



# Draft Operating Standards Ordinance and Fee Structure

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July 10, 2007



# Introduction

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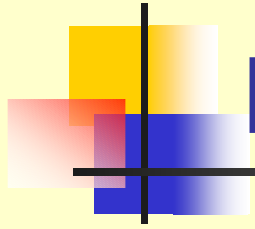
- BAPAC Report referred April 2006
- Staff Report January 2007
  - Social Host & Second Response Ordinances
  - Mandatory Responsible Beverage Service (RBS) Ordinance
  - Council referred operating standards and fee supported program



# Summary

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- Two elements:
  - Operating Standards Ordinance
  - Fee structure
- No unkeepable promises
- Translate BAPAC proposals into implementable regulatory language



# Process

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- Met with BAPAC representatives several times
- Met with BAPAC to discuss their comments/recommendations on July 5<sup>th</sup>



Draft

# Operating Standards Ordinance

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- Originated in “deemed approved” ordinance
- More direct approach, applicable to all alcohol outlets
- Operating standards to avoid nuisances



## Administration

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- Regular quarterly or annual inspections
- Supported by annual fee
- Enrollment in supplemental 2-year monitoring program and additional fee if violate operating standard
- Violations can lead to citation or abatement as nuisance under Zoning Ordinance



# Examples of General Operating Standards

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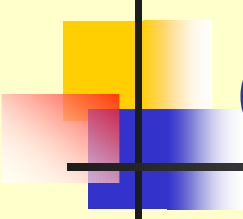
- Generally prevent patrons from causing nuisances
- Comply with RBS Ordinance
- Notify City of temporary closures
- Security
  - Keep windows clear
  - Lighting



## More General Operating Standards

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- Keep clean, fix windows, remove graffiti, etc.
- Log calls to BPD
- Outlet name on bags
- Do not serve problem customers



# Operating Standards for Off Sale Outlets

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- More window area clear
- No loitering inside
- Better lighting



# Supplemental Operating Standards for Problem Outlets

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- If violation, additional standards may apply:
  - Additional inspections
  - Meetings with neighbors
  - Video cameras
  - Cash handling/security



## Ordinance

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- BAPAC suggested some amendments
- Staff is considering them



# Recommendation

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- Guidance, please...
  - Should the standards apply to all alcohol outlets or only some subset(s)?
  - Are the standards generally appropriate?
  - Are any of the standards too strict?
  - Are standards that would prevent specific types of alcohol-related problems missing?
  - Should there be additional standards for particular types of outlets?
  - Is the proposed ordinance sufficient/too complicated?



## Budget and Fee Options

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- Budget ~ \$150,000
- 3 fee options
  - Flat fees
  - Differential flat fees by outlet type
  - Combined flat and supplemental fee for violators
- Many possible combinations and variants



# Major ABC License Types

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- “Off-sale”
  - 20 beer & wine only
  - 21 general
- “On-sale”
  - 40 beer only
  - 42 beer & wine only
  - 48 general (i.e., bars)
  - 41 restaurants, beer & wine only
  - 47 restaurants, general

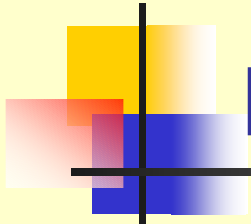


# Fee Option 1

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- 4 Alternative Annual Flat Fees, By License Types

Options	1	2	3	4
Outlet types	Legal nonconforming off-sale (20 + 21)	All off-sale (20 + 21)	All off-sale + public premises (20 + 21 + 40 + 42 + 48)	All outlets (on- and off-sale)
No. outlets	44	86	97	310
Fee	\$3410	\$1744	\$1546	\$484
Total	\$150,000	\$150,000	\$150,000	\$150,000



## Fee Option 2

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- Combined Annual Flat Fees By License Types

Outlet types	Legal nonconforming off-sale (20 + 21)	Permitted off-sale	All on-sale
No. outlets	44	42	224
Fee	\$1700	\$500	\$250
Total fee by Outlet type	\$74,800	\$21,000	\$56,000
Total	\$151,800		

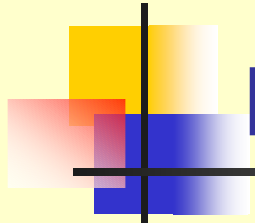


## Fee Option 3

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- Combined Annual Flat Fees Plus Supplemental Fee

Outlet type	Legal nonconforming off-sale	Permitted off-sale	Public premises (40 + 42 + 48)	All other on-sale (41 + 47)
No. outlets	44	42	11	213
Flat fee amount	\$400	\$400	\$400	\$200
Supplemental fee amount	\$1000/violation			
Total	\$150,400			



## Fees

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- BAPAC suggested sliding violation fee based on volume—under consideration
- In general, try to keep it simple



# Recommendation

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- Guidance, please...
  - Should the fees apply to all alcohol outlets (*i.e.*, on- and off-sale, legal nonconforming and permitted) or only some subset?
  - Should different fees be charged to different type of outlets?
  - Should some proportion of the annual budget be fees raised by charging outlets that violate the operating standards?



## Next Steps

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- After Council direction:
  - Meet with representatives of alcohol outlets to review ordinance and fees
  - Meet with larger stakeholder group
  - Return to Council with draft ordinance and public hearing for adoption of fees