as necessary.

6. REPRODUCTION OF CONDITIONS ON SITE OR BUILDING PERMIT PLANS

The conditions of approval under this Conditional Use Authorization shall be reproduced on the Index Sheet of the plans submitted with the Site or Building Permit application for this Project. The Index Sheet of the plans shall reference to this Conditional Use Authorization and any subsequent amendments or modifications.

7. COMPLETION OF BUILDING PERMIT

The completion of Building Permit with a final inspection and/or issuance of a Certificate of Final Completion and Certificate of Occupancy from the Department of Building Inspection for the approved use under this Project shall be deemed acceptance and agreement to fully comply with all of the conditions of approval of this Conditional Use approval. The Project Sponsor or the responsible party must ensure that the Building Permit Application has attained a 'complete' stage within the time frame required by the Department of Building Inspection. If the Building Permit is allowed to expire for more than one year, the renewal of such Building Permit thereafter will be subject to review by the Planning Department. Prior to filing of a renewal of the expired permit, the Project Sponsor or the responsible party shall notify the Planning Department.

8. SIDEWALK MAINTENANCE

- a. The Project Sponsor shall be responsible for maintaining the sidewalk within a one-block radius of the Site free of paper or litter generated by the restaurant.
- b. The Project Sponsor shall maintain the main entrance to the building and all sidewalks abutting the subject property in a clean condition. Such maintenance shall include, at a minimum, daily litter pickup and disposal, and washing or steam cleaning of the main entrance and abutting sidewalks at least once each week.
- c. Refuse containers shall be provided both inside and outside the establishment for use by patrons of the restaurant.
- d. An enclosed garbage area shall be provided within the establishment. All garbage containers shall be kept within the building until pick-up by the disposal company.

9. SIGNAGE

Signs for the business shall be reviewed and approved by the Planning Department

before they are installed. A separate Electrical Permit from the Department of Building Inspection shall be obtained for lighting upon approval from Planning Department.

10. RESTAURANT HOURS

Indoor food service shall end prior to midnight Sunday through Thursday, and shall end prior to 1:30am on Friday and Saturday. Outdoor food service shall end prior to 8pm Sunday through Thursday, and shall end prior to 9pm on Friday and Saturday. All outdoor activities must terminate by 9pm Sunday through Thursday, and must terminate by 10pm on Friday and Saturday.

11. STOREFRONT VISIBILITY

The Project Sponsor shall maintain an attractive storefront providing transparency of the restaurant interior through the storefront windows. Visibility of the commercial interiors and activity through all storefront windows shall be maintained in order to ensure that the ground level of the building remains visually active, provides visual interest to pedestrians, and enhances sidewalk security. Commercial interior layouts should be designed with these requirements in mind. Generally, storefront windows should not be visually obscured with the following: blinds, shades or curtains; shelving; equipment; darkly tinted, translucent or opaque film; painted, stenciled or adhesive signage applied to individual window surfaces that has an overall transparency of less than 50 percent, or any signage that covers more than 1/3 of the area of any individual window; full or partial height interior partition walls placed directly against or within 10 feet from the window glazing; or any other items that significantly block the vision of pedestrians through the storefront windows into the occupiable commercial space. Solid roll-down security gates shall not be installed in storefront openings. The Property Sponsor shall ensure that this condition of approval is incorporated into all commercial leases.

12. NOISE CONTROL

The Project Sponsor shall operate the proposed restaurant such that noise is kept at reasonable levels so as not to unduly disturb neighboring residents and businesses. Any new ductwork shall not discharge near residential window openings or obscure any windows.

13. ODOR CONTROL

The Project Sponsor shall maintain appropriate odor control equipment to prevent any significant noxious or offensive kitchen odors from escaping the premises, and, while it is inevitable that some low level of odor from the restaurant may be detectible to residents and passersby, the exhaust system shall not discharge air in a manner so that exhaust air will enter dwellings.

14. NEIGHBORHOOD CONCERNS

The Project Sponsor shall appoint a Community Liaison Officer to address issues of concern to neighbors related to the operation of this Project. The Project Sponsor shall report the name and telephone number of this Officer to the Zoning Administrator. The Project Sponsor will keep the above parties apprised should a different staff liaison be designated.

15. REVOCATION

During the Building Permit Application process phase of the Project, the Zoning Administrator may place an order to stop work, suspend, or revoke a Building Permit if the proposal carried out on the Site is not in conformance with the plans approved under this Conditional Use approval and subsequent Building Permit. The Zoning

Administrator may also recommend the Planning Commission to consider revocation of this Conditional Use approval in a public hearing for non-compliance with any of the conditions of approval.

16. ENFORCEMENT

After commencement of the approved use, violation of any of the Planning Department's conditions of approval contained in the Motion No. XXXX or any other provisions of Planning Code applicable to this Project shall be subject to the enforcement procedures and administrative penalties set forth under Planning Code Section 176 or Section 176.1, whichever is applicable for each day a violation continues or is allowed to continue. The Planning Department may also refer the violation complaints to other city departments and agencies for appropriate enforcement action under their jurisdiction.

17. MONITORING

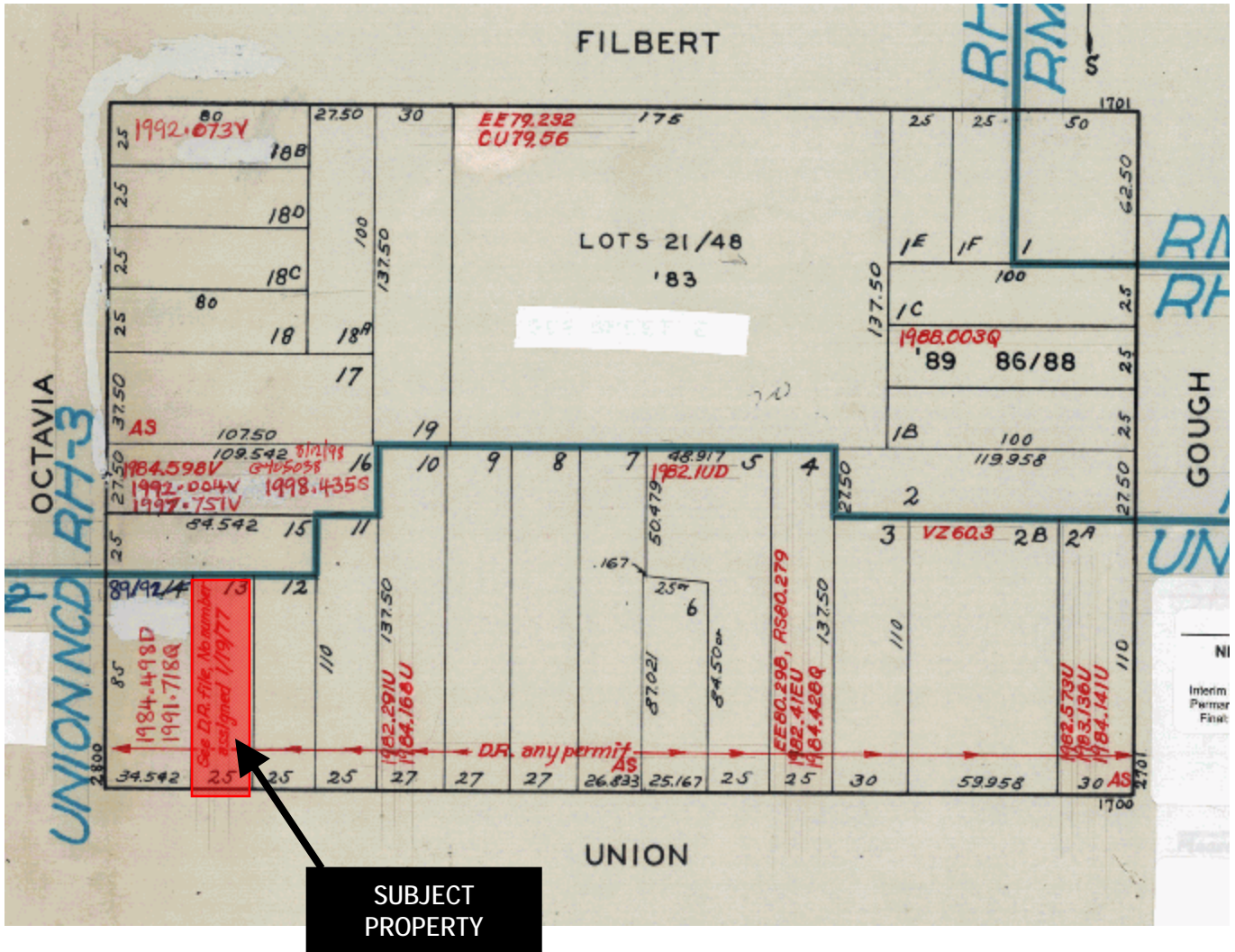
If the Project requires monitoring of the conditions of approval contained in Exhibit A of the Motion No. XXXX, the Project Sponsor or the subsequent responsible parties for the Project shall pay fees as established under Planning Code Section 351(e)(1) and work with the Planning Department to ensure compliance.

18. SEVERABILITY

If any clause, sentence, section, or any part of these conditions of approval is for any reason held to be invalid, such invalidity shall not affect or impair other remaining provisions, clauses, sentences, or sections of these conditions. It is hereby declared to be the intent of the Planning Commission that these conditions of approval would have been adopted had such invalid sentence, clause, or section or part thereof not been included herein.

