

[Public Works Code - Waiver of Annual Occupancy Assessment Fee - Seal Rock Inn]

**Ordinance waiving the public right-of-way occupancy assessment fee under Public Works Code, Section 786.7, for a major encroachment permit associated with the Seal Rock Inn at 545 Point Lobos Avenue; modifying a condition of Seal Rock Inn’s major encroachment permit; and affirming the Planning Department’s determination under the California Environmental Quality Act.**

**NOTE:** **Unchanged Code text and uncodified text** are in plain Arial font. **Additions to Codes** are in *single-underline italics Times New Roman font*. **Deletions to Codes** are in *strikethrough italics Times New Roman font*. **Board amendment additions** are in double-underlined Arial font. **Board amendment deletions** are in ~~strikethrough Arial font~~. **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Findings.

a) The Planning Department has determined that the actions contemplated in this ordinance comply with the California Environmental Quality Act (California Public Resources Code Sections 21000 et seq.). Said determination is on file with the Clerk of the Board of Supervisors in File No. 230570 and is incorporated herein by reference. The Board affirms this determination.

b) The Seal Rock Inn is located at 545 Point Lobos Avenue next to the quiet, scenic surroundings of Sutro Heights Park. During the COVID-19 pandemic, the restaurant at the Seal Rock Inn shut down due to a lack of patronage at the hotel, causing the neighborhood to lose the restaurant’s welcoming, family-friendly environment, great food, and spectacular

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1 views. The patio of this restaurant and planting on the opposite side of the hotel entrance are  
2 encroachments on the Point Lobos Avenue public right-of-way.

3 c) The Seal Rock Inn is critical to the economic vitality of the scenic Sutro Heights  
4 area, and without the restaurant the area is empty and desolate.

5 d) Re-opening the Seal Rock Inn restaurant is essential to revitalizing the area,  
6 bringing the Sutro Heights area back to life, and attracting new visitors to this destination near  
7 the Golden Gate National Recreation Area, the Cliff House, and Golden Gate Park.

8 e) In 1961, the Board of Supervisors adopted Resolution No. 631-61, which granted a  
9 major encroachment permit to the Seal Rock Inn (Public Works Permit 19MSE-00476) for use  
10 of the sidewalk area on Point Lobos Avenue. This Resolution is on file with the Clerk of the  
11 Board of Supervisors in File No. 759-60 and incorporated herein by reference. The permit  
12 covers what now is an enclosed dining area/terrace with a glass windbreak and other  
13 encroachments, including a retaining wall and landscaping.

14 f) Public Works Code Section 786.7 imposes an annual public right-of-way occupancy  
15 assessment fee on major encroachments based on the square footage of area occupied. The  
16 annual fee for the Seal Rock Inn major encroachment is approximately \$3,700.00.

17 g) On February 28, 2023, the Board of Supervisors adopted Resolution No. 089-23 to  
18 facilitate the revitalization of this valuable City destination by declaring its intent to waive the  
19 major encroachment annual occupancy assessment permit fee among other actions, so that  
20 the restaurant may open for business, unencumbered by payment of the annual fee. A copy  
21 of said Resolution is on file with the Clerk of the Board of Supervisors in File No. 230174, and  
22 is incorporated herein by reference.

23  
24 Section 2. Waiver of Annual Public Right-of-Way Occupancy Assessment Fee and  
25 Modification of Encroachment Permit Condition for Seal Rock Inn.

1 a) In recognition of the benefits to the community of the Seal Rock Inn's publicly  
2 accessible patio and its landscaped area, the annual assessment fee set forth in Public Works  
3 Code Section 786.7 (estimated at approximately \$3,700 per year) is hereby waived to partially  
4 offset the costs of re-opening the restaurant and its publicly accessible patio. This waiver  
5 applies to any outstanding annual assessment fee and all future annual assessment fee  
6 payments under Public Works Code Section 786.7.

7 (b) In addition, the Board of Supervisors hereby modifies the major encroachment  
8 permit conditions to delete the condition requiring abatement of the commercial appearance of  
9 the encroachment. The Board of Supervisors finds that this condition no longer reflects  
10 current City policy regarding food service use encroachments on the public right-of-way.  
11

12 Section 3. Effective Date. This ordinance shall become effective 30 days after  
13 enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the  
14 ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board  
15 of Supervisors overrides the Mayor's veto of the ordinance.  
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17 APPROVED AS TO FORM:  
18 DAVID CHIU, City Attorney

19 By: /s/ John D. Malamut  
20 JOHN D. MALAMUT  
21 Deputy City Attorney

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**City and County of San Francisco**  
**Tails**  
**Ordinance**

City Hall  
1 Dr. Carlton B. Goodlett Place  
San Francisco, CA 94102-4689

**File Number:** 230570

**Date Passed:** July 25, 2023

Ordinance waiving the public right-of-way occupancy assessment fee under Public Works Code, Section 786.7, for a major encroachment permit associated with the Seal Rock Inn at 545 Point Lobos Avenue; modifying a condition of Seal Rock Inn's major encroachment permit; and affirming the Planning Department's determination under the California Environmental Quality Act.

July 12, 2023 Budget and Finance Committee - RECOMMENDED

July 18, 2023 Board of Supervisors - PASSED ON FIRST READING


Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

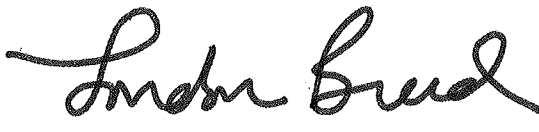
July 25, 2023 Board of Supervisors - FINALLY PASSED

Ayes: 11 - Chan, Dorsey, Engardio, Mandelman, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 230570

**I hereby certify that the foregoing Ordinance was FINALLY PASSED on 7/25/2023 by the Board of Supervisors of the City and County of San Francisco.**

  
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Angela Calvillo  
Clerk of the Board

  
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London N. Breed  
Mayor

7/28/23  
\_\_\_\_\_  
Date Approved