

May 12, 2020

Our Shared Spaces—What Happens Next?

How our restaurants, bars, cafes, barbershops and other retail venues survive this pandemic

By Charles Hemminger, Architect, and Seth Boor, Architect

Special thanks to Pamela Mendelsohn, Maven Retail; Wylie Price, Wylie Price Design; and Greg and Jeff Alsterlind, ACI Construction

As a group of experienced San Francisco restaurant and retail industry architects, contractors, and real estate brokers, we have come together to offer our insights into the current crisis facing the restaurant businesses in our city. Our common goal is to assist the San Francisco restaurant and retail community in their efforts to survive and thrive through these challenging times. This report is intended to be a working document, a basis for discussion, and a call to action based on specific recommendations for all phases of recovery from the Covid-19 pandemic.

We have chosen to focus this report specifically on the restaurant industry, while recognizing that they are part of a larger retail business community—a community that even prior to this pandemic was facing enormous economic and social challenges. With the onset of Covid-19 and the measures required to curtail its spread it is now widely accepted that retail and restaurants are in a real crisis. It is possible that 50 percent or more of the San Francisco restaurants will not survive this challenge. These are businesses and spaces that we know and love, and which define the character of our city and neighborhoods.

It is obvious to us that this is a community of talent worth protecting. Aside from the large and interconnected network of people employed by this industry and the supply chain that it drives, these are businesses that live or die by their ability to create rewarding social interactions and the spaces to support them. They rely on and support human connection and creativity at every level. Just as we support and protect other aspects of our shared heritage so must we shore up these institutions when they are vulnerable and clear the path so they can safely reopen and rebuild.

1	The Three Phases of Recovery	2
2	In Their Own Words	6
3	Specific Recommendations to Regulatory Agencies	9
4	Summary and Case Studies	12
5	Appendix — Dispatches from the Field.....	18
6	Contributors to this Report.....	41

1 **The Three Phases of Recovery**

The response to Covid-19 is complex and in constant flux. However, through our conversations with city officials, and the constant stream of Covid-related news, we have come to understand that there are three basic phases we can expect during a long and demanding recovery: Phase 1–Triage, Phase 2–The Cautious Climb Back, and Phase 3–Rebuild a Better “Normal.” We have illustrated these phases as we currently see them and provided specific recommendations for each on the following pages.

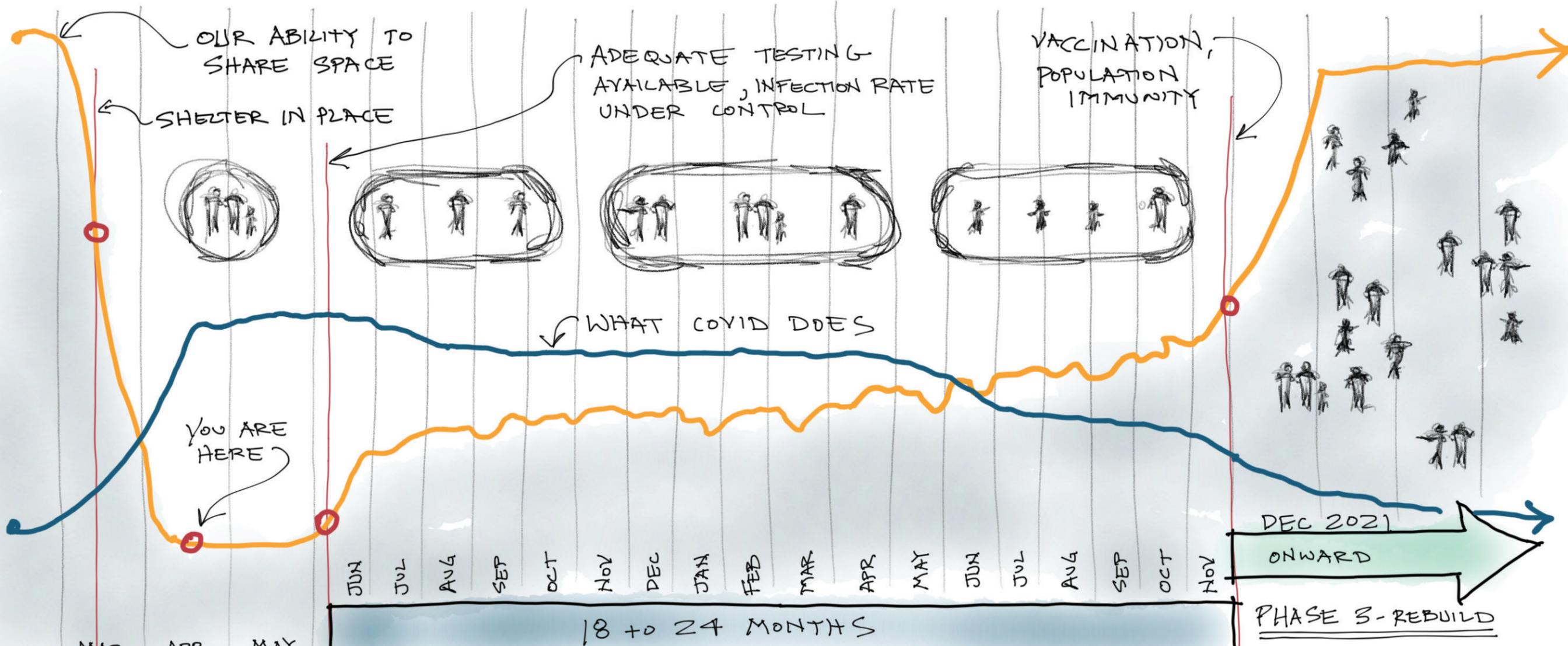
What we hear most from our friends in this industry is that they really need information and specific direction from our leaders. They need confidence that there is a path forward so they can begin to plan. We understand that there are few easy answers and fewer guarantees, but we need an open discussion about what happens next.

1.10 **Phase 1–Triage**

This phase began with the quick succession of social-distancing restrictions as the spread of the virus became evident. A shelter-in-place order was enacted for the city and then the entire state pending the ability to accurately test and assess the prevalence of the virus. Only essential businesses are operating with social-distancing guidelines in place. Only essential construction is moving forward. Permit agencies are not accepting new applications.

What we need:

- a) **Outreach**–Share information. We all need to understand what the possibilities are for the next steps and what our leaders are considering.
- b) **Care for Employees**–Assist employees with unemployment filings. Address undocumented workers and those who are ineligible for unemployment benefits.
- c) **PPP and Grant Funds**–Gear funds toward the specific realities of a restaurant’s recovery. Currently there is a June deadline to spend the funds. Many restaurateurs say it’s likely they will not even try to reopen until August.
- d) **Rent Concessions/Eviction Protection**–Seek immediate and significant rent concessions and abatements from landlords. Guard against eviction.
- e) **Taskforce/Committee Formation**– Create a forum for our retail community to be involved in the decision-making during this crisis and be informed about conditions in a timely manner.



MAR APR MAY
 ○ 3 MONTHS

PHASE I ~ TRIAGE

Shelter-in-place pending the ability to more accurately test the prevalence of the virus. Only essential businesses are operating with social distancing guidelines in place. Only essential construction is moving forward. Permit agencies are not accepting new applications. What we need:

- leadership outreach & communication
- rent concessions & eviction protection
- employee assistance & grant money

PHASE II ~ THE CAUTIOUS CLIMB BACK

Begins when public health officials agree that there is adequate testing to show that we have the infection rate under control. The most dangerous and uncertain time for small business, and any retail endeavor. We expect incremental increases to freedom of movement that come with risk. Governing and regulatory agencies will need to focus on temporary means to encourage safe retail interactions. What we need:

- leadership outreach & communication
- childcare, camps, and schools will need to re-open in order for a large portion of the workforce to return to work
- clear guidelines for social distancing requirements (City attorney/ Health Department)
- alternative to social distancing - could restaurants open to a limited neighborhood/ contained customer base without social distancing?
- expedited low or no-cost permits for re-tooling for survival/ safety improvements (Health/ DBI/ Planning)
- interpret assembly occupancy load factors to utilize more space with fewer occupants (DBI/ Fire)
- rent concessions & eviction protection
- support to-go/ off-site cocktail sales (ABC/ Planning)
- remove restrictions on take-away windows (Health/ Planning)
- remove limitations on uses in retail zoning that define proportions of production, retail/ wholesale, food service, bar - to allow flexibility and creativity for small-scale local business. (Planning)
- remove restrictions on use of outdoor areas for seating, including parklets (Planning/ Health/ DBI)
- remove conditional use requirements for principally permitted uses (Planning)

Only when we have a working vaccine, treatment, or natural immunity to the virus will we be able to return to what we thought of as normal.

- likely some lingering doubt and behavioral changes that will affect how we gather and how quickly we rebuild
- regulations for public space may be altered to address the possibility of future occurrences and lessons learned
- we need to find lasting ways to remove barriers to improving and using our shared retail spaces

1.11 Phase 2—The Cautious Climb Back

This phase begins when federal, state and local health officials agree that there is adequate testing to show that the infection rate is under control. We expect additional freedom of movement along with restrictions for operation geared toward maintaining a safe working and public environment. Currently this is expected to occur on June 3 after being pushed from May 4. We have assumed for the purposes of this report that this is a minimum 18- to 24-month period defined by incremental progress as well as potential setbacks.

What we need:

- a) **Guidelines**—A coordinated government entity must provide clear and specific guidelines on how to operate after shelter-in-place but before a vaccine/cure. Without advanced information on guidelines restaurants will be unable to plan a viable path forward.
- b) **Alternatives to Social Distancing**—Social-distancing guidelines employed in other cities, such as Hong Kong, would limit the typical San Francisco restaurant to one-third of its normal occupancy, and therefore one-third of its normal revenue (see attached plans showing social distancing’s impact on seating). Restaurants at full capacity operate on very small margins and essentially as cash businesses. Reducing occupancy this drastically is not viable for restaurants in San Francisco. We need to understand when distancing requirements might be removed from shared spaces and if there are alternatives being considered.
- c) **Childcare**—Schools, day-care providers, summer camps, etc. must reopen in order for a large percentage of employees to resume work.
- d) **PPP and Grant Funds**—This second phase of recovery is when retail employees may be able to return to work in larger numbers. Will there be more paycheck protection money available?
- e) **Rent Concessions/ Eviction Protection**—The financial participation of landlords in this recovery is essential. We need immediate and significant rent concessions and abatements from landlords and protection from eviction. Restaurants will be likely looking at a 50-70 percent reduction in revenue for this 18- to 24-month “Climb.” Rent deferrals for a few months will not be enough to meet the real needs during this phase of recovery. Empty tenant spaces will likely not be re-tenanted.
- f) **Fee and Tax Relief**— Either suspend or drastically reduce the assortment of fees and taxes typically assessed on retail enterprises and their properties during this crisis.
- g) **Targeted Covid Alteration Approvals**—Create a low- or no-cost same-day permit process for improvements to existing facilities for the purposes of safety and business survival.
- h) **Emergency Regulatory Support**—Regulatory agencies must provide a coordinated recovery plan for small businesses that includes a specific working group to coordinate and support the restaurant industry. This will include specific accommodations, suspension of burdensome regulations, fees and approval processes. (See below for specific recommendations organized by governing agency.)

- i) **Public Support**—We need a far-reaching media campaign, coordinated and funded by intra-departmental agencies such as the Office of Tourism and Mayor’s Office, highlighting local businesses and celebrating their efforts to reopen. We must remind people that they need to connect their economic choices to their larger local community, of which restaurants, cafes and independent retail businesses play a vital role. Remind the public to follow their favorite restaurants and support them in their efforts to adapt and innovate.

1.12 **Phase 3—Rebuild a Better “Normal”**

Only when the virus is deemed controllable by vaccine, general immunity, or therapeutic treatments can we begin rebuilding what we thought of as normal. Our new normal must be better than the last. We will need real change to prepare for the future given what we have learned, and to support sustainable and resilient retail business development. It will be critical that we continue to remove the complexities and hindrances that stand in the way of creative and flexible uses of our shared retail spaces. In many ways we will face the same challenges as before the pandemic, only this time if we do not overcome them we will see the places we love fail quickly and decisively. This time around we hope there is an appetite for real change, along with the recent proof that we can do incredible things with the right motivation:

- a) **Solve the Housing Crisis**—One of the most common complaints from the restaurant industry in San Francisco is the lack of labor, and the inability for staff to afford this city. We need housing. We need density. We need affordability.
- b) **Solve the Homelessness Crisis**—Another major factor preventing businesses from setting up shop here is the sad condition of our city streets and the sheer number of people forced to live on them. These problems are all tied together.
- c) **Remove Complexity and Barriers to Creativity**—For outsiders and seasoned veterans alike our local system of interwoven codes, guidelines, conditional uses, review boards, appeals and fees seem unnecessarily burdensome and prohibitive. Layer upon layer of well-intentioned regulations have accumulated over the years to the point where we now ensure only the well-funded with ample time and money at their disposal are able to navigate the process. We can remove many of these barriers to success and make this a more egalitarian process.

2 In Their Own Words

Below is a sample of what we are hearing from restaurant and retail colleagues. It is a condensed selection of quotes, stories, hopes, and concerns. We believe these thoughts reflect this community's resiliency and thoughtful creativity. They are up to the task of rebuilding our better "normal". They need material support and for us to clear the path.

We have taken liberties with summarizing these quotes to quickly illustrate what we have learned through this outreach. However, this is only a small sampling of the material that has been submitted to us. Please take the time to see the full context of the excerpts below, as well as many more complete letters, in Section 5: Appendix — Dispatches from the Field, page 18.