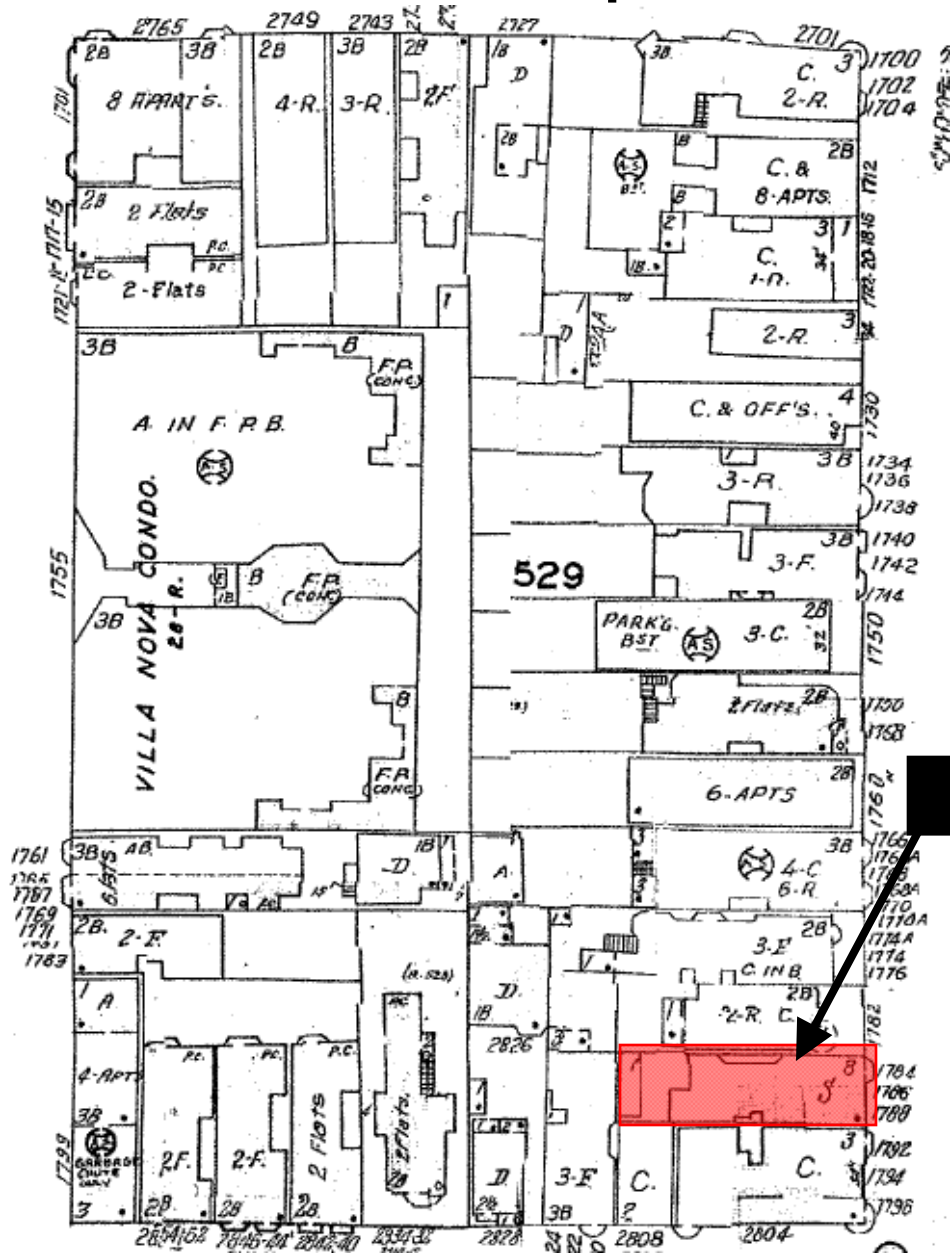
1784 Union Street

Parcel Map



Conditional Use Hearing
 Case Number 2009.0996C
 Full-Service Restaurant,
 Giordano Bros.
 1784 Union Street

Sanborn Map*

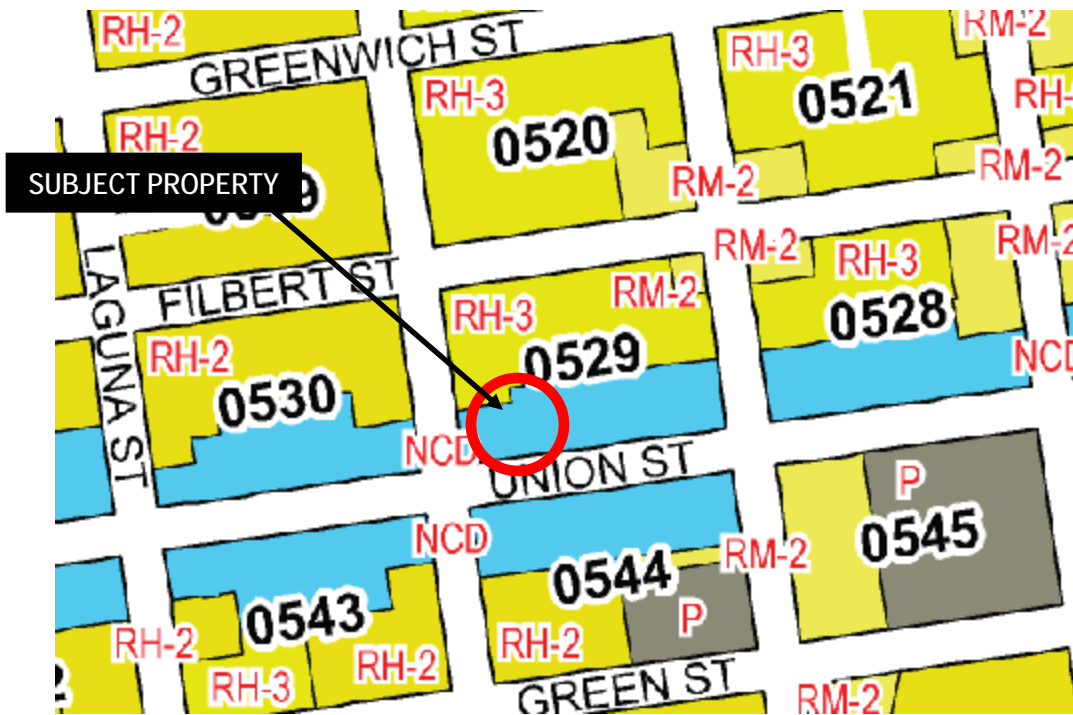


*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



Conditional Use Hearing
 Case Number 2009.0996C
 Full-Service Restaurant,
 Giordano Bros.
 1784 Union Street

Zoning Map



ZONING USE DISTRICTS

RESIDENTIAL, HOUSE DISTRICTS

RH-1(D)	RH-1	RH-1(S)	RH-2	RH-3
---------	------	---------	------	------

RESIDENTIAL, MIXED (APARTMENTS & HOUSES) DISTRICTS

RM-1	RM-2	RM-3	RM-4
------	------	------	------

NEIGHBORHOOD COMMERCIAL DISTRICTS

NC-1	NC-2	NC-3	NCD	NC-S
------	------	------	-----	------

SOUTH OF MARKET MIXED USE DISTRICTS

SPD	RED	RSD	SLR	SLI	SSO
-----	-----	-----	-----	-----	-----

COMMERCIAL DISTRICTS

C-2	C-3-S	C-3-G	C-3-R	C-3-O	C-3-O(SD)
-----	-------	-------	-------	-------	-----------

INDUSTRIAL DISTRICTS

C-M	M-1	M-2
-----	-----	-----

CHINATOWN MIXED USE DISTRICTS

CRNC	CVR	CCB
------	-----	-----

RESIDENTIAL-COMMERCIAL DISTRICTS

RC-3	RC-4
------	------

REDEVELOPMENT AGENCY DISTRICTS

MB-RA	HP-RA
-------	-------

DOWNTOWN RESIDENTIAL DISTRICTS

RH DTR	TB DTR
--------	--------

MISSION BAY DISTRICTS

MB-OS	MB-O
-------	------

PUBLIC DISTRICT

P



Conditional Use Hearing
 Case Number 2009.0996C
 Full-Service Restaurant,
 Giordano Bros.
 1784 Union Street

Aerial Photo

View from South

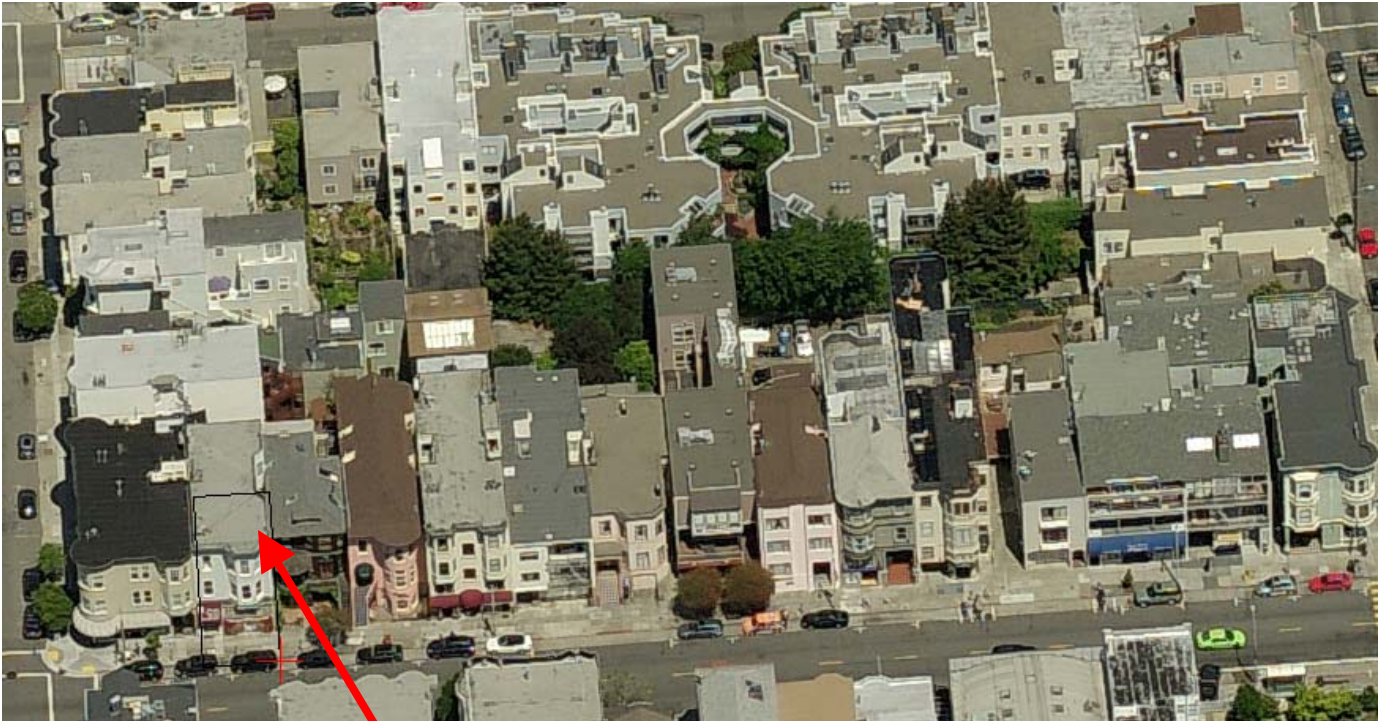
SUBJECT
PROPERTY



Conditional Use Hearing
Case Number 2009.0996C
Full-Service Restaurant,
Giordano Bros.
1784 Union Street

Aerial Photo

View from North



SUBJECT
PROPERTY

Conditional Use Hearing
Case Number 2009.0996C
Full-Service Restaurant,
Giordano Bros.
1784 Union Street

Site Photo



Conditional Use Hearing
Case Number 2009.0996C
Full-Service Restaurant,
Giordano Bros.
1784 Union Street



