



**Report to the Board of Supervisors, Fiscal Year July 1, 2014-June 30, 2015.  
Submitted September 2015**

**Deemed Approved Uses Ordinance (DAO)-San Francisco Administrative Code Chapter 26  
Ordinance #43-06. February 28, 2006 signed by the Mayor: March 10, 2006  
Mayor Edwin M. Lee**

**Background**

In 2006 the Board of Supervisors passed the Deemed Approved Uses Ordinance, which was signed by former Mayor Gavin Newsom, with the purpose of ensuring that alcohol sold through off-sale retailers occur in a manner that protects the health, safety, and welfare of San Francisco residents and neighborhoods. As a result of the Ordinance, the Deemed Approved Uses Program was created with the purpose coordinating responsible City Agencies and implementing activities outlined in the Ordinance. This report constitutes the 9<sup>th</sup> annual report to the Board of Supervisors and includes a summary of activities undertaken over the last year by each performing Department.

The Deemed Approved Uses Ordinance (DAO) establishes Performance Standards for businesses that sell alcohol in off-sale venues. The California Alcohol Beverage Control Board (ABC) regulates the sale of alcohol throughout the state and provides licenses to vendors to sell alcohol under specific conditions. The San Francisco DAO, which is based on the county's oversight of land use and planning, helps ensure the DAO Performance Standards are observed by businesses that sell alcohol in off-sale venues (ABC License-Type 20 & 21 vendors). A Type 20 license is for vendors who sell off-sale beer and wine only whereas a Type 21 license is for those vendors who sell off-sale beer, wine and spirits.

Coordination for all aspects of the DAO is handled by the San Francisco Department of Public Health (DPH), in collaboration with the other City Agency partners: San Francisco Police Department (SFPD), City Attorney, and the Office of the Treasurer and Tax Collector.

**Summary of Report for Fiscal Year July 1, 2014-June 30, 2015:**

**Accomplishments:**

**San Francisco Department of Public Health: Vendor and Public Education and Outreach**

The DAO Education and Outreach program focuses on educating vendors and the broader community about DAO. The purpose of the education is to: inform San Franciscans about the DAO and create strong working relationships among merchants, neighbors, and city government; provide information and support to vendors on how to comply with the DAO; to increase awareness of DAO among neighborhoods and strengthen community partnerships to promote the health, safety, and welfare of the residents of San Francisco. Below is a summary of major accomplishments:

- DPH conducted 782 one-on-one Educational Site Visits to ABC License-Type 20 & 21 vendors in San Francisco County to provide education and information on the DAO and to determine if Performance Standards and license certificates were posted.

- During those visits, staff provided recommendations to vendors on ways to ensure compliance with Performance Standards and advised those who were not in possession of a current license/certificate and a current copy of the Performance Standards about possible consequences for non-compliance.
- DPH educational site visit team maintains a database of findings related to educational site visits including documenting whether vendors are in possession of and displaying the current copy of their license/certificate and the DAO Performance Standards as certified by the Tax Collector.
- DPH staff also provided direct community education in partnership with the SFPD. In 2014-15 staff presented at nine different SFPD Captain's Community Meetings including the following districts: Bayview, Central, Ingleside, Mission, Park, Richmond, Southern, Taraval, and the Tenderloin. In collaboration with the DPH's Tobacco Free Project (TFP), DAO staff presented on our efforts in the district and answered questions from community members. In addition, DPH spoke at a Police Academy Meeting during this reporting period.
- We also maintained a website with DAO information and materials, and disseminated educational materials upon request from the public and during educational site visits, SFPD Captain's Precinct meetings and directly in response to requests received through emails, phone replies, and one-on-one meetings.

#### **San Francisco Police Department - Alcohol Liaison Unit (ALU)**

In May 2010, the Chief of Police created a unit called the Alcohol Liaison Unit (ALU). The ALU conducts DAO inspections in coordination with their Alcohol Beverage Control (ABC) inspections known as IMPACT (Informed Merchants Preventing Alcohol-Related Crime Tendencies) inspections at off-sale ABC licensed premises. Documentation, including any police reports, are submitted to the State ABC and the DAO team. During the FY 2014-15, the SFPD ALU conducted IMPACT inspections at 82 licensed premises as indicated below:

#### IMPACT Inspections:

- 71 Initial Inspections
- 47 Re-Inspections
- 118 Total Inspections
- 0 Decoy Operations
- 82 Premises
- 0 Incident Reports/Criminal Citations Issued

#### **City Attorney**

During FY 2014-15 the City Attorney's activities related to DAO included the following:

- Received and reviewed incident reports from the San Francisco Police Department and based upon that review advised whether further enforcement is appropriate and authorized under the Deemed Approved Ordinance.
- Provided advice to City agencies regarding compliance and enforcement.

#### **Office of the Treasurer and Tax Collector**

In December 2013, pursuant to the Ordinance amending various sections of the San Francisco Business and Tax Regulations Code, the Office of the Treasurer and Tax Collector implemented a consolidated billing system for license renewal fees. Businesses receive a single bill which lists all the license renewal fees associated to a single ownership based on their current Business

Registration Certificate Number we have on file. Payment is due on or before March 31 of each year and a bill is sent every February. A summary of accomplishments include:

- For the FY July 2014 through June 2015, the Tax Collector received \$207,965 in license fees and \$12,188 in penalties and costs for DAO/H73 fees.
- Grand total collected for FY 2014-15 was \$220,153.
- License fee bills, certificates and educational materials were provided to 753 Type 20 and 21 vendors in FY 2014-15.

#### **DAO Administrative Activities**

Department of Public Health staff is the lead on implementing administrative responsibilities and providing general coordination for DAO. Activities in this fiscal year included:

- Regular meetings were held between DPH and the SFPD to strengthen relationship and develop strategies to support their work in the community through the IMPACT program.
- Meetings were conducted with staff from other DAO City Agencies: San Francisco Police Department, Treasurer and Tax Collector's Office, and Department of Public Health's Environmental Health Branch, as needed, to plan and coordinate administration of DAO.
- Upon request from the Treasurer and Tax Collector, DPH provided information from the ABC on specific Type 20 and 21 vendors in San Francisco. As of June 2013, the California Alcohol and Beverage Control no longer issues monthly updates of the status of Type 20 and 21 vendors specific to each city and county in California due to state budget cuts.

#### **Plans for FY 2015-16:**

- In FY 2015-16, DPH will continue to implement activities and processes as outlined above, in addition to working with City Agency partners to strengthen education to community and collaboration on DAO implementation.
- Last year we began building a comprehensive database of vendors in July 2014. This is an ongoing project that allows us to use the data from our Educational Site Visits, ALU IMPACT reports, and the Tax Collector's office to create more informative reports than was previously possible. We will continue to build it out as we use it to track accomplishments and plan activities for the DAO.

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