What we need most is an idea of what these guidelines would be... we understand only 30 percent of what anyone says right now might end up being true, but that is better than nothing... From what we hear of guidelines in other parts of the world it seems that restaurants might just need to take the next couple of years off to explore some new ideas. —**Rupert Blease (Lord Stanley)**

... we have the opportunity to look towards the future and use this moment to build a system that we can be more proud of. That begins with the city and the decisions that they make moving forward in order to establish a foundation for a successful entrepreneurship, opportunities for working-class residence, and ultimately, a city that everybody would like to live in. Regulatory attention is a great beginning. Working together to find ways to provide affordable childcare, accessible health care and pathways to asset generation for entrepreneurs and workers will be essential to reduce the vulnerabilities that we are all currently facing. —**Caleb Zigas & Blake Kutner (La Cocina)**, full text on page 22

When your restaurants are built for dining-in, to pivot to a new model and work within the limits of a financial model that was determined for a restaurant no longer allowed to serve in that manner, will take many partners to make it through these uncertain times. The city and county of San Francisco, state of California, landlords all must cooperate if they want to see our industry become the backbone it was once before. If we can get to the other end, we as restaurant owners have a bright future and a tremendous opportunity to rebuild our business in a much more sustainable model. —**Jeff Hanak (Co-Owner, Nopa, Nopalito, Liholiho Yacht Club, Dear Inga)**

...The whole world is watching what each other are doing right now to support their societies. My hope is that our city or state qualifies how important independent restaurants are to their communities and shows our industry a level of support that has been historically shown to other industries. Risk has been riddled throughout this entire ordeal and we are just looking for something to have us feel like we can feel a sliver of optimism to attempt to reopen our restaurants. —**Brandon Jew (Mr. Jiu's, Mamahuhu)**, full text on page 20

Assuming we'll be able to operate at less than 50 percent capacity we'll need to quickly and creatively re-imagine our physical spaces. Essentially our restaurants require a new business model which includes a complete re-tool with respect to flow and necessary safety precautions while achieving enough revenue to stay afloat! —**Stuart Brioza and Nicole Krasinski (State Bird Provisions, The Progress, The Anchovy Bar)**

We have seen a steady decline in the profitability of restaurants over the past 20 years due to fixed costs—mainly the burdened cost of employees and rent increasing over time to take us from roughly a 15 percent margin to somewhere between 0 and 5 percent. Covid-19 has illustrated just how vulnerable restaurants are financially and the fact that there is not enough of a cushion to withstand adverse conditions for longer than about a month. This is not a sustainable model. We need a completely new business model and perhaps the silver lining is that the model will be forced into being given the extreme challenge we are now facing. If we collectively go back to the same model we will be doomed to fail. —**Traci des Jardin—Arguello (Presidio), School Night (Mission Bay)**

It is nearly impossible to plan for the future right now with so many unknowns. We do know, however, we will not be able to operate as the full-service sit-down restaurant with reduced capacity—the numbers won't work. Rent is going to be one of the biggest challenges. To shift to a to-go model, we will need to renegotiate the lease for a 3,200-square-foot space. It will be another challenge altogether to go from a robust staff to a bare-bones crew in order to accommodate a new business model. Former staffing issues are about to be turned on their head. —**Gabriela Camara & Emma Rosenbush (Cala Restaurant)**

... I remember seeing something recently that quoted Jane Jacobs' idea that new ideas need old spaces. The thing I read was saying new ideas that are risky or unproven need inexpensive, undervalued space to be in to develop. But so do lots of regular businesses that are not built with a goal of perpetual growth and unlimited profit—just quality, human-scale service by and for people who live in the community. When you have a lot of those kinds of businesses, that's when you have a strong and vital community fabric. That's what we're at risk of losing here...—**Joel Benson (Dependable Letterpress)**, *full text on page 21*

The most difficult thing right now is not knowing what the new rules are going to be. Restauranteurs are a scrappy and creative bunch, and if you tell us what the rules are we will find a way to make something work. But trying to plan right now, with no guidance from the city or the state on what to expect, is a fool's errand. Additionally, if there is to be a silver lining from all of this, I'm hopeful that it's this: That the city finally realize that restaurants are a vital part of the culture and community of San Francisco... —**Tim Stannard (Spruce, Village Pub, Mayfield Bakery, Pizza Antica)**, *full text on page 34*

Clear and concise guidelines of protocols for restaurant reopening. With significant lead time for preparation. Publish guidelines ASAP... Lower or subsidize health-care premiums for workers. Lobby insurance companies and health-care providers if employers in San Francisco continue to be required to provide health-care coverage... More affordable and creative housing solutions for lower income workers... Bridge the income-inequality gap between FOH and BOH. Mandate that gratuity is not the sole property of the server and that gratuity can be shared between the staff without taxing the restaurant... Continue to allow restaurants to sell alcoholic beverages to-go without special licensing... Restaurants are such a vibrant sector of San Francisco. We all realize we need to pivot and keep people safe, but working together to come up with creative solutions thoughtfully that will help financially, to keep this community going... Here is to the future; we'll get through this. It's just going to be different. —**Kathy King and Pam Mazzola (Boulevard, Prospect)**, *full text on page 23*

Every restaurant and hospitality operator is facing so many unknowns which makes planning for the future seemingly impossible. What mandates will be in place and for how long—such as occupancy caps and new health and safety regulations, and how to make up that lost revenue or to pay for PPE for employees?... What is clear is that for restaurants to re-open and stay open, they will need to be well-capitalized, scale back their offerings, and operate more efficiently... If landlords will agree to rent abatement rather than deferment until things stabilize or re-negotiate leases entirely that will really help. Also, much more flexible assistance is necessary. PPP funds, specifically, are not sufficient, don't take into account the likely timeline for “re-opening” and “re-hiring” and don't allow operators to cover enough nonpayroll expenses. —**Lloyd Sachs (financial partner Trick Dog, Bon Voyage, Delfina, Emporium, Mission Bowling Club)**, *full text on page 21*

...The focus has been on aid, and we need that, desperately. But even more, we need change. We can see sheltering-in-place as time we just need to get through, steering along the quickest path back to normal. Or we can face that normal wasn't working, and see this as an unprecedented opportunity to revise ailing systems...From our city, we need the flexibility to conceptualize entirely new models within existing spaces, and that means amending the steep costs of operating here. Let's ease zoning and classification restrictions so restaurants can re-style toward hybridized revenue streams, to offset the limited capacity allowed in our spaces... let's eliminate the local fees, ordinances and permitting barriers that have already been destroying and homogenizing restaurants. To be not just willing, but able, to take on the debt, charge the effort and spark the innovation required to get through this in the short and long term, our industry needs to be recognized for the dedication, ingenuity and incredibly hard work we—in every facet of the supply chain—represent...—**Lana Porcello and Dave Muller (Outerlands)**, *full text on page 29*

As Foreign Cinema awaits the date for reopening our doors to the public with the utmost safety measures and training in place, we have provided meal kits for our entire team, as well as our community's most vulnerable members as food security has become a paramount issue. During this time of forced closure, we decided against the to-go and grocery-store model for the safety of our staff, as well as our guests. Our company is paralyzed by the current PPP loan rules, making our recovery complicated, murky in navigation, despite our clear resolve to open once more, and serve our patrons, as we have been doing for 20 years. Freedom in decision-making on how best to use the funds would benefit the long-term health of the restaurant model that supports a huge network of workers, other vital small businesses, as well as the food suppliers who have become imperiled by restaurant closures. —**John Clark and Gayle Pirie (Foreign Cinema)**

... Liho is a vibe. It's the energy created by the people in the space; you can literally feel it. It is transportive and transformative. It is essential. There is so much effort and intention into crafting that experience, and it didn't begin when the doors opened; it was the people. We want people to feel special and taken care of, but in an honest and genuine way. That leaves us with some very difficult decisions to be made. What previous life form are we willing to let go of in this new normal? For us, it's difficult to imagine Liho with masks and gloves and sterility. Yes, we fully understand the severity of this virus and will do everything in our power to mitigate the spread and the brutal reality is that restaurants may no longer exist. Then the question is what are we willing to live without?... —**Ravi Kapur (Liholiho Yacht Club)**, *full text on page 25*

3 **Specific Recommendations to Regulatory Agencies**

Restaurants in particular and retail in general were already facing significant challenges before the onset of Covid-19. Now they have a pandemic to contend with that directly impacts the shared social space they all depend on creating in order to thrive. All of these businesses are used to working hard and being creative. We must find ways to remove the barriers to their creativity and support their efforts at rebuilding in whatever way they can.

The list below represents ideas for barrier removal and expediency that might be provisional or permanent, local or widespread—all are intended to remove complexity rather than create new layers. These ideas are just the beginning and a call to action for our public agencies to lead the way on creative action to ensure that our food-service community survives and thrives during the trial ahead.

3.10 **Mayor's Office**

- a) **Guidelines**—Provide a clear, coordinated and specific set of guidelines on how a restaurant can operate in this pre-vaccine period.
- b) **Outreach**—Provide a coordinating liaison and staff to specifically coordinate the San Francisco restaurant recovery.
- c) **Protection from Liability**—Provide a legal framework that allows a private business and its owners to understand its liability to both the public and its employees in the context of a contagious virus. Specifically, are they liable if employees assert they were infected with the virus while at work? Is a restaurant liable if a patron asserts he/she was infected on their premises? These are important questions that all businesses are asking. They are looking for direction and need help understanding their obligations and liability as private businesses serving the public.
- d) **Bold Leadership**—Coordinate intra-departmental action and cut through the burdensome bureaucratic processes as only the Mayor's Office can. Help clarify the big picture, which is removing the procedural hurdles that have plagued the small business and restaurant communities for years, for example, a 12-month permit process, 3- to 4-month sidewalk table and chair permits, CUP's galore, etc.
- e) **Street Seating/Block Parties**—Spearhead a movement for provisional street closures targeting neighborhood use and safely distanced restaurant/bar seating. Get the public back out to support their local businesses and socialize safely.

3.11 **San Francisco Planning Department**

- a) **Expedited Approval**—Provide an expedited review and approval process specifically designed for restaurants and small retail businesses.
- b) **Targeted Covid Alteration Approvals**—Create a low- or no-cost same-day permit process for improvements to existing facilities for the purposes of safety and business survival: to-go windows, awnings, sidewalk improvements, counters, lighting, hand-wash stations, casework/seating, occupancy changes, etc.
- c) **To-Go Windows**—Review and approve retail to-go windows through an on-line application submittal. Create a one-day approval process.

- d) **Curbside Food Pick-up and Supply Loading**—Coordinate with DPW to create an expedited and inexpensive process to establish curbside food pick-up and supply loading.
- e) **Support Multi-Use of Space**—Accommodate restaurants that need to become multi-use retail spaces (food to-go, provisions, production, wholesale, etc.). This may require a temporary suspension of current zoning guidelines and review processes.
- f) **Remove Notification Requirement**—Permanently eliminate or temporarily suspend all change of use public notifications for principally permitted uses. (Currently a 4- to 6-month process.)
- g) **Remove Accessory Use Limitations**—Temporarily suspend the enforcement of any and all accessory use limitations to accommodate the adaptations that restaurants desire to sustain their businesses.
- h) **Parklets**—Coordinate an expedited approval process for temporary (18- to 24-month) restaurant parklets. Encouraging outdoor seating, reduced car traffic, encourage safe public gathering. Allow reservation of parklet seating and table service by the sponsoring business.
- i) **Simultaneous Planning and Building Permit Processing**—Encourage new restaurants moving forward by allowing simultaneous planning and building permit processing. Allow tenants to get through building permit process while waiting for CUP approval.

3.12 San Francisco Building Department

- a) **Preliminary Construction**—Allow construction to proceed prior to final building permits being issued. To encourage new restaurants moving forward, and specifically those restaurants currently in the permit review process (Typically a 6- to 9-month or longer review process) allow all under-slab plumbing to be inspected in the field based on issued trade permits. Allow under-slab plumbing to be covered and slabs poured. This would then allow rough framing, rough mechanical, electrical and plumbing to proceed. Leave all above-slab work exposed for Inspection once final building permit is issued.
- b) **Digital Plan Review and Approval**—Jump start long-planned digital review plan check process. Reduce and/or eliminate face-to-face over-the-counter reviewing.
- c) **Expedited Approval**—Provide an expedited review and approval process specifically designed for Restaurants and small retail businesses.
- d) **Targeted Covid Alteration Approvals**—Create a low- or no-cost same-day permit process for improvements to existing facilities for the purposes of safety and business survival (to-go windows, awnings, sidewalk improvements, counters, lighting, hand-wash stations, casework/ seating, occupancy changes, etc.).

3.13 Health Departments—State and Local

- a) **Targeted Covid Alteration Approvals**—Create a low- or no-cost same-day permit process for improvements to existing facilities for the purposes of safety and business survival (to-go windows, sneeze-guards, counters, lighting, hand-wash stations, casework/ seating, occupancy changes, etc.).
- b) **To-Go Windows**—Review and approve retail to-go windows through an on-line application submittal. Create a 1-day approval process. Reduce rules on fly-

fans and size limitations with auto-closures. Humans are now the most dangerous vectors; these windows keep them outside.

- c) **Guidelines**—Provide a clear, coordinated and specific set of guidelines on how restaurants can operate in this pre-vaccine period.
- d) **Staff**—Provide criteria for creating safe work environments for employees, and for safe interactions between Servers and the public.
- e) **Cleaning** - Cleaning/Hygienic protocols for Food Prep and public areas.

3.14 **San Francisco Department of Public Works**

- a) **Street Closures for Seating**—Support and expedite provisional street closures for neighborhood use and restaurant seating where possible.
- b) **To-Go Windows**—Review and Approve retail to-go windows through an on-line application submittal. Create a 1-day approval process. Reduce rules on fly-fans and size limitations with auto-closures. Humans are now the most dangerous vectors; these windows keep them outside.
- c) **Sidewalk Seating**—Expand and expedite sidewalk/outdoor seating options for restaurants.
- d) **Parklets**—Coordinate an expedited approval process for temporary (18- to 24-month) restaurant parklets. Encourage outdoor seating, reduced car traffic, safe public gathering. Allow reservation of parklet seating and table service by the sponsoring business.
- e) **Curbside**—Coordinate with San Francisco Planning Department for an expedited and inexpensive process to establish curbside rood pick-up and supply loading.

3.15 **City Assessors Office/City Taxes**

- a) **Rent Relief**—Incentivize landlords to subsidize restaurant and small business tenants' rent. Provide property owners direct property tax reductions based on their documented rent subsidy to their commercial restaurant and small businesses tenants.
- b) **Remove or Delay Storefront Vacancy Penalty**—Determine how a temporary elimination of empty storefront vacancy policies and penalties can be provided to individual property owners, based on their documented subsidy of their commercial restaurant and small business tenants.
- c) **Tax Relief** - Determine what other temporary suspensions of specific property taxes, fees and assessments can be provided to property owners, based on their documented subsidy of their commercial restaurant and small business tenants.

4 **Summary and Case Studies**

We have chosen to focus this working report specifically on the restaurant industry, while recognizing that they are part of a larger retail business community. A community that prior to this pandemic was already undergoing enormous change. The well-documented *online-ification* of our retail businesses, the stay-at-home culture of streaming entertainment and the myriad food-delivery businesses were all having a negative impact on the restaurant industry prior to the pandemic. The negative consequences of these trends will clearly only be exacerbated by the current crisis.

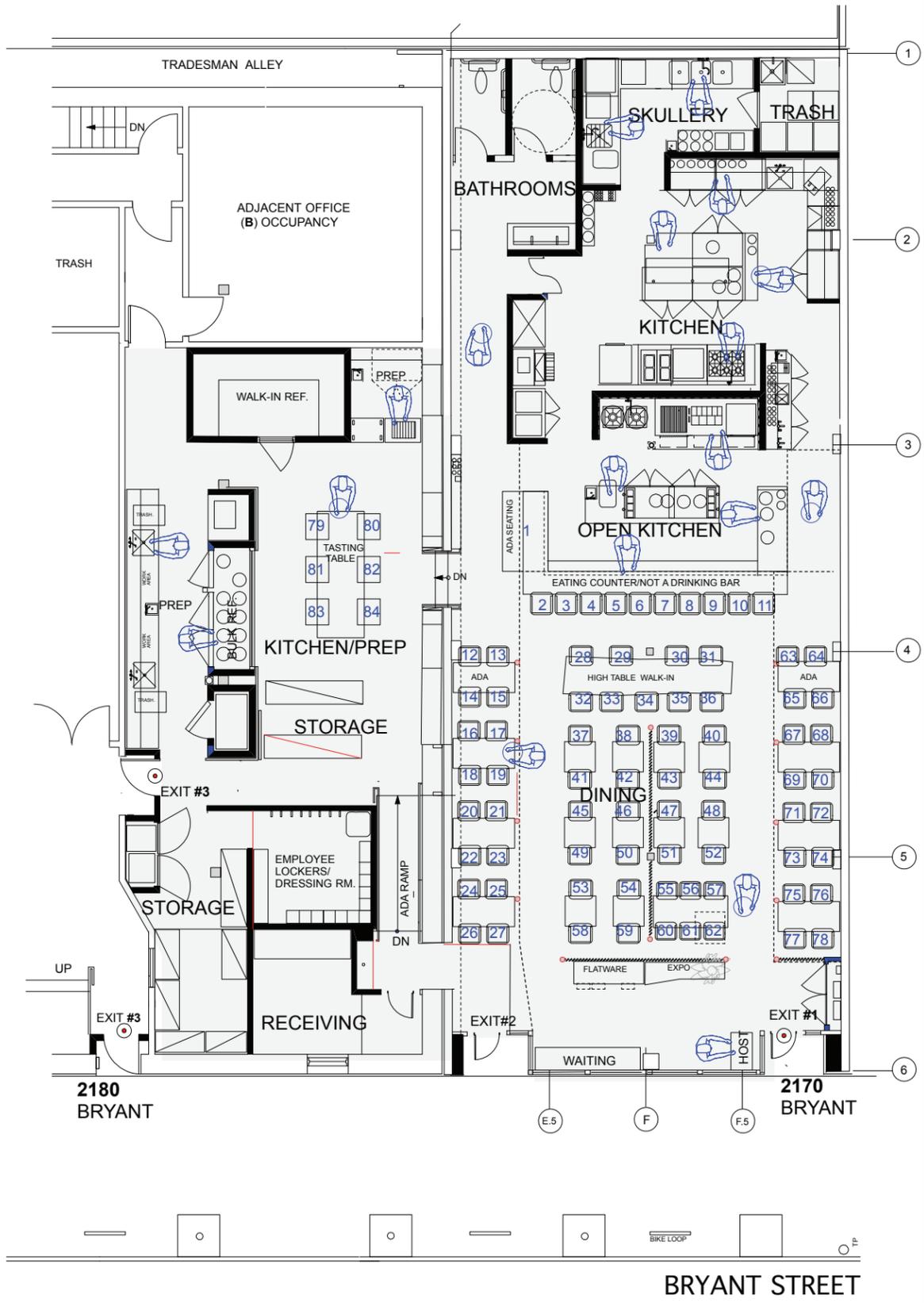
We all fear the worst-case scenario of losing this fragile eco-system of restaurants that we love, and their interconnected communities of vendors, purveyors and local farms. We cannot afford to lose these businesses, only to be left with the expediency of fast food, the internalized social life, and the impersonal undifferentiated scale of the bigger-faster-cheaper industrial food world.