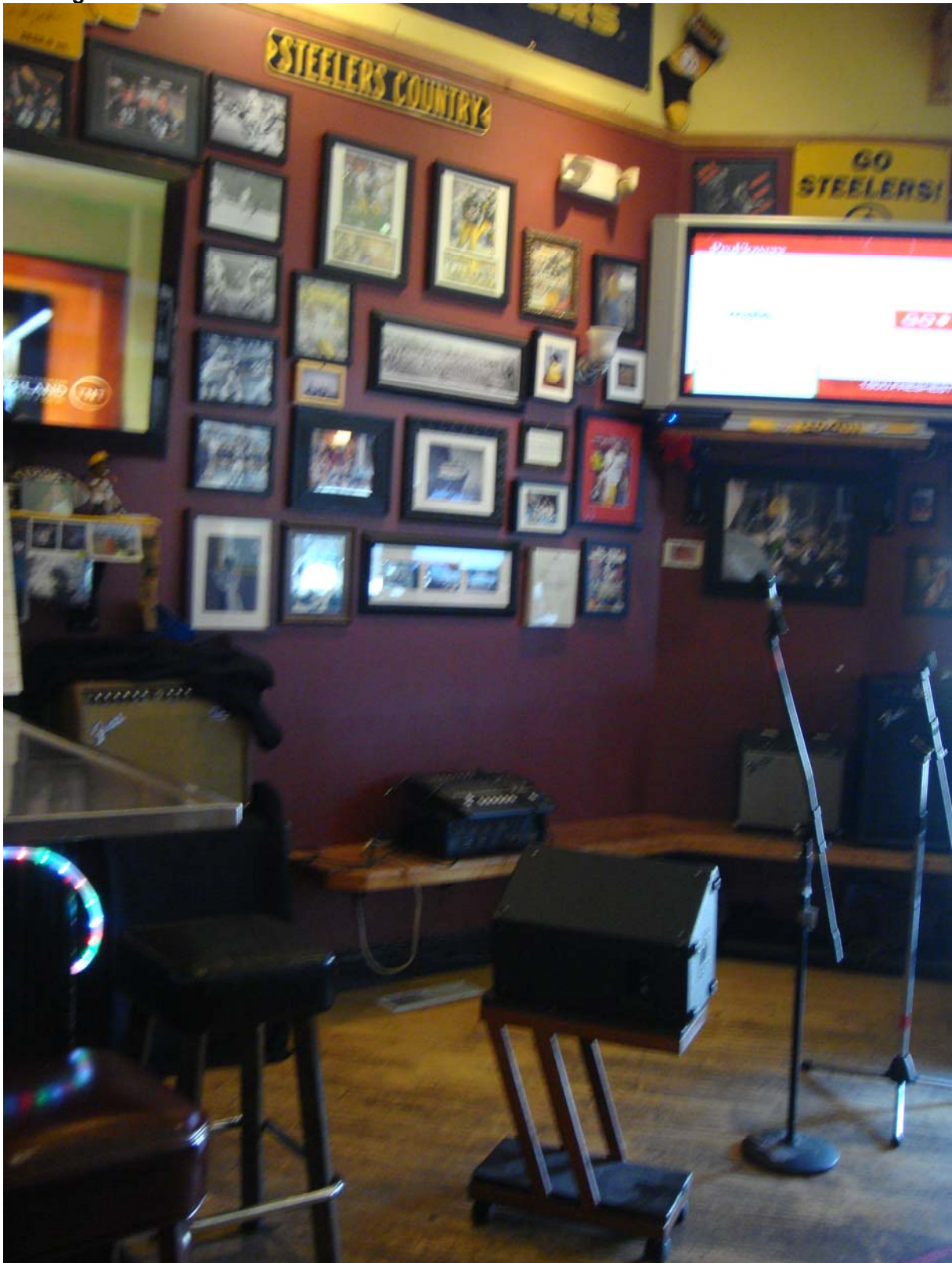
Hearing Date: February 25, 2010
Existing Giordano Bros. at 303 Columbus Ave.

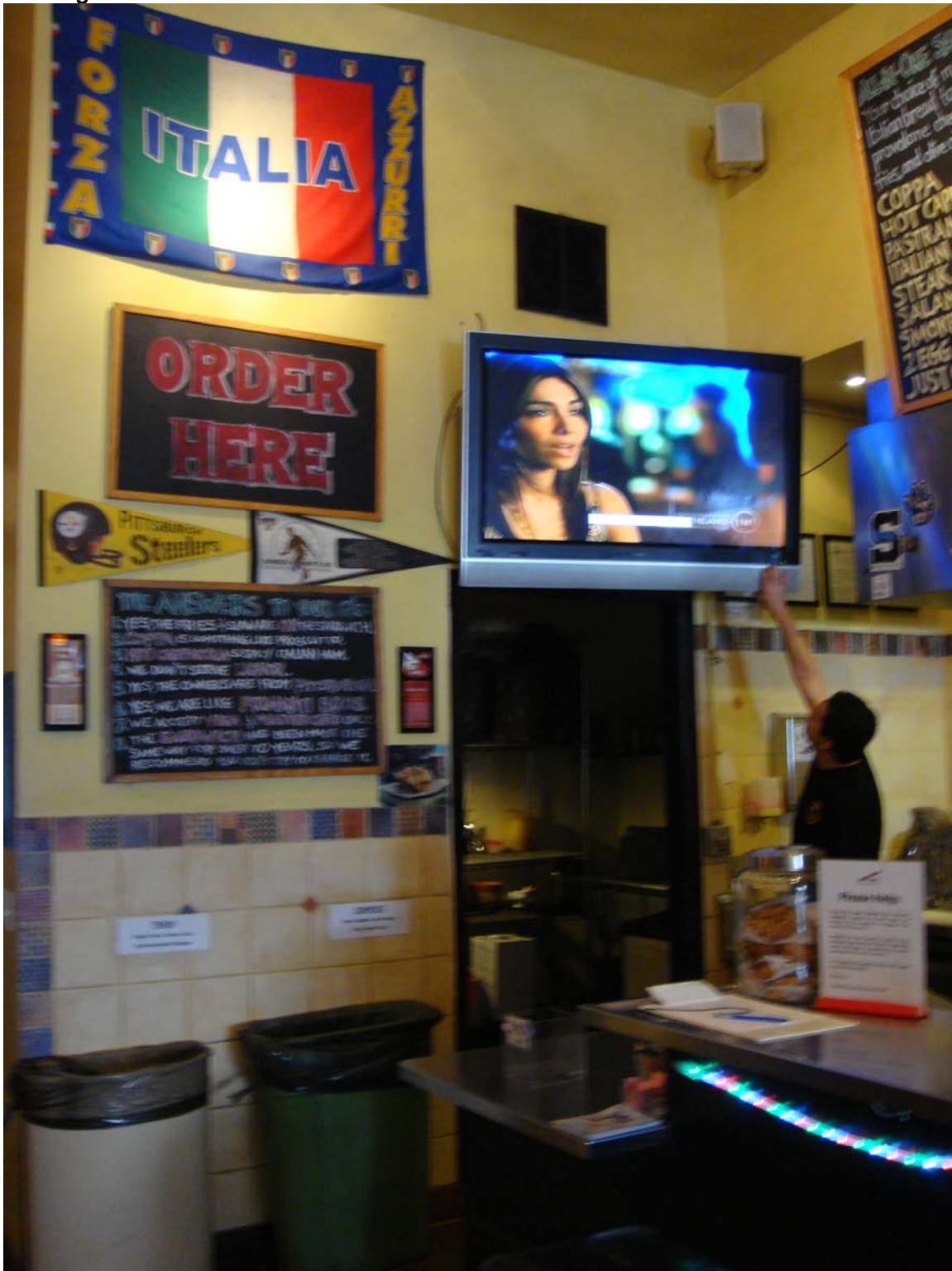
Case No. 2009.0996C
1784 Union Street



Hearing Date: February 25, 2010
Existing Giordano Bros. at 303 Columbus Ave.

Case No. 2009.0996C
1784 Union Street





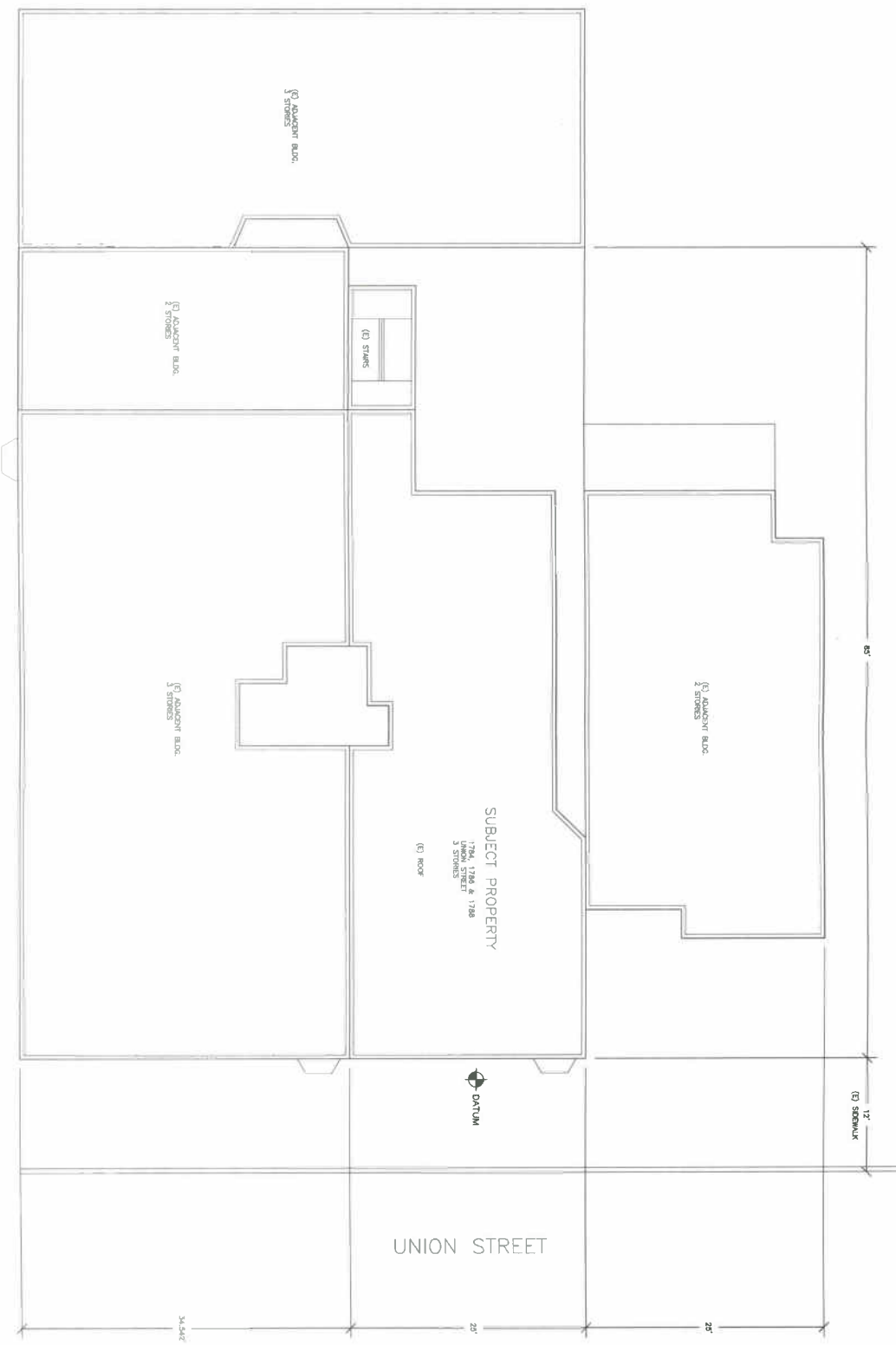
NORTH SIDE OF STREET

SUBJECT
PROPERTY



SOUTH SIDE OF STREET





1 EXISTING SITE PLAN

OCTAVIA STREET

UNION STREET

SUBJECT PROPERTY
1784 UNION STREET
3 STORIES
(C) ROOF

(C) EXISTING BLOCK
1 STORIES

(C) EXISTING BLOCK
2 STORIES

(C) EXISTING BLOCK
3 STORIES

(C) EXISTING BLOCK
2 STORIES

(C) STAIRS

DARTMOUTH

85'

12'

31'-0"

20'

20'