Our shared spaces are in crisis, and to avoid disaster the restaurant and small business community of San Francisco is looking to city and state officials for clear and coordinated guidelines for rebuilding. This recovery will require a bold partnership of innovative ideas, new ways of thinking, and a supportive regulatory environment. We will all need to work with common purpose to preserve and support the businesses and restaurants which taken together define the rich character of our great city.

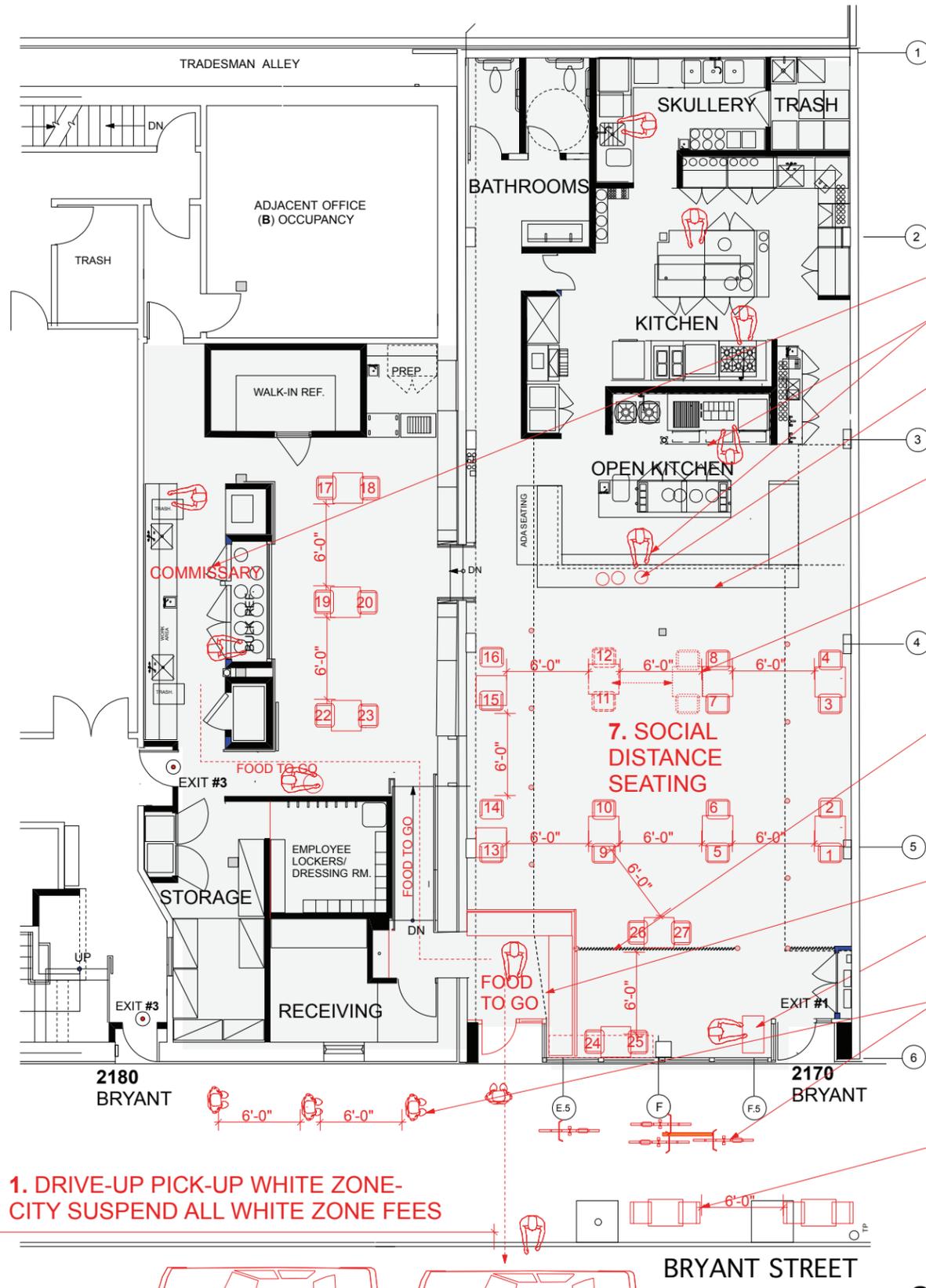
4.10 **Case Studies**

On the following pages are case-study plans showing possible changes to seating to create safe dining environments. These are based on guidelines pieced together from multiple sources in other locations. These plans are intended for illustration only and do not depict the actual intentions of the individual restaurants.

- a) **San Ho Won**, Corey Lee, Chef/Owner: Under construction at time of shutdown.
- b) **Ernest Restaurant**, Brandon Rice, Chef/Owner: Under construction at time of shutdown.
- c) **The Anchovy Bar**, Stuart Briozza and Nicole Kransinski, Owners: Under construction at time of shutdown.
- d) **Dear Inga**, Jeff Hanak, Owner: Opened five months prior to shutdown.
- e) **Cala**, Gabriella Camara and Emma Rosenbush, Owners: Internationally recognized San Francisco restaurant open for five years.



PRE-VIRUS OCCUPANCY
TOTAL SEATING COUNT = 84
84 INTERIOR SEATS
16-18 EMPLOYEES



**1. DRIVE-UP PICK-UP WHITE ZONE-
 CITY SUSPEND ALL WHITE ZONE FEES**

SOCIAL DISTANCE OCCUPANCY
TOTAL SEATING COUNT = 27 SEATS
4-6 SIDEWALK SEATS
4-6 EMPLOYEES

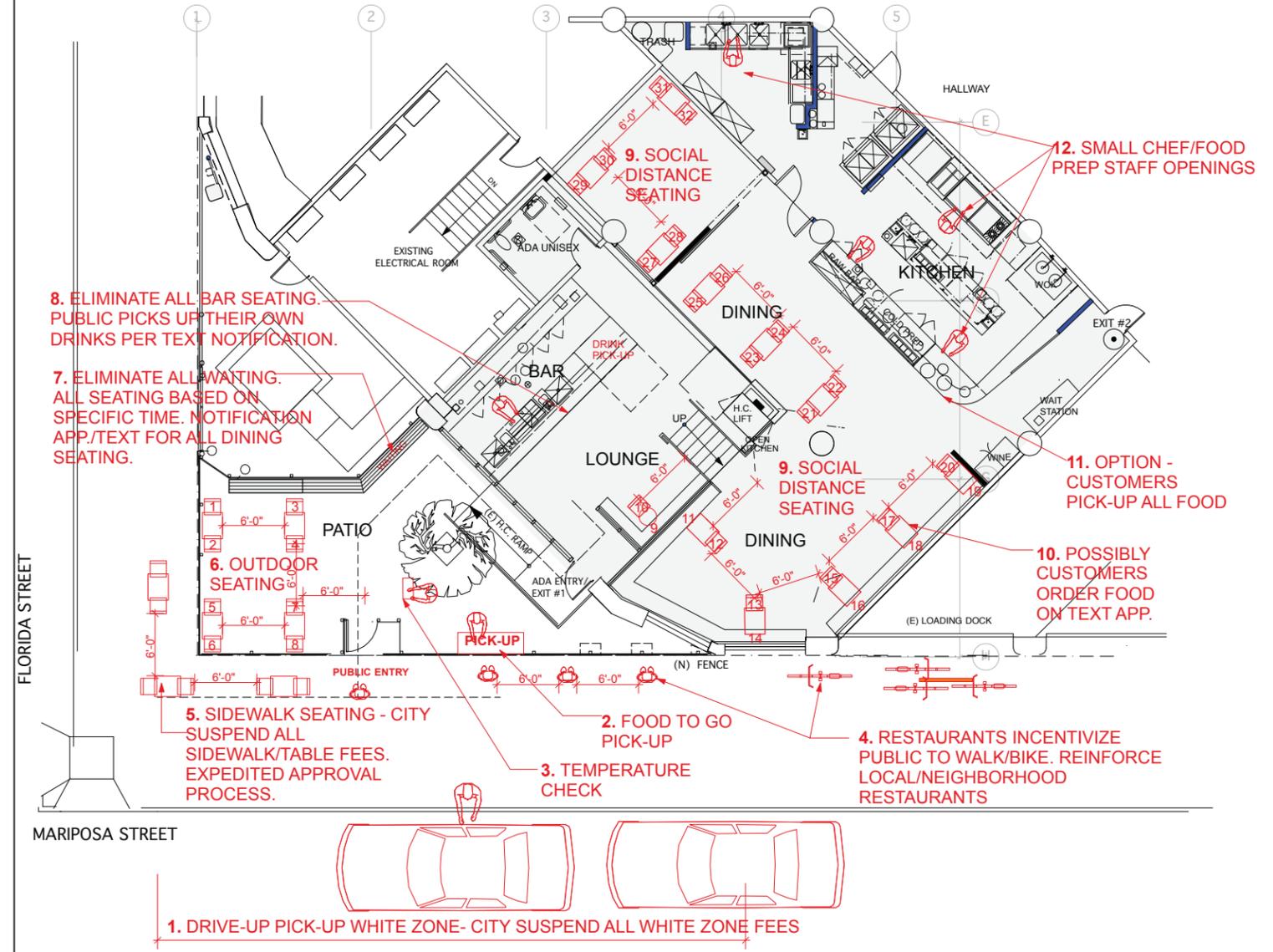
- 11. COMMISSARY**
- 10. SMALL CHEF/FOOD PREP STAFF OPENINGS**
- 9 OPTION - CUSTOMERS PICK-UP FOOD**
- 8. ELIMINATE ALL BAR SEATING. PUBLIC PICKS UP THEIR OWN DRINKS PER TEXT NOTIFICATION.**
- 7. SOCIAL DISTANCE SEATING. PRIMARILY 2 TOP SEATING COMBINED INTO 4-TOPS PER HEALTH DEPT. DIRECTIVES FOR GROUP SEATING.**
- 6. ELIMINATE ALL WAITING. ALL SEATING BASED ON SPECIFIC TIME. NOTIFICATION APP./TEXT FOR ALL DINING SEATING.**
- 5. FOOD TO GO/ COMMISSARY**
- 4. TEMPERATURE CHECK**
- 3. RESTAURANTS INCENTIVIZE PUBLIC TO WALK/BIKE. REINFORCE LOCAL/NEIGHBORHOOD RESTAURANTS**
- 2. SIDEWALK SEATING - CITY SUSPEND ALL SIDEWALK/TABLE FEES. EXPEDITED APPROVAL PROCESS.**

San Ho Won Restaurant
 Under Construction
 Proposed Opening Fall 2020
 2170 Bryant Street, San Francisco
hemmingearchitects
 hemmingearchitects.com
 2601 mission st - suite 215
 san francisco
 p 415 378.7046
 email charles@hemmingearchitects.com



PRE-VIRUS OCCUPANCY

PROPOSED SEATING COUNT = 113 SEATS
83 INTERIOR SEATS
 (INCLUDING BAR/PDR)
30 EXTERIOR SEATS
 (PATIO)
14-16 EMPLOYEES

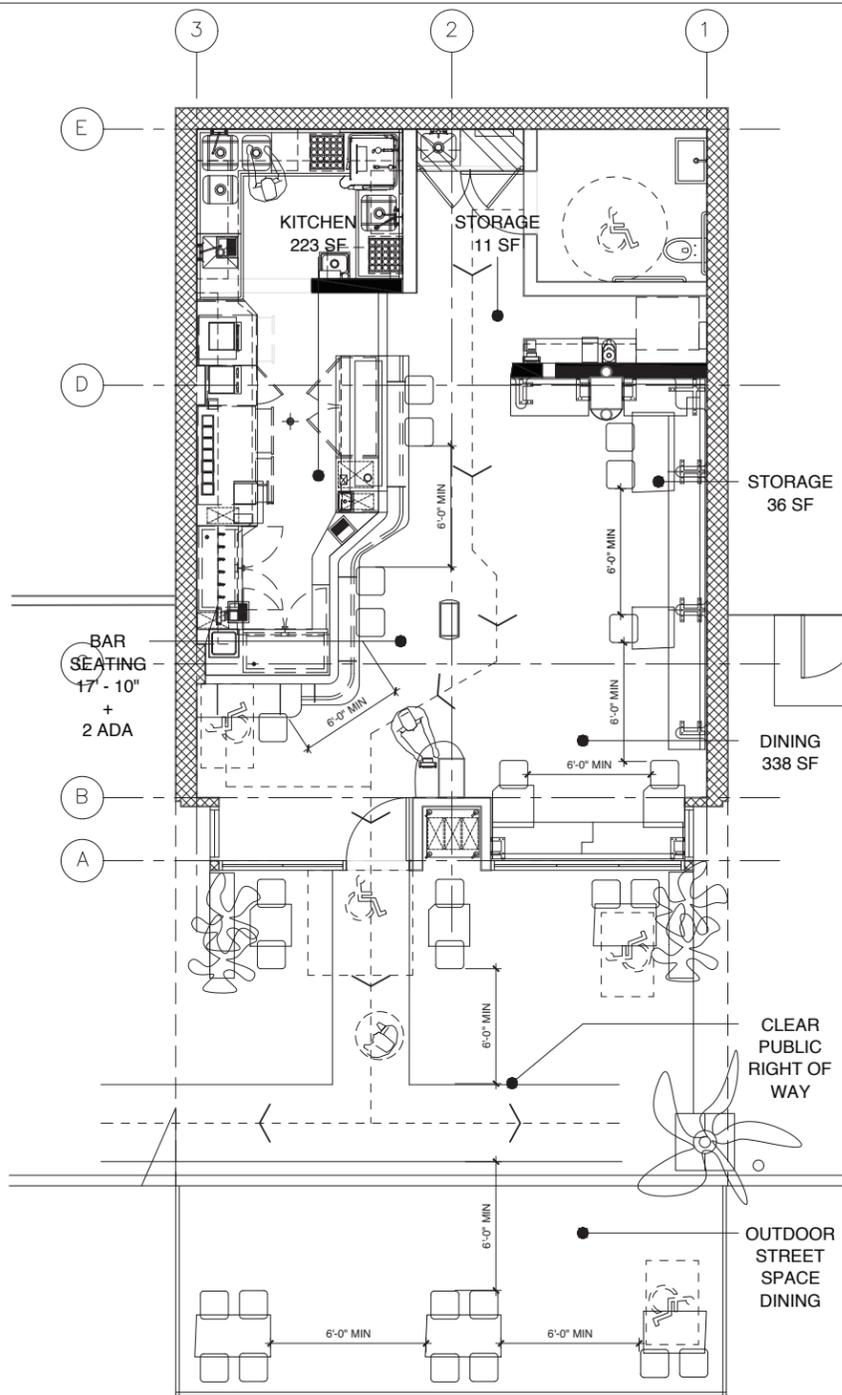


SOCIAL DISTANCE SEATING

PROPOSED SEATING COUNT = 32 SEATS
24 INTERIOR SEATS
8 EXTERIOR SEATS
 (PATIO)
4-6 EMPLOYEES

Ernest Restaurant - Under Construction
 Proposed Opening Summer 2020
 1890 Bryant Street
 San Francisco

hemmingerarchitects
 hemmingerarchitects.com
 2601 mission st - suite 215
 san francisco
 p 415 378.7046
 email charles@hemmingerarchitects.com



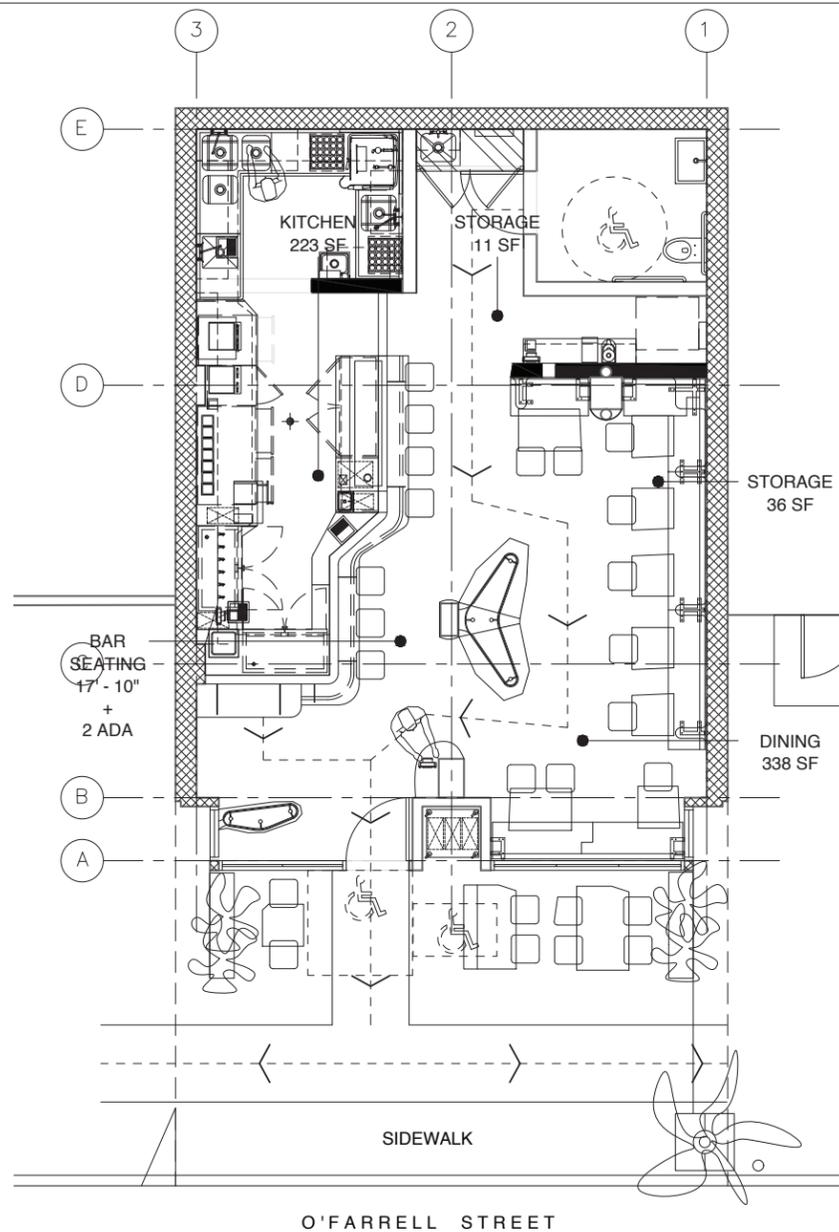
OCCUPANCY NOTES

FLOOR AREA TYPE	TOTAL AREA	OCC. LOAD
NON-CONTRIBUTING AREAS - ACCESSORY AREAS	110 SF	-
DINING AREA	338 SF	SD (1 : 6') 10
BAR SEATING (W/ ADA)	17' - 10"	SD (1 : 6') 6
KITCHEN	223 SF	(1 : 200) 2
STORAGE	47 SF	(1 : 300) 1
TOTAL OCCUPANT LOAD		19

OUTDOOR STREET SPACE DINING AREA
SD (1 : 6') 18

SOCIALLY DISTANCED PLAN

SCALE: 1/4" = 1'-0"



OCCUPANCY NOTES

FLOOR AREA TYPE	TOTAL AREA	OCC. LOAD
NON-CONTRIBUTING AREAS - ACCESSORY AREAS	110 SF	-
DINING AREA	338 SF	(1 : 15) 23
BAR SEATING	17' - 10"	(1 : 24') 9
BAR SEATING (ADA)	-	- 2
KITCHEN	223 SF	(1 : 200) 2
STORAGE	47 SF	(1 : 300) 1
TOTAL OCCUPANT LOAD		37

OUTDOOR DINING AREA
SD (1:15) 9

ORIGINAL PLAN W/ OCCUPANCY

SCALE: 1/4" = 1'-0"



PROJECT SCOPE

TENANT IMPROVEMENT - INTERIOR CONSTRUCTION OF RESTAURANT
NEW FINISHES IN DINING ROOM AND BAR. NEW RESTROOMS, BAR AND KITCHEN.
FULLY ADA ACCESSIBLE SPACE

BUILDING CODE DATA

PRESENT USE: FULL SERVICE RESTAURANT
PROPOSED USE: FULL SERVICE RESTAURANT
OCCUPANCY: B-UNDER 49 RESTAURANT / R-2
STORIES: 12 STORY w/ BASEMENT
CONSTRUCTION: TYPE I - A (EXISTING SPRINKLERED)
FLOOR AREA: 938 S.F.
BLOCK/LOT: 0707/044

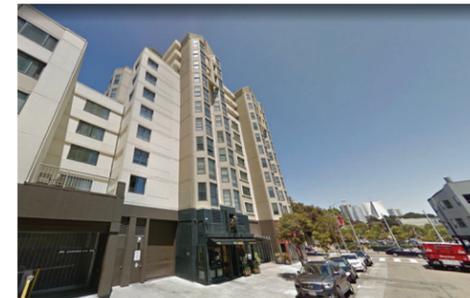
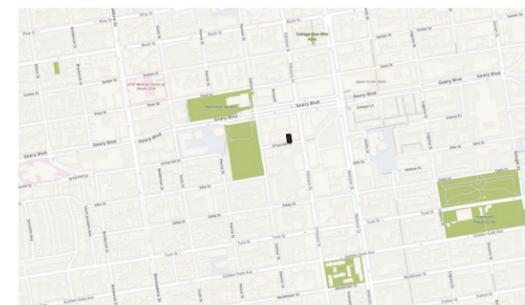


PHOTO # 2 - PROJECT BUILDING ON O'FARRELL ST.



VICINITY PLAN

NOT TO SCALE



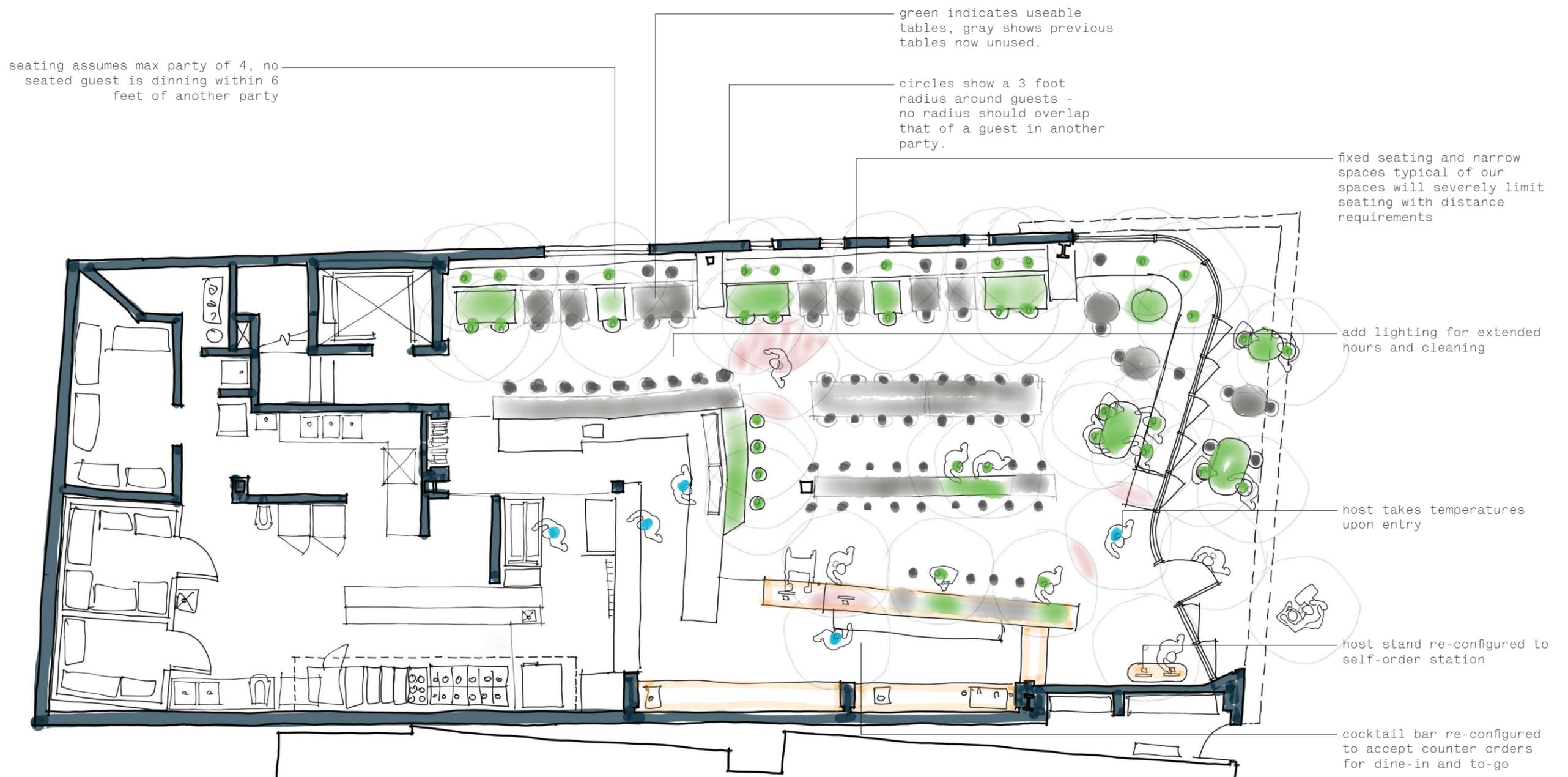
WYLIE PRICE
2278 TELEGRAPH AVE
OAKLAND, CA 94612
OFFICE@WYLIEPRICE.COM 510.923.2498

RESTAURANT SOCIAL DISTANCING OCCUPANCY STUDY

THE ANCHOVY BAR
1740 O'FARRELL ST
SAN FRANCISCO, CA

EXISTING COND. SEP 19, 2019
SCHEMATIC LAYOUT SEP 25, 2019
SCHEMATIC LAYOUT OCT 11, 2019
BD SET NOV 06, 2019
PERMIT SET DEC 18, 2019
RD 1 JAN 13, 2020
ISSUE FOR CONST. FEB 5, 2020
CD REV 1 FEB 18, 2020
ACOUSTIC MAR 4, 2020
SOCIAL DISTANCE BD APR 28, 2020
D.B. / C.B. - JYC / WP

A0



Notes:

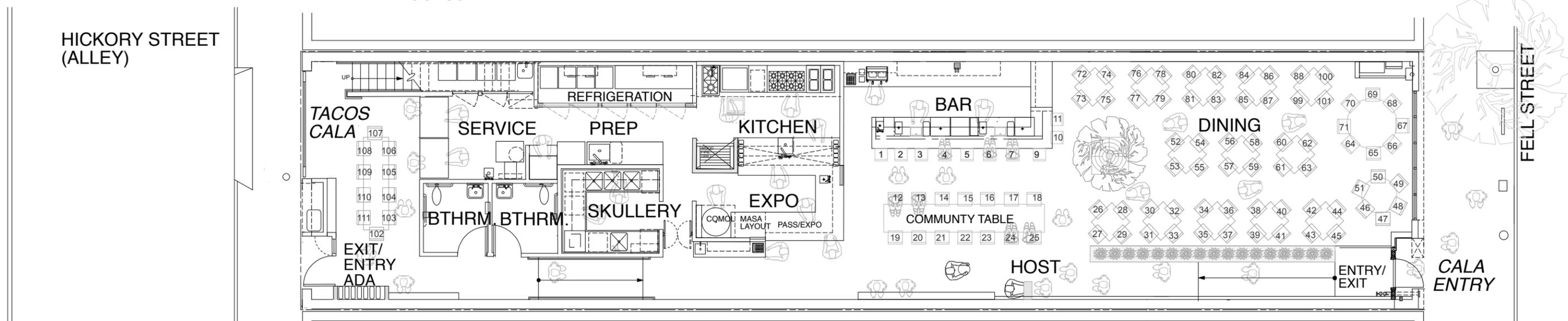
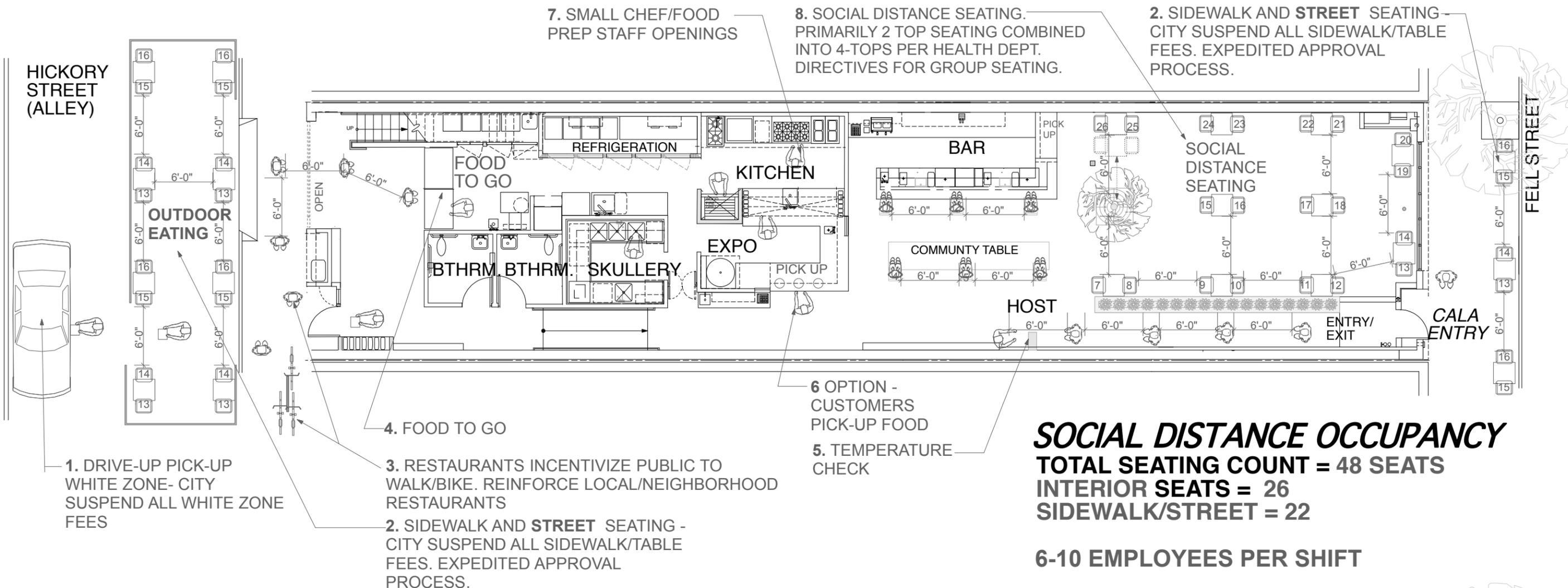
- Seating reduced to 34% occupancy (35 of 102 normal seats)
- Minor construction may be required. Owners will not be able to afford this work especially if it requires permitting. Consider no-cost, self-perform approval for: lighting, plumbing (hand sinks), counters/casework, non-structural partition removal.