1784 UNION STREET, SAN FRANCISCO, CA BLOCK 529/LOT No.13 OCCUPANCY 49

DRAFTSMAN: CD
REF: 1784_OHD
SCALE: 1/8"=1'0"
DATE: OCTOBER 19, 2009

OPEN HOUSE DRAFTING

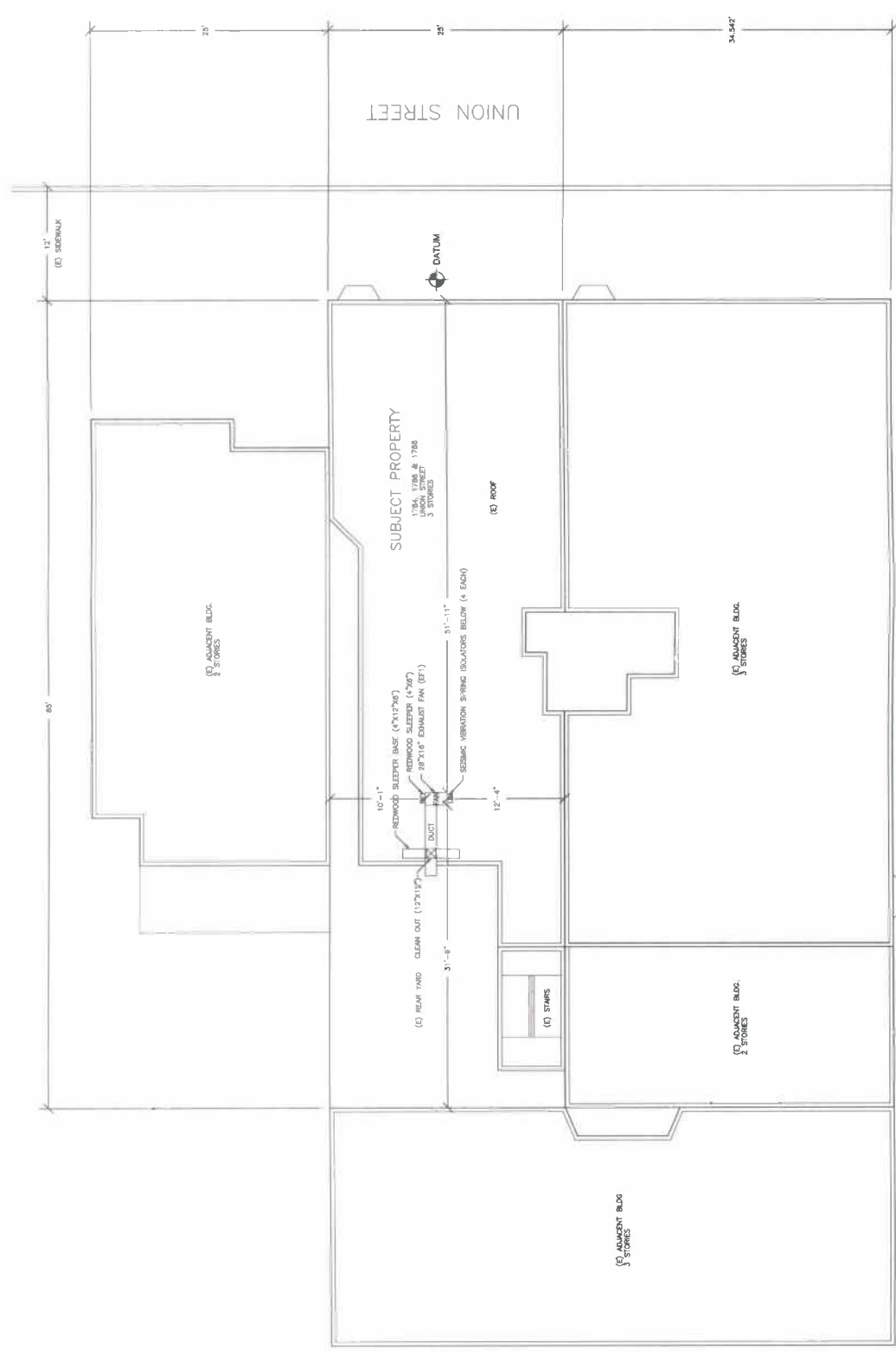
CHRIS DANIGELIS
745A PORTOLA STREET
SAN FRANCISCO, CA 94129
415.999.9539

EXISTING SITE PLAN

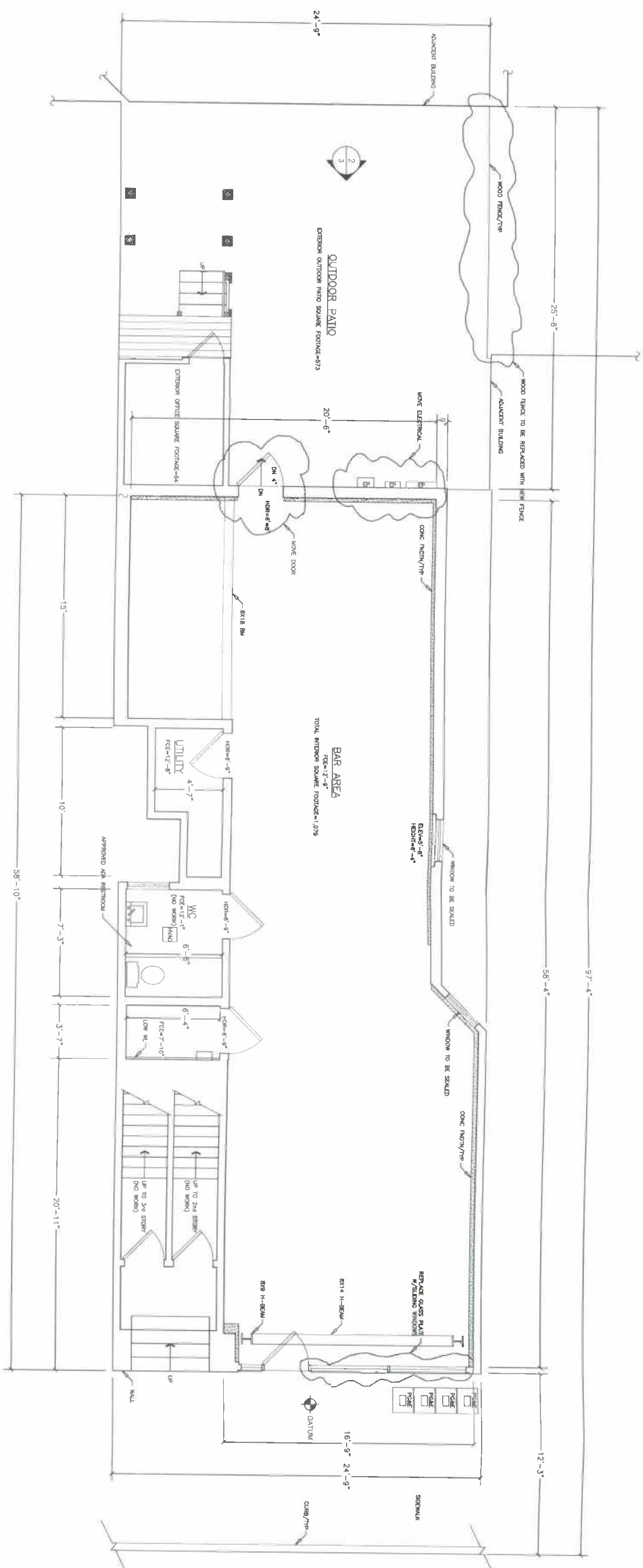
DESCRIPTION	C/M	S.C.	RPM	DEC.	VE.	MAKE/MODEL	CONTROL
(E) CHANGET FAN FOR GREASE EXHAUST WITH WEATHERWOOD AND GREASE TRAP	2.000	1.5	1,355	1.15V/PH, 3/4 HP	233	GREENEX, SIB OF APPROVED DUAL	1. MANUAL SWITCH

HOOD AND DUCT CALCULATION

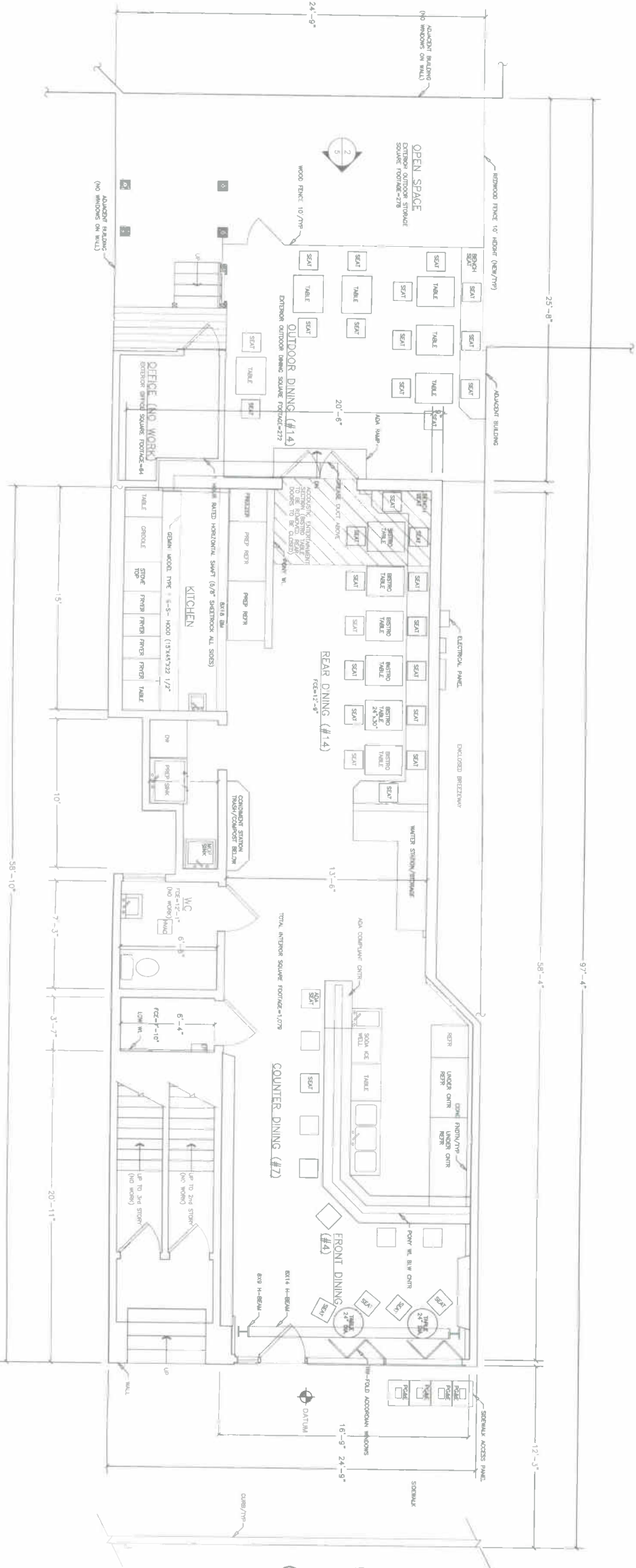
TYPE CANOPY (TYPE 1)
 HOOD LENGTH: 10'0" X 4'0"
 ESTIMATED VOLUME OF EXHAUST: 0.4-2.00
 9" X 30" X 1,000 CFM
 HOOD SURFACE AREA: 40.00 SQ. FT.
 PROPOSED MAKE-UP AIR VOLUME: 2,000 CFM
 PROPOSED MAKE-UP AIR VELOCITY: 1,000 CFM
 AIR VELOCITY AT DUCT: 1,714 FT./MIN.
 DUCT SIZE: (5,000 X 14 1/2) / (2,144 SQ. IN. 14 1/2")
 FILTER (1) ACCEPTABLE AIR VELOCITY AT FILTER:
 250 TO 350 FT./MIN.
 (1) REQUIRED FILTER AREA:
 14.3 SQ. FT.
 (2) SIZE OF FILTER:
 20" X 20", EFFECTIVE AREA 2.25 SQ. FT. EA
 (3) NUMBER OF FILTERS: 6.87/2.25=3 EA
 (4) SPECIFICATIONS:
 WASHABLE
 BOTTLE GREASE FILTER