Problems:

- any amount of distance restrictions are likely not going to work for most operators
- few will risk opening without being able to fully utilize their spaces given the cost of rent and staffing with additional constraints
- if restrictions are lifted all at once the competition of numerous openings combined with lingering customer worry, and re-staffing concerns will be difficult to overcome

Solutions:

- allow facilities to open fully but on a controlled schedule serving a limited population - initially servicing the immediate neighborhood, then a zip code or district, etc.
- provide rent forgiveness and protection from eviction until restrictions are entirely lifted



Cala Restaurant Restaurant

Completed 2016
 149 Fell Street, San Francisco

hemmingerarchitects

hemmingerarchitects.com
 2601 mission st - suite 215
 san francisco
 p 415 378.7046
 email charles@hemmingerarchitects.com

5 **Appendix — Dispatches from the Field**

What follows is an overwhelming record of personal writing that we have received from members of the retail and restaurant community. We have included the full text of each letter we have received for context and reference. Represented is a group of creative people willing and able to make a new, better reality, given the right information and support. We will continue to add similar thoughts and the full text of future letters as we receive them.

1. Corey Lee (Benu, In Situ, Monsieur Benjamin):	19
2. Josey Baker (Josey Baker Bread and The Mill):	19
3. John Finger (Hog Island Oyster):	19
4. Brandon Rice (Ernest SF):	19
5. Hamid Rafati (Mazarine):	20
6. Chris Lawrence (Southern Pacific Brewing)	20
7. Jeff Hanak (Co-Owner, Nopa, Nopalito, Liholiho Yacht Club, Dear Inga):	20
8. Brandon Jew (Mr. Jiu’s, Mamahuhu):	20
9. Traci des Jardin—Arguello (Presidio), School Night (Mission Bay):	21
10. Lloyd Sachs (financial partner Trick Dog, Bon Voyage, Delfina, Emporium, Mission Bowling Club):	21
11. Joel Benson (Dependable Letterpress):	21
12. Gabriela Camara & Emma Rosenbush (Cala Restaurant):	22
13. Caleb Zigas & Blake Kutner (La Cocina)	22
14. Anne and Craig Stoll (Delfina, Pizzeria Delfina)	22
15. Kathy King and Pam Mazzola (Boulevard, Prospect):	23
16. John Clark and Gayle Pirie (Foreign Cinema);	24
17. Will Gioia (Gioia Pizza):	24
18. Charles Bililies (Founder and CEO, Souvla):	24
19. Jon Darsky (Del Popolo):	24
20. Andrea and Nico Delaroque (NICO):	25
21. Craig Blum (Founder/ Johnny Doughnuts):	25
22. Ravi Kapur (Liholiho Yacht Club):	25
23. Doug Biederbeck (Bix’s, Florio):	26
24. Kim Alter (Nightbird):	27
25. Jen Pelka (The Riddler):	27
26. Ari and Evan Bloom (Wise Sons Jewish Delicatessen):	27
27. David Nayfeld (Che Fico Alimentari and Che Fico -NOPA):	27
28. Todd Masonis (Dandelion Chocolate):	28
29. Lana Porcello and Dave Muller (Outerlands):	29
30. Jack Swartz (Taco Bar):	30
31. Francesco Covucci (Il Casaro Pizzeria, Barbara):	30
32. Pete Sittnick (Water Bar, Epic Steakhouse):	30
33. Roam Burger:	30
34. The Matterhorn Restaurant:	30
35. Ari Feingold (Proposition Chicken):	32
36. Amanda Michael (Jane, Jane The Bakery, Jane Tenderloin):	32
37. David Cohen (Oren’s Hummus):	32
38. Michael Huffman (Seven Stills Brewery & Distillery, Robin):	33
39. Michelle Polzine (20th Century Café):	33
40. Borris Nemchenok (Fiorella, Uva Entoca, Violet’s):	33
41. Paul Einbund (The Morris):	33
42. Mario (The Sausage Factory):	34
43. Robbie and Emily Perry Wilson (Le Fantastique, Bird Dog Restaurant):	34
44. Tim Stannard (Spruce, Village Pub, Mayfield Bakery, Pizza Antica):	34
45. Umberto Gibin (Perbacco, Barbacco):	35

46. Min Kim (General Manager, Greens Restaurant):.....	36
47. Ken and Anna Zenkel (The Grove):.....	36
48. John Litz (CEO of Noosh, Lazy Bear, Band of Angels):.....	39
49. Tony Gemignani (Tony’s Pizza Napoletana, 13-Time World Pizza Champion):.....	40
50. Rupert Blease (Lord Stanley):.....	40
51. Stuart Briozza and Nicole Krasinski (State Bird Provisions, The Progress, The Anchovy Bar):.....	40

1. Corey Lee (Benu, In Situ, Monsieur Benjamin):

The single most important thing for every restaurant operator is to have immediate policy that links restaurants’ lease obligation to the restrictions for occupancy and social distancing. For example: if 50 percent of a leased premise is now unusable, the rent should be lowered through a formula that the city provides. It is unreasonable to expect landlords and tenants to simply negotiate this, and it is unreasonable for landlords to expect full rent for a premise that tenants can no longer, due to new government regulation, use for their specified purpose. Tenants should also be given an opportunity to agree to the termination of their remaining lease-term based on their physical premises being taken—similar to eminent domain—by the city or any other government agency for the purposes of public health.

2. Josey Baker (Josey Baker Bread and The Mill):

When it hit we switched over to a general store model out of our front door. We have had ups and downs but once people realized that we were open the bakery part of the business has leveled out. We are in the weird position of being able to make the bakery work between wholesale and selling out of the front door. But we are planning for the worst.

3. John Finger (Hog Island Oyster):

It is going to take some time to set our restaurants up for the next phase, or the new normal—new tables, dividers, number of staff needed? The sooner we know exactly what we will be required to do, the better. We are able to pay the rents we do in San Francisco because of the high volume of business we do. Knowing that our volume will be down significantly for the foreseeable future means something will have to give on the rental front, or some help will be needed...

4. Brandon Rice (Ernest SF):

We need better guidance. News changing every single day. Doesn’t let us plan for anything because we have no idea what is true or not. I get it, no one has ever gone through this but should have more information than what we are getting.

Liquor license fees, I had to pay another \$1,235 to keep the liquor license “in good standing” with the state because it hasn’t transferred yet because they are “very backed up” this is after already paying \$262k for a license with all the fees.

If only able to operate with 25 percent occupancy are taxes, workers’ compensation, insurance etc. etc. costs all going to be 25 percent as well? Does the state plan to do anything about this? Sort of a sliding scale 25, 50, 75, 100.

Opening a new business and building out a space during this time. Any help for business that don’t have a P&L yet? Is there going to be any help. Doing a build-out based on certain forecasts for investors and then planning on doing one-fourth of that.

Any sort of economic stimulation to encourage people to build and start new businesses once we start going back to “normal”??

How is state or local government going to regulate any of this?

5. Hamid Rafati (Mazarine):

I think it would virtually be impossible to conduct business without clear guidelines from the city on how to do our business. How could restaurants assume so much liability? Only one lawsuit could put you out of business!

6. Chris Lawrence (Southern Pacific Brewing)

It shouldn't be an, us vs. them. It should be made easier to navigate the ABC, planning, building, health, fire...etc. I would like the supervisors to reach out to all small businesses asking what they individually need, find out who's in peril, who's stable to reopen, and where the problematics lie. As each individual business is different, their path is also unique. Let us tell you what we need. This includes ABC restrictions that have recently been lifted allowing more creative ways to get more products to the customers. Let the people who have created these wonderful, creative businesses thrive again. Bureaucracy, roadblocks, and regulations have gridlocked, restricted and hurt small businesses in San Francisco for too long. If there ever is a point to retool the system, it is now. From my experiences, any government worker involved in ABC, planning, building, health, fire, etc., needs to ask themselves if the process is working and stand up when the process is failing. Just because the road is laid out, doesn't mean they need to follow it. I prefer the road less traveled.

7. Jeff Hanak (Co-Owner, Nopa, Nopalito, Liholiho Yacht Club, Dear Inga):

When your restaurants are built for dining-in, to pivot to a new model and work within the limits of a financial model that was determined for a restaurant no longer allowed to serve in that manner, will take many partners to make it through these uncertain times. The city and county of San Francisco, state of California, landlords all must cooperate if they want to see our industry become the backbone it was once before. If we can get to the other end, we as restaurant owners have a bright future and a tremendous opportunity to rebuild our business in a much more sustainable model.

8. Brandon Jew (Mr. Jiu's, Mamahuhu):

When I consider the path to reopening, the growing stack of fixed costs like rent, insurance and employee health care is the most daunting obstacle. Even though some of these costs can be deferred, the deferment only complicates and makes the mountain of recovery steeper. It almost feels like a penalty to have had a restaurant running pre-Covid. The whole world is watching what each other are doing right now to support their societies. My hope is that our city or state qualifies how important independent restaurants are to their communities and shows our industry a level of support that has been historically shown to other industries. Risk has been riddled throughout this entire ordeal and we are just looking for something to have us feel like we can feel a sliver of optimism to attempt to reopen our restaurants.

9. Traci des Jardin—Arguello (Presidio), School Night (Mission Bay):

We have seen a steady decline in the profitability of restaurants over the past 20 years due to fixed costs—mainly the burdened cost of employees and rent increasing over time to take us from roughly a 15 percent margin to somewhere between 0 and 5 percent. Covid-19 has illustrated just how vulnerable restaurants are financially and the fact that there is not enough of a cushion to withstand adverse conditions for longer than about a month. This is not a sustainable model. We need a completely new business model and perhaps the silver lining is that the model will be forced into being given the extreme challenge we are now facing. If we collectively go back to the same model we will be doomed to fail.

10. Lloyd Sachs (financial partner Trick Dog, Bon Voyage, Delfina, Emporium, Mission Bowling Club):

Every restaurant and hospitality operator is facing so many unknowns which makes planning for the future seemingly impossible. What mandates will be in place and for how long—such as occupancy caps and new health and safety regulations, and how to make up that lost revenue or to pay for PPE for employees? What will consumer demand be like for dine-in business going forward and how long should we wait to dive back in? Will there be future economic disruptions and, if so, how could we weather that too? What is clear is that for restaurants to re-open and stay open, they will need to be well-capitalized, scale back their offerings, and operate more efficiently. Operations and customer experiences and expectations will have to evolve. If landlords will agree to rent abatement rather than deferment until things stabilize or re-negotiate leases entirely that will really help. Also, much more flexible assistance is necessary. PPP funds, specifically, are not sufficient, don't take into account the likely timeline for “re-opening” and “re-hiring” and don't allow operators to cover enough nonpayroll expenses.

11. Joel Benson (Dependable Letterpress):

We're at like 10 percent of normal business here—inquiries have just evaporated... I'm assuming and planning for my business to be significantly smaller for the coming year, that's all I can do... Printing is actually supposed to have been designated an “essential business,”... How “essential” what I do is pretty arguable, compared to farm laborers or emergency-room doctors. But we can keep distance, wear masks, etc. and I think we'd be very low-risk for spreading viruses once we're in your Phase 2, Cautious Climb Back. We'd have to figure new ways to do our face-to-face meetings, possibly set up a plastic shield like at the stores and pass samples through a slot... I remember seeing something recently that quoted Jane Jacobs' idea that new ideas need old spaces. The thing I read was saying new ideas that are risky or unproven need inexpensive, undervalued space to be in to develop. But so do lots of regular businesses that are not built with a goal of perpetual growth and unlimited profit—just quality, human-scale service by and for people who live in the community. When you have a lot of those kinds of businesses, that's when you have a strong and vital community fabric. That's what we're at risk of losing here... I'm torn about the subsidies via tax breaks to landlords who subsidize their tenants. The city needs the tax money just like small businesses need revenue. I'd like to see the landlords evaluated just like small businesses—if the landlord lives upstairs and renting out the ground floor storefront, they need to be treated differently than a venture-capital firm that has a bunch of condos-over-retail in Dogpatch or Hayes Valley. I guess all I'm saying is that policy will need to be nuanced or it could benefit some who don't need it and harm some who don't deserve it.

12. Gabriela Camara & Emma Rosenbush (Cala Restaurant):

It is nearly impossible to plan for the future right now with so many unknowns. We do know, however, we will not be able to operate as the full-service sit-down restaurant with reduced capacity—the numbers won't work. Rent is going to be one of the biggest challenges. To shift to a to-go model, we will need to renegotiate the lease for a 3,200-square-foot space. It will be another challenge altogether to go from a robust staff to a bare-bones crew in order to accommodate a new business model. Former staffing issues are about to be turned on their head.

13. Caleb Zigas & Blake Kutner (La Cocina)

The impacts of this pandemic have been clearly devastating for La Cocina's entrepreneurs and the service industry in general. Lack of immediate and intentional support will result in the continued homogenization of our city and even more limited income generation opportunity for all of our residents. At the same time, we have the opportunity to look towards the future and use this moment to build a system that we can be more proud of. That begins with the city and the decisions that they make moving forward in order to establish a foundation for a successful entrepreneurship, opportunities for working-class residence, and ultimately, a city that everybody would like to live in. Regulatory attention is a great beginning. Working together to find ways to provide affordable childcare, accessible health care and pathways to asset generation for entrepreneurs and workers will be essential to reduce the vulnerabilities that we are all currently facing.

14. Anne and Craig Stoll (Delfina, Pizzeria Delfina)

The Health Care Security Ordinance (HCSO) needs to be revised to ease the crushing financial burden on small businesses, especially restaurants, who already run on tiny margins. Unfortunately we're stuck for now, with a system that requires citizens to get health care from their employer (the flaws of which have become painfully obvious). But if this is the system San Francisco has decided to double down on, they then need to help offset the burden.

The city needs to do away with the unfair requirement of a dollar amount per hour worked (designed to extract a pound of flesh) and replace it by requiring businesses to provide a level of care instead, an example of which would be a bronze-level, ACA-compliant Kaiser plan for full-time employees. The required spend system leads to millions of dollars of (our) wasted money and incredible administrative hurdles. The per-hour spend requirement is based on the amount that local city governments spend on their workforce, which is great—generous for them but unaffordable/unrealistic for small businesses.

Restaurants need health- and safety-operations guidelines asap so that we can plan for reopening. These guidelines should be created with input from small businesses including restaurant/ café/ bar operators, designers, architects, and contractors all of whom understand the challenges that foodservice facilities face, as well as their specific needs, and can provide meaningful, rational and hopefully, real and practical solutions.

The city needs to loosen parklet rules and allow cafes, restaurants and bars to offer full service of food and alcohol, by servers, to guests. We're responsible for designing, funding, building, permitting and caring for these parklets; it would be nice to have our investments generate some direct revenue. We know that restaurant seating will be reduced by more than 50 percent when we're finally allowed to reopen and serving guests in the parklets is a (free) way to help us recapture a fraction of that. The city should also consider closing some small city streets, so that restaurants can accommodate outdoor table seating for guests to be served or eat takeaway food—like Belden Alley.

15. Kathy King and Pam Mazzola (Boulevard, Prospect):

Clear and concise guidelines of protocols for restaurant reopening. With significant lead time for preparation. Publish guidelines ASAP.

Lower or subsidize health-care premiums for workers. Lobby insurance companies and health-care providers if employers in San Francisco continue to be required to provide health-care coverage. If you bring back your employees with the PPP loan it is seemingly impossible to believe you will generate enough income to provide health care with lower capacity.

Restaurants generally have a high employee ratio and a very low profit margin. Volume in sales in most cases is the only way to narrow the gap. With the current thought that capacity will be reduced by 50 percent or more it is going to be very difficult to merely break even, let alone not go into the red. With how quickly the pandemic reached us most restaurants had already faced three to four weeks of sales 30 to 70 percent below normal. So we were already facing financial difficulties prior to the shelter-in-place order.

Pressure banks to lower credit card percentages for a period of time.

More affordable and creative housing solutions for lower income workers.

Bridge the income-inequality gap between FOH and BOH. Mandate that gratuity is not the sole property of the server and that gratuity can be shared between the staff without taxing the restaurant.

Continue to allow restaurants to sell alcoholic beverages to-go without special licensing.

Restaurants are such a vibrant sector of San Francisco. We all realize we need to pivot and keep people safe, but working together to come up with creative solutions thoughtfully that will help financially, to keep this community going. For many of us our restaurants are also our families and we feel compelled to continue to support and nurture our restaurant families.

One of my biggest concerns are deferments. How can we possibly pay back what is deferred with diminished capacity? All very scary.

Some of us are hoping takeout along with restaurant service might bridge the financial gap. Will there be additional guidelines for this?

Here is to the future; we'll get through this. It's just going to be different.

16. John Clark and Gayle Pirie (Foreign Cinema);

As Foreign Cinema awaits the date for reopening our doors to the public with the utmost safety measures and training in place, we have provided meal kits for our entire team, as well as our community's most vulnerable members as food security has become a paramount issue. During this time of forced closure, we decided against the to-go and grocery-store model for the safety of our staff, as well as our guests. Our company is paralyzed by the current PPP loan rules, making our recovery complicated, murky in navigation, despite our clear resolve to open once more, and serve our patrons, as we have been doing for 20 years. Freedom in decision-making on how best to use the funds would benefit the long-term health of the restaurant model that supports a huge network of workers, other vital small businesses, as well as the food suppliers who have become imperiled by restaurant closures.

17. Will Gioia (Gioia Pizza):

We are extremely blessed that our businesses are primarily to-go to begin with, so our only major pivot was to reconfigure the spaces to keep our guests outside for the comfort and safety of our team and our guests. I believe that our most valuable and reliable resource as restaurant operators in the Bay Area is each other. With the future of the industry being as uncertain as it is, and expectations changing from day to day, we must collectively continue to innovate and reimagine the rules of engagement. This collaboration as an industry will guide us through and move us towards a new normal.

18. Charles Bililies (Founder and CEO, Souvla):

While Souvla was among some of the first restaurants to close in San Francisco, we will likely be among some of the last to re-open. This is all very deliberate; we want to be in the best possible position to open in the safest, strongest way possible, and that comes with collaborating with our peers and our city agencies on a solid, straightforward plan devoid of the complexity and regulation that has previously made developing and operating in our fair city such a challenge

We have a unique, once-in-a-lifetime opportunity to rebuild our industry in a best-in-class manner, and to continue to position San Francisco and its restaurants as a model for the rest of the country. With that, we can't go at it alone, and need these agencies to participate, collaborate and help the business community produce viable solutions and new standards that likely don't rely upon or reflect what has worked in the past.

19. Jon Darsky (Del Popolo):

Restaurant operators are looking at 18 months of revenues reduced by 70 percent or more. Re-opening with reduced capacity (however appropriate and necessary that may be) will not improve the outlook. We will need help in any imaginable form the government to reduce our operating expenses over the coming months, and rental abatement—not deferral—has to be at the top of the list. Without meaningful intervention in this area, we will be in real trouble. In addition, if a PPP loan materializes for me, I'll be forced to choose between paying people (who are already making money on unemployment) to do nothing and using the money to pay my LL just to prop up my business. In either scenario, many of us are looking at closing or persevering but with a return to normal that includes a significant amount of money to repay.

20. Andrea and Nico Delaroque (NICO):

Restaurants and hospitality professionals have done an impressive job at responding quickly to a previously unthinkable scenario. That said, the pivot is difficult. Moving forward, it will be critical for restaurants to have access to complete information about what the next “phases” look like and whether we should prepare for another SIP in the fall and winter months. It would be great to see the city use this as an opportunity to assess and potentially rework some of the processes that tend to unduly burden restaurants (e.g., lengthy permitting timeframes, unsecured property tax, etc.). One of the pleasant surprises of the SIP is the exception made by the ABC for certain licenses that allows us to provide guests with cocktail kits. Guests enjoy this and it enables us to continue to employ our bartender. It’s the type of practical policy decision that works well for this moment. The people who choose to work in restaurants—the chefs, the cooks, the servers, the bartenders, the sommeliers—these are people who love nothing more than pleasing guests with food, wine and hospitality. Whether it be table-side or curbside, they will continue to want to provide “service.” As restaurant owners and custodians of their livelihoods, we want to provide them certainty and the ability to do what they love.

21. Craig Blum (Founder/ Johnny Doughnuts):

As this crisis began to unfold, we found ourselves, like others, scrambling to reinvent ourselves and along with our company core values see how we can be of maximum service to our community. We created social distancing within our shops and created curbside options as well as an internal delivery program, and Johnny Doughnuts Pantry, offering raw baking ingredients pre-ordered. All of which is we've made accessible through our online portal. I'm grateful to our extremely responsive and nimble team.

22. Ravi Kapur (Liholiho Yacht Club):

At Liho we made the (slightly) pre-emptive decision to close after our last service on Saturday March 14. Like all, we were monitoring the data closely with our ears close to the ground weighing all factors as best we could. At that time there was no game plan or best practices. Prior to shelter-in-place we had to use our best judgement to make the call to close or pivot. We believed our best decision would be to ensure the absolute safety of our staff and guests and decided to fully close the restaurant. Since then, there has been zero income generated. Quickly, the fragility of our business was exposed—a type of Ponzi scheme that comes crashing down when there is no longer current revenue to pay for the past.

One hundred percent of our sales are based on in-house dining—we are down one hundred percent. We had considered shifting to some form of to-go (delivery fees make the efforts futile) but a quick financial analysis reveals that it is merely a drop in the bucket, a Band-Aid where what is needed is a tourniquet.

Liho is a vibe. It’s the energy created by the people in the space; you could literally feel it. It is transportive and transformative. It was essential. There is so much effort and intention into crafting that experience and it didn’t begin when the doors opened; it was the people. We want people to feel special and taken care of, but in an honest and genuine way. That leaves us with some very difficult decisions to be made. What previous life form are we willing to let go of in this new normal? For us, it’s difficult to imagine Liho with masks and gloves and sterility. Yes, we fully understand the severity of this virus and will do everything in our power to mitigate the spread and the brutal reality is that restaurants may no longer exist. Then the question is what are we willing to live without?

Not only does the thought of disposable napkins, menus, utensils etc. sound impersonal, I'm concerned about the environmental impacts—such a tremendous increase in single-use disposables straight to the trash. At least Recology will thrive with the increase in waste-removal services. Not to mention the non-renewable energies wasted in the production and transport of these items to be used once and discarded. We haven't even discussed how in-restaurant dining will be executed safely; even with gloves and masks the idea of spacing tables and guests and servers being in PPE; to me, it's optics, it's a Band-Aid, it's a false flag saying you're safe and doing the right thing, but it's really not. The idea of opening in some plastic, disposable, sterile, non-contact version of ourselves doesn't sound very appealing. Yes, we can adapt and adjust, but my concern is that when all restaurants do this in all calibers, the market becomes saturated, revenues fall, and it's a race to the bottom based on pricing incentives and lower margins—the same issues that lead to restaurants to this place we're in. The system is broken, we're bailing water out of our sinking ship trying to save it when what we need is an entirely new vessel able to handle the conditions we're in.

The numbers just don't work; they barely worked at Liho pre-Covid and we were a busy restaurant, like, very busy. If the simple exercise is to take an average of our yearly revenue and reduce that by 50 percent and then reduce that again by 50 percent to take into consideration the decrease in dining out in general especially at off-peak hours, and understand this will be your maximum potential revenue—it just won't work.

23. Doug Biederbeck (Bix's, Florio):

I am particularly worried about liability if we are able to reopen. We live in a litigious world and I shudder at the thought of people saying they got Covid from my restaurant. We need blanket waivers for public places.

If we are able to reopen, it will be nearly impossible to configure a kitchen so that there is adequate spacing for distancing. Walls and cooking lines preclude moving equipment in order to satisfy new requirements. The requirements would be either undoable or economically insurmountable.

If we are able to reopen, the city has to somehow relax the costs of the minimum wage. A tip credit is an instant way to rebalance the disparity between back-of-the-house and front-of-the-house and at the same time free capital up for what will be a long recovery. Tip credits worked very well for many years in a number of states.

There is no scenario for restaurants to reopen with full staffs for a long while. Probably for at least two years until the economy recovers. Thus high unemployment will continue in our industry. In the meantime, the city must put pressure on the state and federal governments to offer forgivable loans or offsets.

The ABC and San Francisco Health Department should continue to allow off-premise sales of alcohol and encourage more outside seating whether on premise's-controlled sidewalks, alleys and courtyards without fees.

24. Kim Alter (Nightbird):

Having the government implementing guidelines for restaurants to protect us, our employees and customers is necessary, but we will NOT survive without help until the public feels safe, whether that is a vaccine or time. If we have our occupancies cut in half, our fixed costs need to reflect that, rent, PG&E, internet, etc. Without any incentive for us to open, in debt and know we will barely be able to survive, there might not be a reason for us to open at all.

25. Jen Pelka (The Riddler):

This is a watershed moment for our industry. At this time, it is absolutely essential that the city, state, and federal governments put protections in place for small businesses and employees of the restaurant industry. These shutdowns affect not only our immediate peers in the restaurant industry, but the entire economy surrounding restaurants: food and wine suppliers, farmers, winemakers, distributors, delivery drivers, linen companies, small-wares companies, the manufacturers of everything that goes into restaurants, designers, publicists, event planners, caterers, and beyond. Our local, state, and federal governments must do whatever they can to push forward measures to protect our businesses, our team members who have been displaced, and our economy broadly. I cannot stress how essential mandatory rent abatement, grants for small businesses, public-health assistance, and a prolonged period of reliable unemployment will be at this time. These are table stakes for potential recovery.

26. Ari and Evan Bloom (Wise Sons Jewish Delicatessen):

Our business model relies on density and very specific meal-time rushes. We make a majority of our revenue from the slim brunch hours on Saturday and Sunday, where it's imperative that we serve as many people as we can, as fast as we. With the rising cost of labor, our model runs on smaller footprints with smaller teams but we have to have the volume to survive. Our small locations make it nearly impossible for patrons to social distance and the business to be viable as built. Currently, we are vending out of makeshift doorway to-go stations as our teams do not feel safe with customers coming inside, having the added responsibility to police customers and ornery delivery drivers who refuse to wear masks or follow safe practices. Delivery is a large part of our business, and we must figure out how we can serve both delivery, pickup and in-house customers at once. Many business like ours pre-date the Delivery App boom, and we were not built to accommodate the onslaught of to-go and pickup orders we will continue to receive. We need guidance so we can understand if we need to invest in things like partitions, sneeze guards, new cash wraps, or delivery windows (for which permitting would become easier and more readily achievable). In addition to early guidance, so we can prepare for re-opening, The city must provide fiscal stimulus, tax credits or rebates for modifications or PPE purchases made by business owners to keep the public and their employees safe.

27. David Nayfeld (Che Fico Alimentari and Che Fico -NOPA):

We desperately need an extension of the timeline that the PPP loans to be fully forgiven. They make no sense for most of us who have received them and the clock starts before we are even given a reasonable timeline.

When the city/state puts into place the guidelines for how we continue when we are open I think there needs to be major no-strings attached cash relief for those of us that count on the dining rooms being as full as possible. Also it should be front-loaded for those who are cash-constrained.

The new guidelines need to come out ASAP to give us a fighting chance to make plans.

The city needs to take the burden of health care off of the employer. It is far too cumbersome and makes the idea of hiring more people undesirable.

Lastly the city should work towards abolishing tipping as a form of compensation which would finally allow/force businesses to raise their prices and spread compensation around more equitably. This would create more taxes and higher paid jobs. Most operators would love to get rid of tipping but won't organize for fear of being sued for collusion. If the city/state mandate it, we will all be forced to reorganize and become more profitable in the process.

28. Todd Masonis (Dandelion Chocolate):

The long climb back looks to be a long and difficult period, so the sooner we can get real changes in place the more restaurants and cafes will survive this.

Actual enforcement of mask rules. Went to walk my dog at the park, maybe less than 5 percent of people wearing masks. This is probably the no. 1 thing the city could do immediately with huge impact and minimal cost.

Official, painted pickup zones in front of businesses. Should be a super-quick process and no fees.

Moratorium on enforcement of outdoor seating rules (i.e. basically anyone can do outdoor seating).

Street closures and minimal permitting /oversight of outside-seating areas. The parklet process is usually at least one year from start to finish. We should close some streets and let owners build simple seating areas. Here's a photo I took in Italy where they constructed seating and open spaces out of extra pallets. I imagine in San Francisco this is a week to build, but 1 to 2 years to get approval for.

Incentives for landlords to abate (not defer) rent.

This is more for the architects: A series of open-source CAD drawings for plastic barriers with hardware lists that could be easily laser-cut and adapted to standard table and counter configurations. Basically everyone would like low-cost, fast barriers they could put up in their spaces. At Dandelion, we'd probably add one between every two counter seats. Could also make them for shared tables and with casters for moveable barriers. Architects could really help here. If I could just order some of these laser-cut at TAP plastics and order nice hardware on Amazon Prime, these could be up in days. You could also do the same for pickup windows and configure them for the size of the opening.

Moratorium on fines for local businesses for things outside of their control: vandalism, homeless issues, weeds, etc.

Reduced meter fees for workers who are now driving so they can avoid public transportation.

Real safety/barriers for BART/MUNI.

29. Lana Porcello and Dave Muller (Outerlands):

The truth is that much of our struggle now was our struggle six months ago. For an industry with infamously tight profit margins, we've shouldered incredible burdens: capital and time spent navigating the permitting maze; San Francisco payroll and unsecured property taxes, levied on the jobs we provide and the tools we need to operate; administration and cost of ACA-redundant HCSO expenditures that have rarely reached employees; and an increasingly slim work force, as the cost of living soars and jobs are rerouted to subsidized corporations. In countless ways, this industry that fuels so much of the culture, creativity and heart of our city's neighborhoods had already frayed at the seams, yet we were doggedly holding the threads out of love for our work, our staff, and our communities. Restaurants live to serve, and despite crushing odds, we have done that in every sense of the word.