1 PROPOSED SITE PLAN



1 EXISTING FLOOR PLAN
 TOTAL INTERIOR SQUARE FOOTAGE=1,078
 EXTERIOR OUTDOOR DINING SQUARE FOOTAGE=342
 EXTERIOR OUTDOOR PATIO SQUARE FOOTAGE=373



2 PROPOSED FLOOR PLAN
 TOTAL INTERIOR SQUARE FOOTAGE=1,275
 EXTERIOR OUTDOOR DINING SQUARE FOOTAGE=342
 EXTERIOR OUTDOOR PATIO SQUARE FOOTAGE=373

OPEN HOUSE DRAFTING

CHRIS DANIGELIS
 745A PORTOLA STREET
 SAN FRANCISCO, CA 94129
 415.999.9539

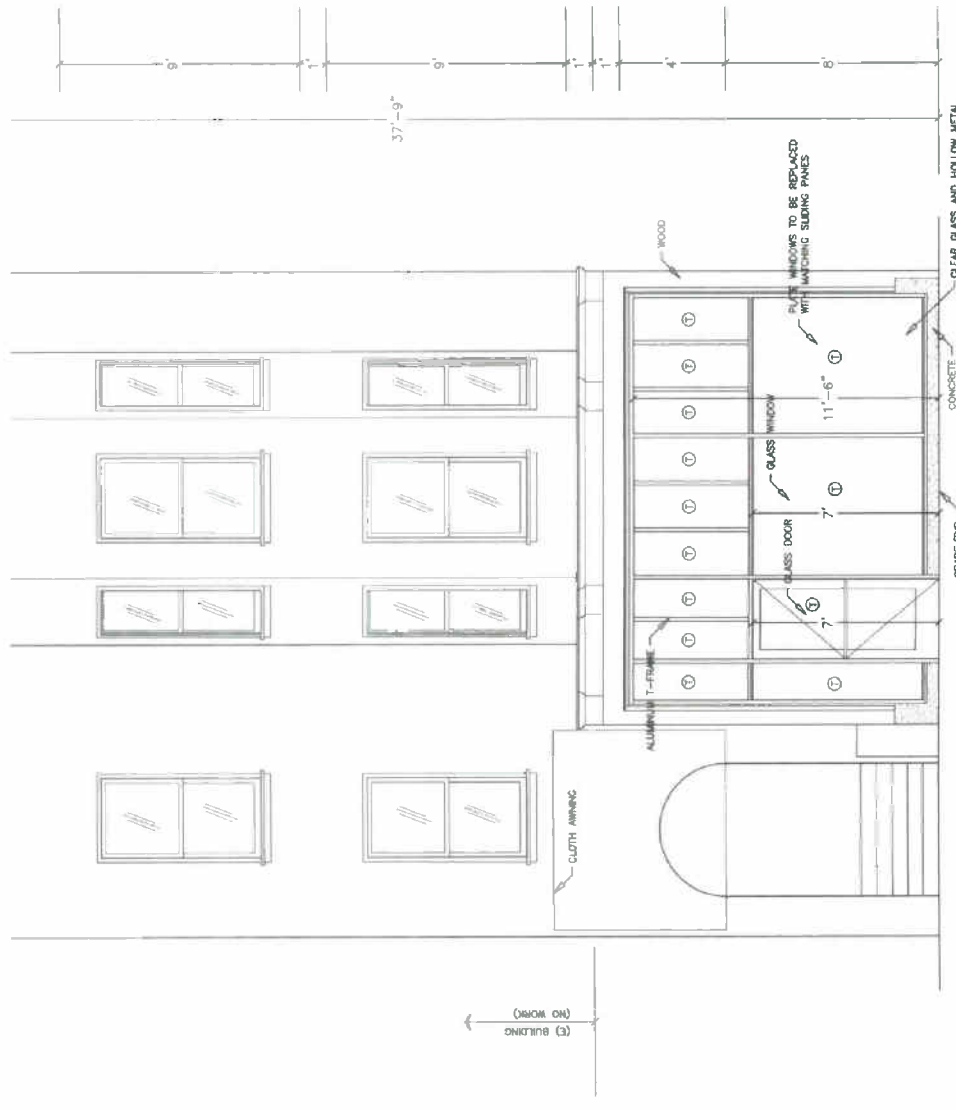
DRAFTSMAN: CD
 REF: 1784_OHD
 SCALE: 1/4"=1'0"
 DATE: OCTOBER 19, 2009

1784 UNION STREET, SAN FRANCISCO, CA BLOCK 529/LOT No.13 OCCUPANCY 49
 EXISTING AND PROPOSED FLOOR PLANS



DATUM

2 EXISTING NORTH ELEVATION



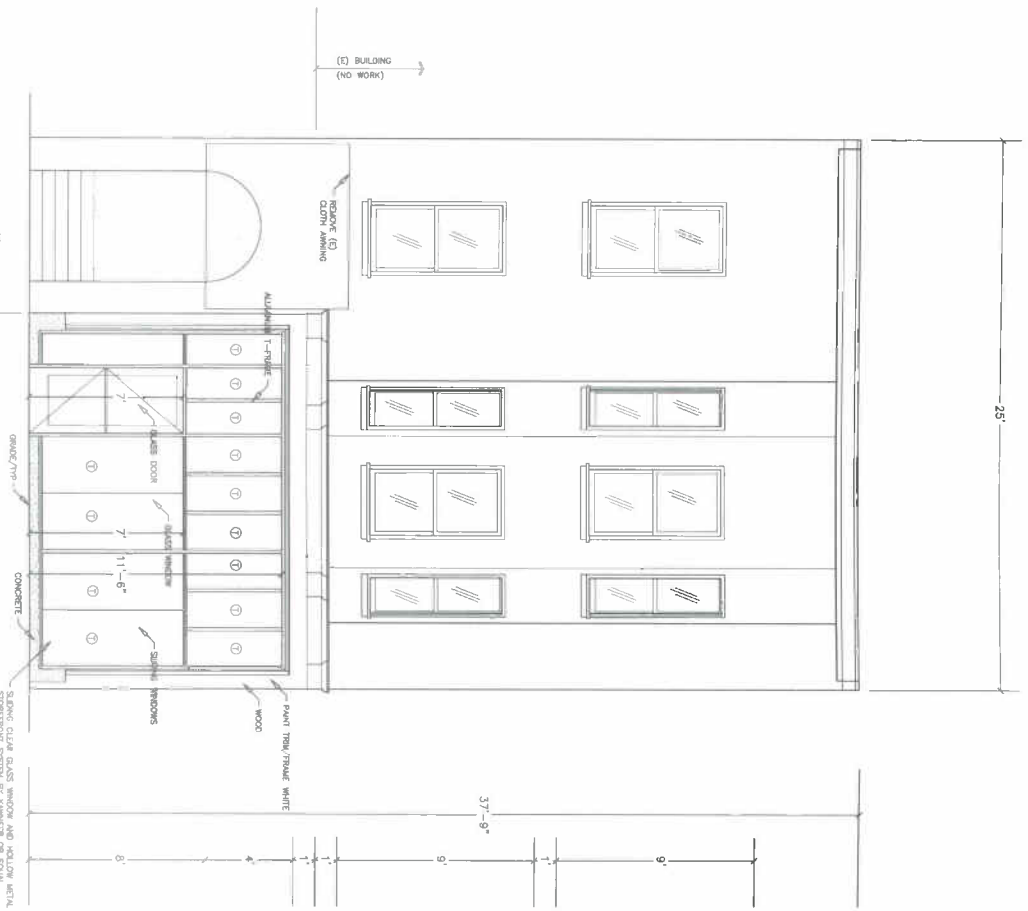
① -TEMPERED GLASS
ALUMINUM T-FRAMES TO BE PAINTED
WHITE TO MATCH BUILDING

DATUM

1 EXISTING SOUTH ELEVATION



2 PROPOSED NORTH ELEVATION



1 PROPOSED SOUTH ELEVATION

① TINTED GLASS
ALUMINUM FINISHES TO BE PAINTED
WHITE TO MATCH BUILDING



① TINTED GLASS
ALUMINUM FINISHES TO BE PAINTED
WHITE TO MATCH BUILDING

1784 UNION STREET, SAN FRANCISCO, CA BLOCK 529/LOT No.13 OCCUPANCY 49

PROPOSED ELEVATIONS

DRAFTSMAN: CD
REF: 1784_OHD
SCALE: 1/4"=1'0"

DATE: OCTOBER 19, 2009

OPEN HOUSE DRAFTING

CHRIS DANIGELIS
745A PORTOLA STREET
SAN FRANCISCO, CA 94129
415.999.9539



1 PROPOSED WEST ELEVATION

GIORDANO BROS.