Let's be clear that now, Covid-19 is reflecting back to our city what was already broken in our local industry. It's just that at present, the choice to fix these ongoing problems is one our city must make or lose us as a collective, rather than quietly one by one. We've already proven we're survivors, and yes, some restaurants will survive this too. But without modifications to what restaurants are expected to withstand to do business here, a foundational piece of what makes San Francisco unique—the network of neighborhood spots that are both a source of residential pride and an international draw, and the purveyors at the root of industry ethics, bounty and beauty—will be irrevocably sacrificed.

The focus has been on aid, and we need that, desperately. But even more, we need change. We can see sheltering-in-place as time we just need to get through, steering along the quickest path back to normal. Or we can face that normal wasn't working, and see this as an unprecedented opportunity to revise ailing systems. For restaurants, it's a rare chance to shift consumer habits as an industry, to consider institutions like tipping that we have known compromise the viability and dignity of the jobs we offer, but which were so embedded we couldn't address them without major upheaval. Now the stakes point instead to major upheaval if we don't shake up tired obstacles that have impeded our industry's social, financial, and creative progress.

From our city, we need the flexibility to conceptualize entirely new models within existing spaces, and that means amending the steep costs of operating here. Let's ease zoning and classification restrictions so restaurants can re-style toward hybridized revenue streams, to offset the limited capacity allowed in our spaces. And, acknowledging where good intentions have not logistically played out for anyone's benefit, let's eliminate the local fees, ordinances and permitting barriers that have already been destroying and homogenizing restaurants. To be not just willing, but able, to take on the debt, charge the effort and spark the innovation required to get through this in the short and long term, our industry needs to be recognized for the dedication, ingenuity and incredibly hard work we—in every facet of the supply chain—represent. The support and care we've felt from our neighborhoods has buoyed us, but we need to know our city administration wants us too.

30. Jack Swartz (Taco Bar):

I've adapted since for the most part my business was mostly to-go. I already installed a plastic shield for my employees and have taken preventative measures. The only thing that I am honestly worried about operating is lawsuits from customers or employees due to some Covid-19-related issue, i.e. being open infecting someone.

31. Francesco Covucci (Il Casaro Pizzeria, Barbara):

We are one of the few open businesses in North Beach right now, a neighborhood historically known for its restaurants. It is also known for the businesses that were started by immigrants like myself. We are hopeful that the city creates a SIMPLE set of guidelines for restaurants to follow, as many of us do not have the time to invest in navigating complex rules and requirements, especially when for many immigrants, English is not their first language. We are surviving on take-out and delivery, and we are hopeful that the ABC will extend our ability to send beer and wine to-go. We should have an expedited process for parklets and for patio approval. We also have concerns about bathrooms, and how we are going to deal with distancing, etc.

32. Pete Sittnick (Water Bar, Epic Steakhouse):

On March 16, Waterbar and EPIC Steak both closed to the general public based on the executive order of shelter-in-place. That meant that 250 employees, including all management and chefs, were laid off, paid through the week as well as all accrued PTO. The restaurants made the decision to cover health-care expenses for the staff which is basically around \$70,000 per month. Fortunately, we had saved some cash over the last few years of operating, however, if this shut down continues much further, then Waterbar and EPIC Steak will probably survive for three months without some kind of financial assistance.

33. Roam Burger:

What would be helpful for restaurants is a longer-term strategic initiative that addresses all operating costs. Labor is by far the highest expense for restaurants, and while the PPP can be helpful in the short term (for those that received funding), as of now it is only a two month program and unused funds are converted to debt. Whether or not the program is extended, if the city wants to see its restaurants survive, it needs to subsidize wages through substantial grants or tax credits, not loans. These grants need to be for two years or longer. Revenues for restaurants will likely be down 30-40% or more versus pre-covid levels for a long time to come as occupancy levels are reduced, but fixed costs will not decrease by nearly that amount. Restaurants are the lifeblood of this city and the survival of many of them depends on creative solutions from our elected officials.

34. The Matterhorn Restaurant:

The Matterhorn reopened in September 2019 under our new ownership. Prior to opening, we made the necessary building code and ADA updates required by the city of San Francisco which ensures a safe experience for our customers. There is no doubt we'll be required to make additional updates to our restaurant to ensure our customers have a safe space to dine in the era of Covid-19.

We feel there is now enough information available from other parts of the world on what a "safe" dining experience will look like and it's time for the city start providing some initial guidelines. These guidelines should include, but not be limited to, maximum capacity, space between tables, allowance for outdoor seating and alcohol consumption, additional sanitization requirements, and customer and service staff requirements.

In addition to the restaurant guidelines, there should also be guidelines and support related to our two major expenses: payroll and rent. Regarding payroll, there should be consideration for the extension of partial unemployment beyond the CARES act to supplement those employees who aren't able to make full wages for some time (due to reduced capacities at restaurant). Regarding rent, there should be financial incentives offered to landlords who provide rent relief to restaurant tenants. If our establishment is no longer able to serve at capacity, our rent should be reduced, and our landlords should be supported, because they are supporting us.

These guidelines will help us plan our short- to medium-term financial projections, staffing models, and support our negotiation with landlords. It'll also help those of us who received the PPP loan (which we did) and other grants/loans to use that money to support our restaurant's long-term survival, as well as our contribution to San Francisco's character and economy.

Based on the PPP loan's current requirements, we have to spend all of the money by the end of June in order to be candidates for forgiveness. And, 75 percent of loan proceeds (approximately 2 months worth of payroll supporting a fully occupied restaurant) must be used for wages. It'll be some time before we are at 75 percent of the staffing capacities we were prior to Covid-19.

Therefore, since we know we'll have to pay the loan back with interest, we plan to use the money as strategically as possible, and relevant and timely guidelines from the city will support these efforts. Our goal is to operate our restaurant, employ staff, and be a place for people to enjoy food, drink, and community for the next 8 years, not just for the next 8 weeks.

Separately, and unique to our situation, we are located on a portion of Van Ness Avenue which is under heavy construction and there is no current end in sight. At the moment, there is fencing, construction equipment, and garbage right in front of our signage and it is blocking the street view to our restaurant. This has been in place since we reopened in September 2019—it has negatively impacted our business, pre-Covid-19, and will most certainly be a factor in our post-Covid-19 reopening.

In the immediate term, for our business and the others impacted, we would be appreciate that, if construction crews are not returning for the time being, construction debris and fencing be removed in order to increase our visibility on Van Ness. In the longer term, we would appreciate information, proactive communication, and support about the projected completion of the construction work.

One option for support while the construction continues is to give restaurants on Van Ness the opportunity (who currently only have a Type 41 license) to apply for the Type 87 license, which allows restaurant in certain under-served neighborhoods of San Francisco to sell beer, wine, and distilled spirits, or a reduced license fee.

We are so proud and thankful for everything Mayor Breed and Governor Newsom have done to keep us safe and healthy during this scary, unprecedented time. There is no place we'd rather live, or work in right now. And, we have faith that the city will hear the words of the restaurant owners and take action, as restaurants and those that work in them are a significant part of San Francisco's economy, character, and soul. Restaurants Matter, are an essential part of our human experience, and our family is so grateful to be a part of this community.

35. Ari Feingold (Proposition Chicken):

While sales are down vs. last year they are climbing and we have been prepared with this model (delivery and pick-up only) since before the mayor announced closures so we rolled it out on day one. We cut a lot of hours but didn't lay anyone off with hopes of them returning.

For me, the loans (PPP, etc.) would provide the low-interest, longer term bridge money needed to cover extra sick-pay and other unknowns and it seems like that process is both confusing and disorganized. In addition, normal loans are off the table so there is no alternative. If that process was simpler and we had some confidence in how that turns out, we could do a much better job planning. We want to keep all of our team members and bring them all back to full capacity as soon as possible. We don't want anything for free. We want a chance to borrow federal or state money at a low-interest rate for a long period of time which will enable us to run our business instead of managing cash flow constantly.

36. Amanda Michael (Jane, Jane The Bakery, Jane Tenderloin):

Giving this a lot of thought and my main concern right now is what is the city doing to address the neglect of the streets. The homeless situation has gotten dramatically worse, the streets are filthy and drug dealing is rampant. How they expect our customers to feel safe venturing out is beyond me. Areas like Pac Heights will be okay but the Western Addition and the Tenderloin are in dire straits. In the TL our vendors now refuse to deliver due to the crime. I have to receive our orders across town and deliver myself. This is not sustainable or acceptable.

The burden of the additional sanitation/distancing will fall on the small-business owner and it seems as if the burden of cleaning the streets will as well. Even on Fillmore I am still sweeping the sidewalks and picking up garbage. We are going to be struggling getting our walk-in business back enough as it is but to have to contend with deplorable conditions on our sidewalks is only going to make it worse.

There are no masks on the homeless, no distancing required, no apparent rules whatsoever but we have to spend thousands of dollars to reconfigure our spaces only to have them not accessible without asking our customers to put themselves in danger walking through these encampments. Makes no sense and again unfairly burdens the small businesses.

37. David Cohen (Oren's Hummus):

There has been an ongoing need for improvements to the application/ approval/ inspection process and handling the homeless issue for a long time. If these can be addressed now wonderful it benefits the long-term success of the city. If the focus is solely on Covid the most reasonable financial support that can be given to all businesses is to subsidizing of the Covid-specific needs being mandated—masks, additional disinfectants, gloves, etc. If you deem it you pay for it. While many may want additional handouts, even as a restaurateur facing these challenges, I encourage fiscal responsibility. Yes it means business go out of business but that's business and it's responsible. Focus on the greater good not the restaurants' good—get people back out, bring tourism back and simply return the city as a whole to operating at its greatest potential. Be reasonable and considerate of business don't impose excessive restrictions; let people make decisions and let the market work.

38. Michael Huffman (Seven Stills Brewery & Distillery, Robin):

It is clear that everyone's business model will change dramatically until this is really over. What we need is a combination of support and forgiveness from our local, state and federal governments. Support that addresses how to increase our sales while decreasing our covers and doing our part to keep our community safe. We will have to work in partnership with our landlords, and local and state agencies to create a plan to operate as efficiently as possible. Simply asking us to shoulder the same costs of doing business as a restaurant in San Francisco pre-pandemic will not work. At the same time mass closures and evictions of restaurants and their employees will have an even more negative impact on our economy and community. We are in this together for better or for worse, and the right thing to do is to make sure we are all here together on the other side of this. That will take some serious economic forgiveness by everyone involved and our government leaders should give us the roadmap and tools to accomplish this.

39. Michelle Polzine (20th Century Café):

I would say that typically what we've seen from the government in the past, is a lot of good ideas, without the infrastructure to support them. To keep the economy out of the toilet, and I consider an economy where only large companies can survive to be its own, special kind of toilet, we need to support workers AND workplaces. As many restaurant workers live paycheck to paycheck, so do the restaurants that employ them. Most independent restaurants rely on this week's receipts to pay last week's invoices. San Francisco restaurant owners aren't living in mansions and driving sports cars while our employees are living in tents; when there is trouble, we are always the first to forego a paycheck. The government, at the state and city level, continuously passes legislation to "protect" workers, without providing any funding, except for possibly to enforce a violation of said legislation. We are continually left to our own devices to "make it work" or "get her done." We are in the business of serving humans, our guests, workers, vendors and our community, but we are continually asked to get blood from a stone. No one is telling landlords their business is a danger to the health and safety of the community, and demand they stop collecting rent to make sure tenants don't feel undo pressure to make unsafe decisions, like working while sick, or opening before it's truly safe. By spreading the responsibility to keep us safe, across the economy, we can protect workers, business owners, and the creative integrity of this amazing city.

40. Borris Nemchenok (Fiorella, Uva Entoca, Violet's):

My biggest concern is that we need a lot of guidelines on reopening and some understanding of what the city will want do related to capacity/occupancy. The more time small businesses like ours have to prepare for reopening the better. I would also like to see all quarterly and annual permits be forgiven for 1 year and the continuation of the ABC to allow businesses to sell off-premise.

41. Paul Einbund (The Morris):

Outdoor seating is going to be the place to be with social distancing and fresh air; we think it minimizes the risk of getting sick right? Could we follow the model of some European cities that are putting an emphasis on outdoor seating. Close streets or at least move parking in some areas to allow full use of the sidewalk and allow pedestrians to walk where parking once was

Or In the case of the Morris there is a huge sidewalk at the MTA station across from us. For a limited time it could be a celebration of sorts to allow us to seat guests over there?

Then we would need massive assistance with the incredible homeless situation in our neighborhood as it is worse than any country I've ever seen right now.

42. Mario (The Sausage Factory):

The Sausage Factory has been a staple in the Castro neighborhood for over 52 years. It has been a family-owned restaurant since 1973. The restaurant truly has become a cornerstone of the area hosting date nights, birthdays, and parties for many groups in the LGBTQ community and for generations of San Franciscans.

Since the onset of the pandemic and the shelter-in-place went into effect on March 16th business has been greatly effected. This has by far been the most challenging time the restaurant has faced and I fear there will be lasting changes to the way in which we conduct business for years to come. The grants and aid that have been available to date don't address the long-term future of the hospitality industry. While the future is uncertain, pertaining to the regulations we'll face, our business will most likely not look the same. As the restaurant has tried to navigate through this time we feel there has been little guidance or any form of restaurant-specific help.

43. Robbie and Emily Perry Wilson (Le Fantastique, Bird Dog Restaurant):

Restaurants have been on the front line of this epidemic since it started. I have been forced to make some impossible choices. Impossible and involuntary decisions that have forced me to change our business models in mid-stride. This labyrinth of terrible decisions has and will continue to affect the lives of not only the people I have chosen to work with, but in most cases, the well-being of their children, parents, and grandparents alike. Yet no one even knows how/when this will reset. Thus, shifting the burden away from the government and back to a previously vulnerable restaurant industry to a "figure this out" approach essentially synthesizes every restaurant and employee into an economic lab rat. Moreover, it is unmitigated fiscal incompetence for any restaurant owner to even consider reinstating their operations sans any substantial rent reduction with eviction protection. Food for thought, when the Governor's Mansion reopens for tours to the public, we can all begin to refurbish the infrastructure. Until then, the greatest food city in the world, and the very fabric of a vacillating community of hospitality, faces probable extinction. This retreat will be endless.

44. Tim Stannard (Spruce, Village Pub, Mayfield Bakery, Pizza Antica):

The most difficult thing right now is not knowing what the new rules are going to be. Restauranters are a scrappy and creative bunch, and if you tell us what the rules are we will find a way to make something work. But trying to plan right now, with no guidance from the city or the state on what to expect, is a fool's errand. Additionally, if there is to be a silver lining from all of this, I'm hopeful that it's this: That the city finally realize that restaurants are a vital part of the culture and community of San Francisco. For so long we have been made to feel unwelcome and taken advantage off, burdened by expensive fees and regulations that strangle our businesses. Whenever we complained about these issues we were made to feel unimportant or guilty. But now so many of us—likely at least 30 percent—will be gone and won't be able to reopen. Maybe, just maybe, the city will actually listen to us and try help us keep our doors open, lights on, and feeding our communities.

45. Umberto Gibin (Perbacco, Barbacco):

San Francisco and the rest of the Bay Area have been in a lockdown since March 16th. I don't think that anyone would dispute that this measure was absolutely necessary to contain the spread of Covid-19. Now, I strongly believe that the majority of the population is ready to get out and live freely once again.

The reopening of restaurants is essential and will give the community this opportunity. The opportunity to be free to go back to their favorite restaurants, to be recognized by name and welcomed like old friends by the owner or favorite server. Or give businessmen and women the opportunity to go to their most-liked spot because they are always well taken care of, or for simple convenience.

We are waiting for clear guidelines from our officials on how to reopen our restaurant(s) while keeping everyone safe. I am afraid that one size does not fit all. What will work for Perbacco may not work for Dear Inga. Different neighborhoods, different clientele. The size and the layout of the restaurant matters. If a restaurant can accommodate more than one-third of their seating capacity and still be able to adhere to the responsible physical distancing, it should be allowed to do so.

I also understand that we cannot have different rules for each establishment. That is why, with all the respect for our city leaders, I strongly believe committees should be formed and that real restaurateurs should be involved in the reopening planning and guidelines setting.

For example, I don't think that there is a single restaurateur that is advocating for testing the guest temperature before he/she is let in the restaurant. Not only is it a huge responsibility, it would also welcome negative comments from guests. We will have to believe and trust that anyone that has endured two- plus months of lockdown is intelligent and responsible enough not to put themselves and others at risk.

As I don't believe that employees should have to wear masks or gloves (by the way, in the kitchen the use of gloves is already in place). I believe that any employee returning to work should be tested for the virus. And, as they are required to present a SerfSafe certificate, they should be required to present a certificate that attests that they are virus-free. Employers MUST make certain that the employee has a virus-free certificate prior to starting employment. Perhaps the testing should be done periodically until we know that Covid-19 is gone.

I think this task should be a mandated guideline for all employers and anyone that fails to implement the rule should not only pay a fine but eventually have the restaurant closed down.

Clearly the right hand is not talking to the left hand. The PPP loan is a great idea. But the guidelines are all wrong. The biggest incoherence of the loan is how the money should be spent. It says that 75 percent must be spent in payroll. This guideline was written to get employers to hire all the employees that they had to lay off or furlough by the end of June; MEANWHILE THE CITY TELLS THAT WE CANNOT OPEN OUR RESTAURANT(S) UNTIL THE END OF MAY!!!!

The deadline should be extended until the end of the year if not further.

Furthermore, what would motivate a cook that earns \$20 per hour or \$800 per week, to come back to work while he/she is getting \$1,000 per week in unemployed benefits until the end of July? The same is valid for servers or bartenders, if we limit the number of guests to what is being suggested at the moment. I believe that if an employee is asked to come back to work, he/she should do so. This will get the people back to work and release the financial burden on the EDD.

46. Min Kim (General Manager, Greens Restaurant):

1) Capacity limits versus PPP expectations.

Financially: If capacity is brought down to one-third what are the discussions around the expectations of our PPP, as we know this will most likely determine whether some restaurants get to remain open for the long haul.

Standard Operation Procedure: Would partitions, barriers or dividers allow for more seating? What are the guidelines here if an owner decides to partition off their dining room. Several have already placed orders to wall-off sections of their restaurant, as well as dividers to section-off larger communal tables.

2) Protection and Safety, reduce chances of “second wave.”

PPE is the biggest place we are focusing right now for Greens. And yet, it seems that resources are limited.

It would be helpful to have a city-provided list of vendors. I imagine the industry will be sourcing from the same distributors so if we can get ahead of the anticipated shortage, that would be best. Of course I know this is probably difficult considering we are struggling as a nation to get these supplies. However, may we lead by example and not have it be an “every restaurant for themselves” or “on their own” model.

For Greens we are considering our table turn times and creative hours of operation to help spread out the traffic and hopefully be able to make up some seats.

3) AC and Heat—air vents. Are we allowed to turn them on and circulate air? We should be prepared for the hot summers and the cold winters and what the suggestions are.

4) Expectations in the kitchen? There's been a lot of talk about the dining room and capacity. But wondering what we are considering for the back-of-house. Particularly, employee break rooms and kitchens, and especially for those who already work in a small confined space. And yes, those tie in to potential legal ramifications, we need guidance and protection here. Contactless payments in the dining room as well, moving to pay at the front or at the terminal with contactless reading capabilities. However, the cost is about \$300+ for equipment. One per location should be a minimum.

47. Ken and Anna Zenkel (The Grove):

Clean the streets. Clean the sidewalks. Put beat cops on the street. Restaurants need the customer pool to include those not living in San Francisco.

It is now internationally well-known that visiting San Francisco will include numerous trips down streets and sidewalks full of filth and feces and needles, with mentally unstable and sometimes dangerous people roaming the streets screaming and scaring many people not used to it, and see virtually no beat-cop presence. They feel disgusted, endangered, and unprotected. When we used to visit elsewhere and tell people I lived in San Francisco the usual response was "I wish I lived there." Now the usual response is "is it as bad as they say it is?" Stop saying it's a money problem, when everyone knows San Francisco's budget. Stop saying it is a nationwide problem when no other city in America has this as widespread (and stop pointing to little pockets, like downtown LA or Pioneer Square in Seattle; we are talking city-wide). Stop making excuses. It is way past the tipping point. Telling yourself otherwise is denial.

Our restaurant on Fillmore used to be full of Europeans, then it stopped. Hayes used to be full of suburbanites coming in to attend the performing arts, then it stopped. Yerba Buena used to be full of people attending conventions, now Oracle has set the stage for others to follow by saying they are done with San Francisco—because their attendees say they are done with San Francisco.

Stop the Money Grab from Businesses. Make the money instead from sales tax created by businesses that have an opportunity to thrive.

Our restaurant at Yerba Buena had to pay the PUC almost \$70,000.00. At Design District we paid \$55,000.00 to the PUC and another \$55,000.00 to the Building Department. For a 3,900-square-foot restaurant.

Fix the DPW Sidewalk Tables and Chairs Colossal Mess.

While the streets and sidewalks are filthy, DPW is sending personnel to measure the height and width of diverters, and count tables and chairs, in another game of "gotcha" that infuriates business owners, costs them real money, and does exactly zero for the public at large. Meanwhile the enforcement is totally inconsistent.

In addition, DPW should simply issue a permit for a defined sidewalk area, an occupancy max for it, and of course spacing within. That is not what they do. Instead they require a specific arrangement and count of tables and chairs. If over the years, you replace two chairs with a bench for two, or use smaller tables and add an extra seat or two...you are now out of compliance. DPW sends inspectors in to look at your approved sketch from whenever the permit was released, and any difference results in a violation. If you want to keep the setup in the revised form because it works better for staff and/or customers, you must re-apply, draft a new sketch, pay a new fee, post a new sign in the window telling passersby where they can send a protest. At my restaurant on Fillmore, over the course of the first 17 years, we added two seats and a handicap accessible table—all within our approved space. DPW came by, said there was "an anonymous complaint" and demanded removal. But removing the ADA table would have exposed us to a lawsuit as well of course making a wheelchair-bound person feel unwelcome and uncomfortable. DPW then said we could leave the table but could not serve food there, not limit its use to customers, it had to be available for any member of the public. This led to an 18-month battle that cost us \$3,500 in architectural fees and involved two district supervisors and the former head of DPW. For something that meant nothing to anyone but the "gotcha" people.

Other cities actually encourage outdoor seating. Extra eyes watching the streets, a cosmopolitan vibrancy, a sense of community, and some extra seats that left restaurants have a far better chance of financial success by having a little extra capacity at the peak times. SF San Francisco criminalizes it.

Fix the broken process by which hearings for protested permit applications occur. Currently, all it takes to have a permit not get issued and a hearing scheduled, often months later, is one single person writing a letter against issuing the permit, and no reason required to be included in the protest. We had a sidewalk tables and chairs permit delayed six months, spent \$6000 on a lawyer, met with the complainant who informed me that she had no problem with MY sidewalk seats but rather felt that there should be NO sidewalk dining allowed in the city. Then she did not show up at the hearing when it finally occurred. For all protests of permit applications, the protestor should be required to give a reason, and the city should have a criteria as to what reasons lead to a hearing and what don't. Right now "I will have trouble walking around the proposed sidewalk setup, plus people will be drinking alcohol outside as kids walk by from school" (a pretty valid reason for a discussion!) is treated the same as "if the permit is issued aliens will land and destroy us" and "no reason given."

DBI needs reasonable fees, clarity, and for employees to be scheduled in a manner that reflects professionalism.

When a building plan gets stamped "Approved," that should be considered a contract: You the applicant agree you will build it to these exact specifications and we DBI agree that if you do we will sign off on it when its finished. Instead, an inspector in the field is assigned, who has unilateral power to require changes that can cost significant time and money. At Yerba Buena, our inspector decided that the flue system approved at DBI offices was not to his liking, and we had a \$91,000 change order. It is not that anyone is ill-intentioned. It is that there are too many chefs, and ever-moving goalposts.

Additionally, it is typical—and has happened to us on every project—that part way through someone assigned to you at the DBI offices goes on vacation for a week or two. And you are told "this project belongs to him, you need to wait until he returns." And the project stops in its tracks, rent gets paid, contractors who showed up to do work that now can't be done get paid, and so on. You don't come to a restaurant and part way through your meal get told: "Your server left, no one else can take care of your table, sit here until he returns to work next Thursday." Have backup.

Money that restaurants pay for the health care of their employees needs to be spent solely toward the health care of the employees; not go to the government coffers. Rather than have clear standards of what the components of what a health-care plan needs to provide to employees, the city instead mandates that the employer spend a certain amount of dollars per hour. Increasing the amount per employee as your employee count goes up, i.e. penalizing job creation and growth. Then, if you are able to find the best plan that exists and it STILL doesn't cost as much as the city mandates you spend, the city makes you pay the unspent money to the government. If we are going to pay top dollar for our employees' health, every penny should be applied to that. So the city, if it is going to continue to grab money from the employers this way, should then redistribute it to the employees.

Require or heavily influence BART to run trains earlier and later. Many employees do not live in the city. BART service starts too late, especially on weekends. And ends too early. Closing managers often have to take an Uber home, or drive in and park in a city that aspires to have fewer cars. Fix it.

Stop the DPT money grab from drivers for "Gotcha."

We all want unclogged streets where traffic moves, and parking spots in commercial districts to turn over and not be hoarded. Meter maids deserve safety and respect. There is no problem with justified citations. Stop giving them a "gotcha" agenda: \$165 tickets for no front plate do not move traffic or create parking-spot turnover; ticketing out-of-towners who did not curb their wheels when there are very few signs indicating this is mandatory; ticketing cars in violation of residential parking restrictions if the signs either have the paint stripped off or have too many days and hours and exceptions as to be almost indecipherable. Ticketing if there is a broken parking meter. When otherwise law-abiding people get taken for money by a city due to "gotcha" they are angry and go elsewhere.

48. John Litz (CEO of Noosh, Lazy Bear, Band of Angels):

A few Ideas for Restaurant Recovery Proposal for the City:

1. Housing Crisis

San Francisco is too expensive to live/work here for restaurant workers.

Solution: PROVIDE RESTAURANT EMPLOYEES TEMPORARY OVERNIGHT HOUSING SO THEY DON'T HAVE TO COMMUTE BACK OVER THE BRIDGE AND REDUCE RISK OF TRAVEL.

HOTEL ROOMS ARE GOING TO HAVE HIGH VACANCY FOR THE NEXT FEW MONTHS. THE CITY SHOULD COMPENSATE HOTELS (PUTS MONEY IN THEIR POCKET) TO HOUSE RESTAURANT WORKERS.

2. Touchless Economy

SOLUTION 1: Immediately pass a bill removing the requirement to use CASH. It's dirty and adds unnecessary operating expense and risk to restaurants to keep cash on hand. Noosh opened as CASHLESS, then the bill was passed requiring restaurants to use cash.

SOLUTION 2: City requires APPLE not take a percentage for use of APPLE PAY.

3. Sales Tax Relief

Pass a bill to defer or Forgive Sales Tax for one year.

4. Technology Solutions

The ideas I have for remedy are not likely not going to be built by the city, rather by an outside tech start-up. The city could offer grants or funding for engineers to build solutions that solve specific restaurant problems.

5. Emotional Support for Workers

The stress due to financial and health uncertainty is weighing very heavy on the entire restaurant industry, both employees and employers. The city can and should be setting up online support groups for those who have little or no resources to turn to. Simply speaking with someone can help bring great relief. I have been touching base and speaking with our employees as often as possible to make sure they are alright and to know they are not alone.

49. Tony Gemignani (Tony's Pizza Napoletana, 13-Time World Pizza Champion):

In the wake of the novel coronavirus pandemic shutting down the United States, the restaurant industry and small businesses are looking to the city, state, and federal governments to protect our industry, employees, and economy. Many in the restaurant industry—including my own restaurants—have adapted our business models to ensure social distancing, safety, and sanitation efforts, but some remain closed and may not make it through this pandemic. During this time, and as we prepare to reopen, we are fighting to support our displaced workers and partaking in negotiations for lease payments with landlords and purveyors—but we need more support. Throughout the process, I shared that sometimes you've got to swallow your pride to do what's best and move forward. Everyone, and every business is facing a different challenge, but we stand united in wanting to reopen safely and responsibly—a part of that means ensuring we have clearer guidelines.

50. Rupert Blease (Lord Stanley):

What we need most is an idea of what these guidelines would be... we understand only 30 percent of what anyone says right now might end up being true, but that is better than nothing... From what we hear of guidelines in other parts of the world it seems that restaurants might just need to take the next couple of years off to explore some new ideas.

51. Stuart Briozza and Nicole Krasinski (State Bird Provisions, The Progress, The Anchovy Bar):

Assuming we'll be able to operate at less than 50 percent capacity we'll need to quickly and creatively re-imagine our physical spaces. Essentially our restaurants require a new business model which includes a complete re-tool with respect to flow and necessary safety precautions while achieving enough revenue to stay afloat!

6 **Contributors to this Report**

Restaurateurs/Chefs/Retail Proprietors:

- **Thanks**—We are grateful to the ever-growing number of chefs, restaurateurs, retail proprietors, investors, and other industry professionals who contributed their invaluable insights to this document. We have endeavored to include all of the letters and quotes we have received to date in Section 5: Appendix — Dispatches from the Field, page 18. This is a working document and we will continue to update it with additional comments as we receive them.
- **The Case Study Floor Plans**—These were graciously shared by the following restaurants to illustrate some of the challenges and opportunities we will encounter in these spaces over the months ahead:
 - San Ho Won—Corey Lee, Chef/Owner
 - Ernest Restaurant—Brandon Rice, Chef/Owner
 - The Anchovy Bar—Stuart Briozza and Nicole Kransinski, Owners
 - Dear Inga—Jeff Hanak, David Golovin and Ravi Kapur, Chefs and Owners
 - Cala—Gabriella Camara and Emma Rosenbush, Owners

Architects:

- **Charles Hemminger**, Hemminger Architects, charles@hemmingerarchitects.com
Projects: State Bird Provisions, The Progress, Cala, Outerlands, Tartine Manufactory, The Morris, Flour and Water, Central Kitchen, Trick Dog, State Bird Provisions, The Progress.
- **Seth Boor**, Boor Projects, seth@boorprojects.com
Projects: Dear Inga, Tartine, Lord Stanley, Trou Normand, Sightglass, The Mill, Four Barrel, Southern Pacific, Flora Grubb Gardens.
- **Wylie Price**, Wylie Price Design
Projects: Fatted Calf, Bon Voyage, Obispo, Nommo, SF Cheese School, Glenna's, Trick Dog, State Bird Provisions, The Progress.

Contractors:

- **Greg and Jeff Alsterlind**, ACI Construction
A leading San Francisco restaurant contractor over 25 years.
Projects: Absinthe Brasserie and Bar, Bellota, Comstock Saloon, Arlequin Wine, Greens, Wise Sons, Nico, Equator Coffee, Matterhorn, The Grove, The Cheese School.

Real Estate Brokers:

- **Pamela Mendelsohn and Santino DeRose**, Maven Retail
Leading real estate brokers serving San Francisco restaurateurs for the past 25 years.