ALL-IN-ONE SANDWICHES

Business Snapshot – 2010

Agenda

- Management Team
- Giordano Brothers Overview
 - Business Description
 - Primanti Brothers Overview
 - Profitability Model
- Customer Reach
 - Demographics
- Location Overview
 - Menu
 - Hours of Operation
 - Competitive Review
- Design Overview & Timeline
- References

Jeff Jordan



- Jeff serves as General Manager and oversees the company's operations and marketing
- Prior to founding Giordano Bros., Jeff was a marketing executive for more than 15 years with a focus on consumer behavior
 - Senior advertising executive for the Publicis Groupe, the 4th largest advertising agency in the world
 - Member of the executive management team for SF office
 - Oversaw the agency's largest (\$147MM) and most profitable (32.3%) account, Hewlett Packard Corporation - directing the Hal Riney, Saatchi & Saatchi, & Pulbicis Networks
 - 2001 and 2002 Publicis employee of the year
- Worked with a number of successful brands including
 - IBM
 - PNC Bank
 - Penn State University
 - Bob Evan's Farms Restaurants
- A Pittsburgh native, Jeff hold is a graduate of Allegheny College

Allison Jordan



- Allison Jordan oversees HR, Investor Relations and Communications and serves as the company's wine buyer
- She currently is the Director of Environmental Affairs for the California Wine Institute (the trade association for CA wine)
 - Serves as Executive Director of the CA Sustainable Winegrowing Alliance
 - Serves as the representative for the Wine Industry on California Environmental Dialog board
- Allison has also held executive management positions for more than five years at the San Francisco-based Resource Renewal Institute
- Before joining the RRI, Allison worked at:
 - Deloitte & Touche Management Consulting
 - Sumitomo Corporation
 - Taught English in rural Japan
- She holds a Masters degree at the University of California Berkeley's Goldman School of Public Policy
- 2001 recipient German Marshall Fund's Fellowship
- Also a Pittsburgh native, and a graduate of Allegheny College

Adam DeMezza



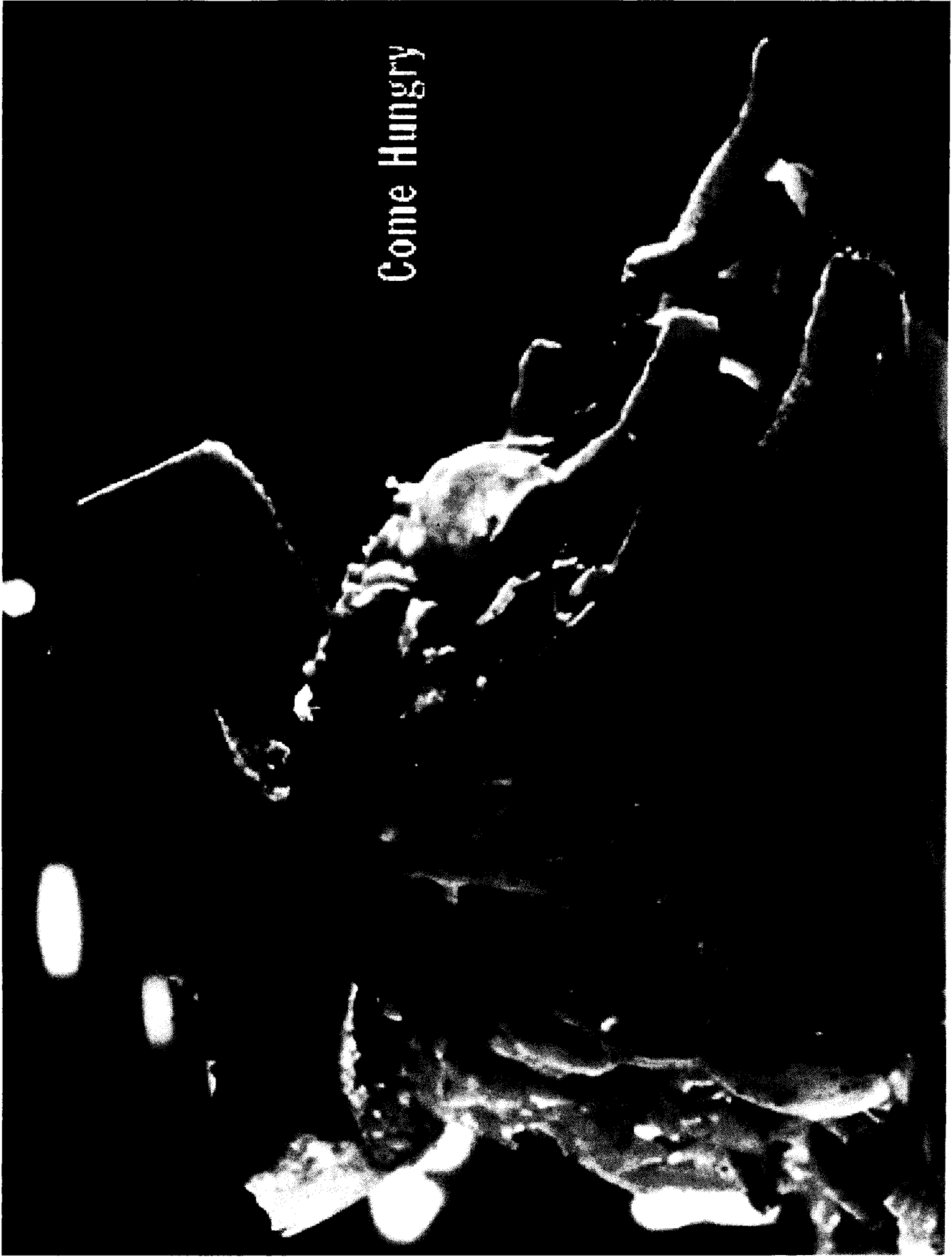
- Adam will serve as a Manager of the Union Street location.
- He currently serves as an Asst. Manager at Giordano Bros.
- Prior to Giordano Bros., Adam held positions with the Plumpjack Group, where he was instrumental in opening the Balboa Café in Mill Valley.
- With over 10 years of Restaurant experience, Adam has held management, serving and bartending positions at a number of high volume establishments including
 - Izzy's Steak and Chop House
 - Chieftain Irish Pub & Restaurant
 - City Tavern
 - Ponzu Restaurant (Kimpton Group)
 - River Ranch (Lake Tahoe)
- Also a Pittsburgh native, Adam is a graduate of Tufts University

Advisors to the Company



- **Dick Silberman – Business Advisor**
 - Principal of Operating Advisors, Inc. where he provides strategic planning, financial and acquisition advisory services to over 1000 restaurants.
 - Founding partner of Jack-in the Box.
 - Served in the California State Government as
 - Governor’s Chief of Staff
 - Director of Finance
 - Secretary of Business, Transportation and Housing
 - Former President of the Tokyo Bank
- **Coblentz Patch Duffy & Bass LLP – Legal Counsel**
- **Greenberg & Greenberg - CPA**

Come Hungry



Business Overview



- Giordano Bros. is an independent, San Francisco based, family owned and operated restaurant.
 - Giordano Bros., LLC was established by Pittsburgh natives, Jeff and Allison Jordan, and a private family & friends investment group in 2003
- Giordano Bros. objective: to develop a group of Primanti Brothers style restaurants in Bay Area
- Giordano Bros. opened its first location in North Beach in July, 2004
- Giordano Bros. approach is to:
 - Follow this successful model
 - Adapt it to San Francisco Bay Area
 - And tailor the menu and operation (particular to the Cow Hollow District audience)



Business Overview

- Giordano Bros. is a copy of Pittsburgh's historic institution
 - Primanti Brothers
 - Primanti's was founded in 1934
 - The company has 16 locations located in Pittsburgh, Hilton Head, Fort Lauderdale
 - Regularly featured in National Television and Food Publications
 - Annual revenue - approximately \$25MM
 - Original Strip District location revenue - approximately \$3.5-4MM
- Other entrepreneurs have copied the Primanti business model, and tailored it to different markets
 - Panini's - 13 locations in Cleveland and St. Petersburg
 - Piranha Brothers - 3 locations in Nashville
 - The Pittsburgh PA (Toronto), Lucky's (Chicago)
- Giordano Bros. has capitalized on this brand recognition and closely follows this successful model.



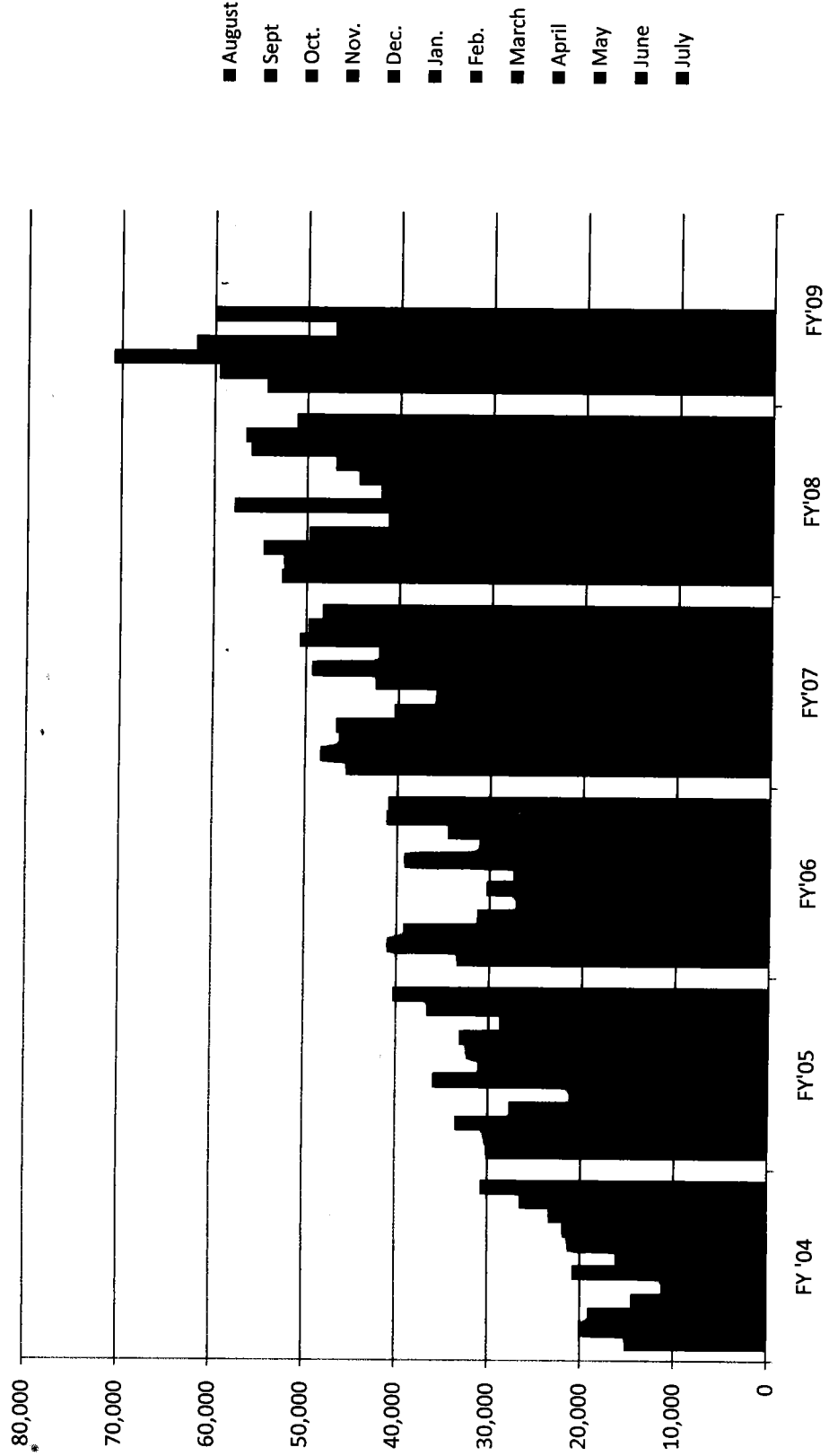
Business Overview

- Since its Grand Opening in North Beach, Giordano Bros. has...
 - Become one of the most popular and consistent restaurants in North Beach
 - Seen 17-18% yearly revenue growth
 - Established a loyal lunch, happy hour, evening and weekend crowd - selling more than 350,000 of its unique sandwiches
 - Been awarded “Best in Bay” by
 - SF Weekly, Guardian, The Northpoint, Fillmore Gazette, AOL Digital City, ZAGAT, Yelp.com, “7x7 Magazine”
 - Been featured on
 - The Travel Channel, ESPN’s Monday Night Football, The Learning Channel, The Food Network, Virgin Atlantic In-Flight, & View from the Bay.



North Beach - Revenue Snapshot

• 5 Year Revenue by Year



Business Overview



- Giordano Bros. offers a distinctive menu
 - Choice of Ten “Award Winning” All In One signature sandwiches (which include cole slaw and French fries on the sandwich)
 - Daily specials such as Friday Fish Sandwich
 - East Coast Chicken Wings
 - Vegi Chili, Chicken Noodle Soup and Soup of the Day
 - Side Orders - Fries, Onion Rings, BBQ Baked Beans, Homemade Chips, Cole Slaw, House Salad and Signature Chopped Salad
 - Fountain Soda (Coke, Diet Coke, 7-Up, Ice Tea, Lemonade)
 - Home Made “All In One” Cookies
 - Draft and Bottled Beer / Selective Wines
- Giordano Bros. promotes green business
 - Serves all Sustainable wine
 - Recycles all kitchen oil
 - Composts 82% of its trash
 - Uses eco lighting

Business Overview



- Giordano Bros. “Award Winning” All In One Sandwiches
 - Each signature sandwich is made to order
 - Nothing is pre-made or pre-packaged
 - Giordano Bros. uses the highest quality meats including
 - Coppa and Sausage are from Molinari’s
 - Pastrami and Turkey smoked by the Del Meat Co. in Hayward
 - Capicola and Salami shipped from South Boston
 - All sandwich are served on hand sliced French Bastoni bread
 - Signature bread is baked daily by the Italian French Baking Co. in North Beach
 - French Fries are hand cut to order with hand press and cooked in the highest quality vegetable oil
 - Cole Slaw is hand sliced from the cabbage head dressed to order
 - Giordano Bros. home made signature “Sweet & Sour” Italian Dressing consist of Imported Extra Virgin Olive Oil, Apple Cider Vinegar, Sugar, Sea Salt, and Cracked Pepper

Business Overview



- The model maximizes profitability due to three key factors:
 - Cost of Sale – The sandwiches cost approximately \$1.65 to make and can sell for \$6.50-7.50 in the Bay Area.
 - This is due to the low cost of cabbage and potatoes.
 - The sandwich is almost all filler – only 3-4 oz. of meat.
 - Lack of Perishables
 - Only daily perishable in this model is bread
 - Potatoes and cabbage have an extremely long shelf life.
 - With a limited focused menu, the meat and cheese can be ordered weekly and refrigerated at a low cost.
 - Payroll – The operation can be run by as few as 3-4 employees per shift
 - Similar to Primanti Brothers and other similar operations.
 - Average cost of \$10 per hour per employee.

Giordano Bros. Customer Reach

- GB is a unique offering with a broad reach
- Gourmet sandwich only found in one place west of the Mississippi
- Well known in San Francisco with loyal customer base
- Primanti's national brand



Demographic Overview



- Bay Area highest “food away from home” spending in the U.S
- Fast-Casual Segment Growth
 - Psychographics
 - High out-of-house meal purchasing habits
 - Indifference/time to shop & cook for oneself
 - Perception of less time to eat
 - Competition
 - Uniqueness of the sandwich
 - Price point
 - Service time
 - Hours of operation



Demographic Overview

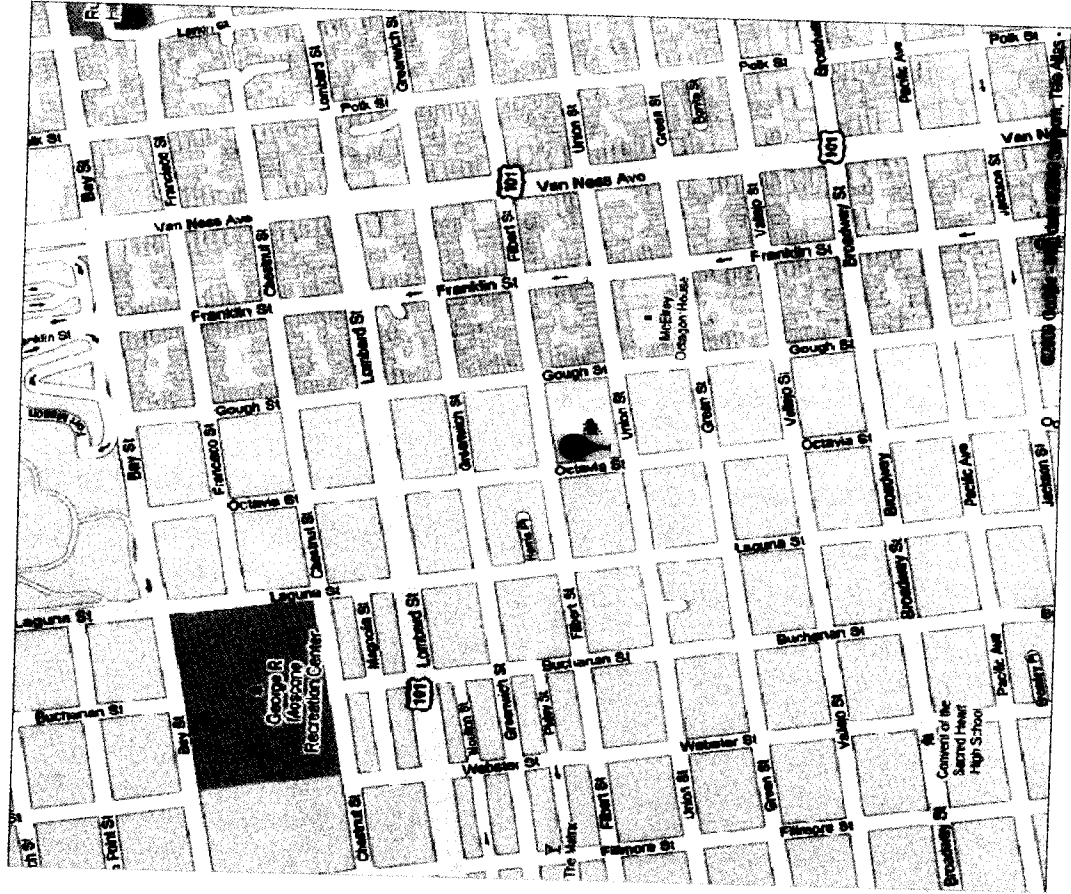
- Demographics (all audiences)
 - Age
 - Primary (25-44)
 - Secondary (45-54)
 - 60% male / 40% female
 - 40% are married / domestic partner
 - 15% have children under the age of 5
- Geographics
 - Approximately 70% of the North Beach location core customers live in San Francisco
 - Approximately 10% live in Marin County
 - Approximately 10% live South & East Bay counties
 - Approximately 10% are out-of-town

Demographic Overview



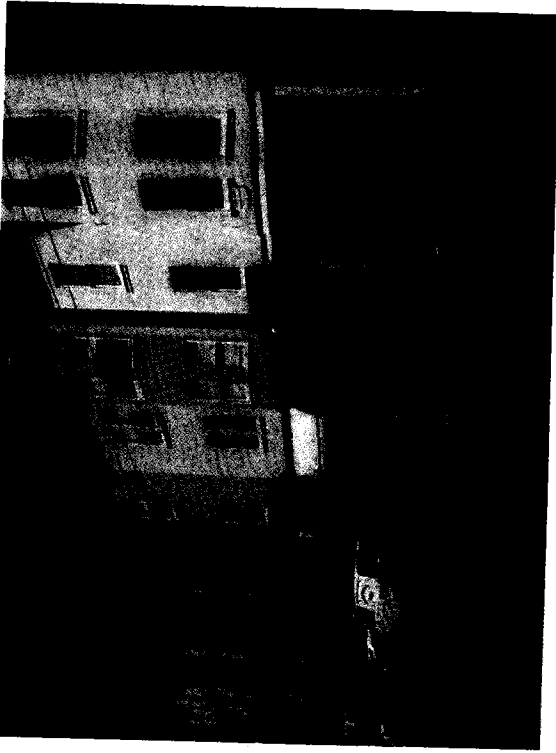
- The restaurant will cater to four predominant selling periods:
 - Lunch:
 - Sit-down and take-out lunch for time-sensitive professionals
 - Dinner:
 - Fast, easy, inexpensive dinner or take out
 - After work gathering spot for neighborhood diners
 - Supper / Late Evening:
 - After 9:00pm option for late diners, after movie, and restaurant industry diners
 - Peak delivery time for Waiters On Wheels and key corporate accounts (Fenwick & West, Lucas Film, & multiple advertising agencies)
 - Weekends:
 - Brunch

Location Overview – 1784 Union St. **GIORDANO** **BROS.** ALMOST FAMOUS SANDWICHES

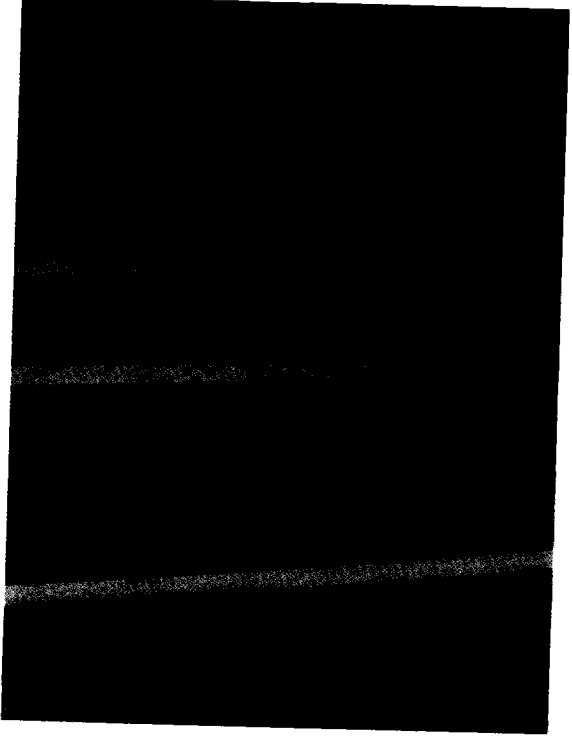


- Heart of Cow Hollow with easy access from Russian Hill and Marina
- Young, affluent neighborhood
- Mid-way between Fillmore and Polk
- Self contained dining & shopping destination
- Close to annual weekend festivals/events

Location Overview – Cow Hollow



- 1784 Union St. @ Octavia
- 1075 sqf plus 64sqf storage
- 400 sqf patio
- 200 sqf of outside storage
- ADA approved entrance / bath



Lunch / Dinner Menu

Pittsburgh style sandwiches with your choice of grilled meat topped with provolone cheese, fresh hand-cut fries, and olive oil & vinegar coleslaw, all between two thick slices of Italian bread made daily in North Beach

- COPPA - \$7.25
- HOT ITALIAN SAUSAGE - \$6.75
- SWEET ITALIAN SAUSAGE - \$6.75
- PASTRAMI - \$6.75
- STEAK - \$6.75
- SMOKED TURKEY - \$6.75
- HOT CAPPIOCOLA - \$6.75
- SALAMI - \$6.75
- DOUBLE EGG & CHEESE - \$6.50
- JUST CHEESE - \$6.25
- EXTRA MEAT - \$2.00
- EXTRA EGG - \$.50

GIORDANO
BROS.
ALMOST FAMOUS SANDWICHES

- DAILY SPECIAL - MARKET PRICE
- EAST COAST WINGS - \$7.50 / \$13.50
- SIDE OF FRIES - \$2.50 / \$3.50
- BEER BATTERED ONION RINGS- \$3.50/\$4.50
- SIDE OF SLAW - \$1.75
- FIVE PEPPER VEGI CHILI - \$5.75
- HOMEMADE CHICKEN NOODLE SOUP - \$5.75
- SOUP OF THE DAY - \$5.75
- BBQ BAKED BEANS - \$4.25
- HOUSE SALAD - \$6.25
- OLD FASHIONED CHOP SALAD - \$7.50
- HAND CUT CHIPS - \$3.00
- ALL-IN-ONE COOKIE - \$1.75

COKE, DIET COKE, SPRITE, ICED TEA - \$1.50
BOTTLED WATER/SPARKLING WATER - \$1.50 / \$1.75
BEER & WINE

Brunch Menu

GIORDANO
GIORDANO BROS.
ALMOST FAMOUS SANDWICHES

HOUSE SPECIALTIES

THE GB FRITTATA - \$8.25
Served with home fries, bacon & toast (French Bastoni or wheat)

THE BREAKFAST SANDWICH - \$6.50
DOUBLE EGG & CHEESE with FRIES & SLAW
Add bacon or coppa - \$2.00

ITALIAN FRENCH TOAST - \$7:50
Served with home fries

CHOCOLATE CHIP PANCAKE STACK - \$7.50

SAUSAGE ONION PEPPER SCRAMBLE - \$7.50
Served with home fries & toast (French Bastoni or wheat)

GOOD OLE' 2 EGGS (any style) - 7:50
Served with home fries, bacon & toast (French Bastoni or wheat)

SIDES

HOME FRIES - \$2.50
SIDE OF BACON or SAUSAGE - \$2.00
Bastoni Toast - \$1.75

MIMOSA - \$6.00
BELLINI - \$6.00
POOR MAN'S BLOODY MARY (with Soju) - \$6.00
ORANGE JUICE - \$2 / \$3.5
GRAPEO COFFEE - \$2
BOTTLED WATER/SPARKLING WATER - \$1.50 / \$1.75



Hours of Operation

- Open 7 days week / 362 days a year
- Weekdays
 - Monday 11:30am – 10:00pm
 - Tuesday 11:30am – 10:00pm
 - Wednesday 11:30am – 12:00pm
 - Thursday 11:30am -12:00pm
 - Friday 11:30am – 1:30am
- Weekends (9:30am)
 - Saturday 9:30am -1:30am
 - Sunday 9:30am -10:00pm
- Patio (weather permitting)
 - Weekdays (11:30am – 9:00pm)
 - Weekends (9:30am – 9:00pm)

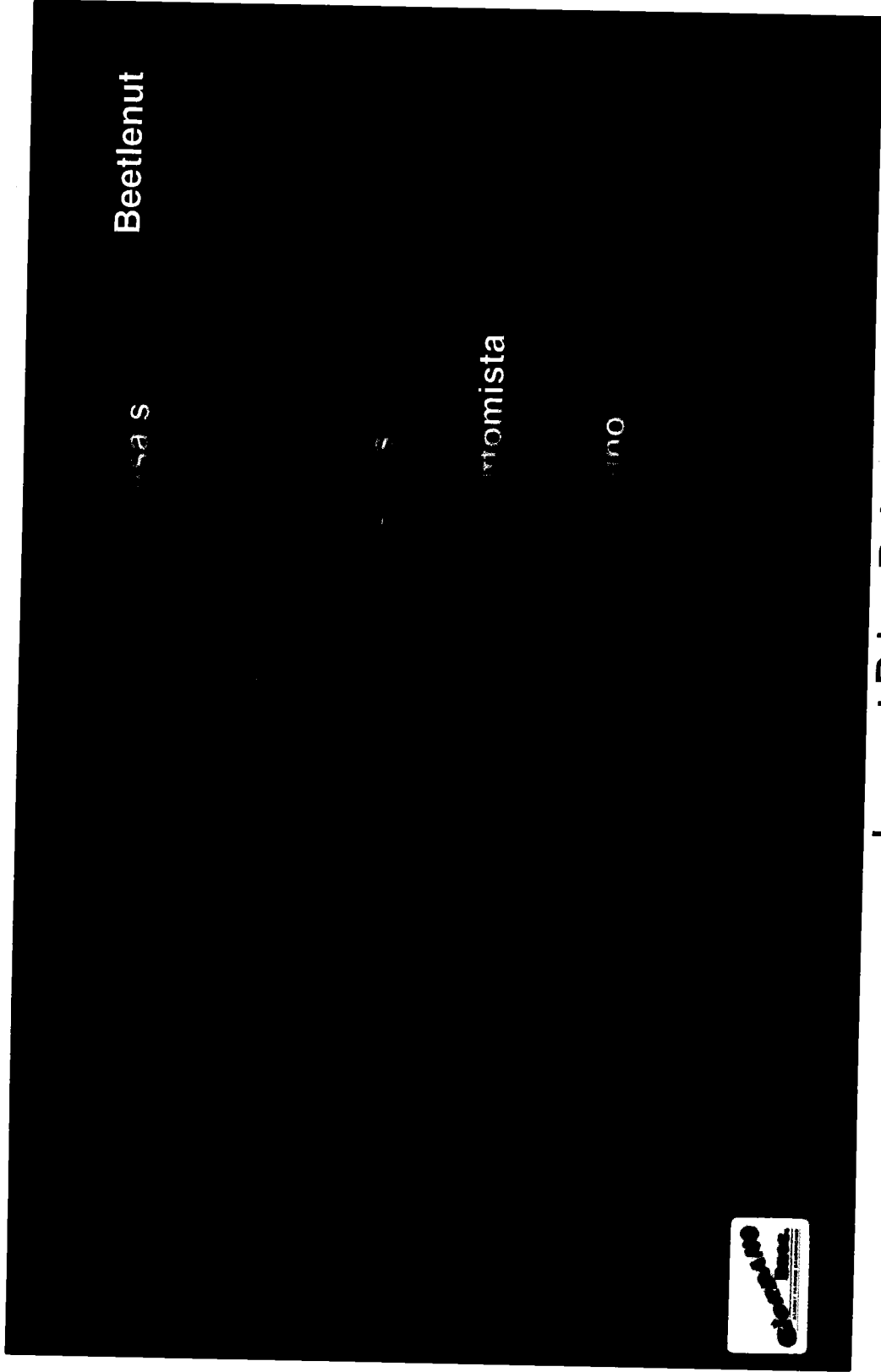


Staffing & Job Creation

- Giordano Bros. will hire 7 full time employees and 7 part time employees including...
 - Manager / Host
 - Kitchen Manager
 - 2 Hosts / Waiters
 - 4 Waiters
 - 4 Line Cooks
 - 2 Prep / Runners
- Staffing will vary from 4 employees during peak hours to 2 employees during slow periods

Fast Casual Competitive Set

Price Point / Fast Service



Fast Service

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Lowest Price Point

GIORDANO
GIORDANO BROS.
ALMOST FAMOUS SANDWICHES

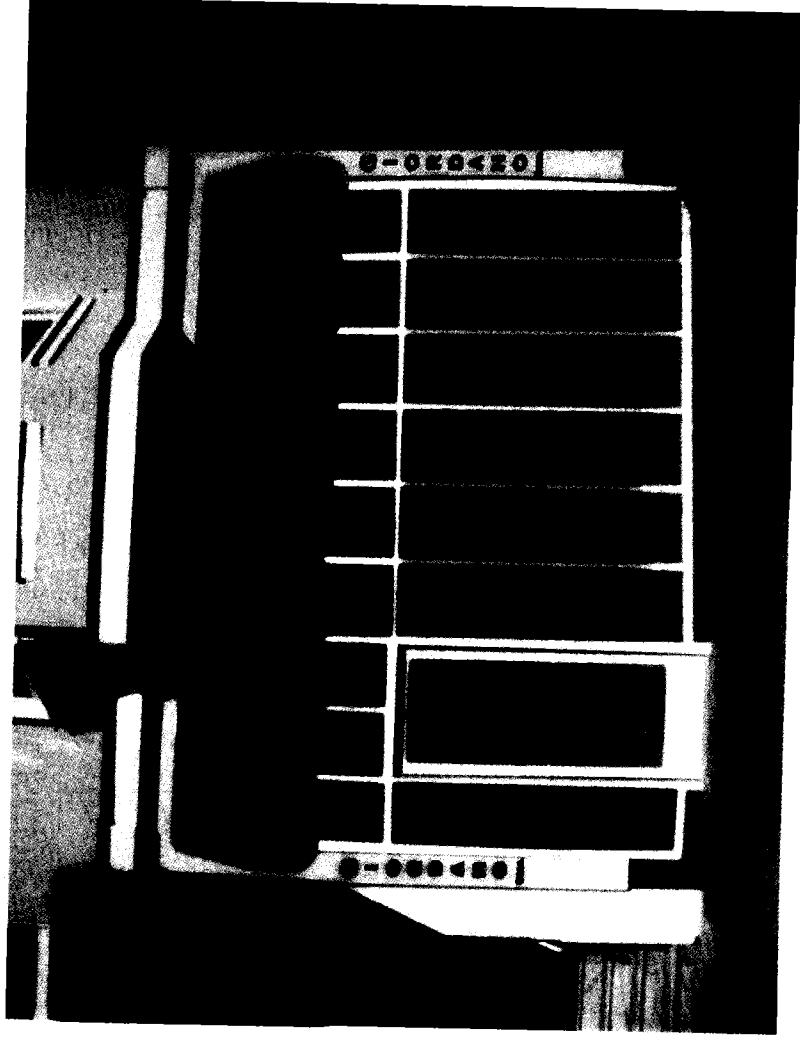
Design Overview

- Traditional “Northern California Crate Art” branding



Design Overview

- Exterior would blend with existing building(s)
- Limited signage in accordance to neighborhood regulations or look & feel
- Utilize an awning or interior blinds to block Southern sun





Design Overview

- The atmosphere is simple, unpretentious, independent, authentic and family friendly
- Similar brand design elements to North Beach
 - Color scheme
 - Fonts and signage
 - Stainless counters
 - Bench seat / chairs & stools
- Layout will have separate table and counter section
 - The counter seating is for individual diners, particularly at lunch
 - Bistro tables will allow flexibility for both small and large groups
- Outdoor seating
 - Front outdoor tables (to be applied for after opening)
 - Separate outdoor patio weekend sunny days til 9:00
- Service, vibe will mirror North Beach Location

References

- Sergeant Fred Crisp 415-315-2400
 - SFPD Permit Officer – Central Station
- Officer Mark Alveraz 415-713-9460 (cell)
 - SFPD – North Beach Beat Officer
- Jocyllin Kane 415-554-6678
 - Deputy Director, SF Entertainment Commission
- Ray Owyanz 415-956-3338
 - Property Owner – south adjacent neighbor
- Rich Green 415-781-7673
 - General Manager, Stinking Rose – north adjacent neighbor
- Janet Clyde - 415-362-3370
 - Small Business Commissioner
 - Board Member, North Beach Merchants Association
 - North Beach Business Owner, Vesuvio Cafe
- Jim Schein 415-399-8882
 - Former President – North Beach Merchants Association
 - North Beach Business Owner. Schein & Schein Gallery
- David Chiu 415-554-5184
 - President, San Francisco Board of Supervisors
 - Neighborhood Regular