



**Report to the Board of Supervisors, Fiscal Year July 1, 2017-June 30, 2018.
Submitted October 2018**

**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, for 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 of coordinating responsible City Agencies and implementing activities outlined in the Ordinance. This report constitutes the 12th annual report to the Board of Supervisors and includes a summary of activities undertaken over the last year by performing Departments.

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 that DAO Performance Standards are observed by businesses that sell alcohol in off-sale venues (ABC License-Type 20 & 21 vendors). Type 20 licenses are for vendors who sell off-sale beer and wine only whereas Type 21 licenses are for those vendors who sell off-sale beer, wine and spirits.

Coordination 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 Report for Fiscal Year July 1, 2017-June 30, 2018:

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; help create strong working relationships among vendors, neighbors, and city government; provide information and support to vendors on how to comply with the DAO; 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 in Fiscal Year (FY) 2017-18:

- DPH conducted 571 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 to retailers and to determine if Performance Standards and license certificates were posted.

- During those visits, we provided education, information and 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 staff maintains a database of outcomes 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.
- Of the 571 stores receiving educational site visits in 2017-18, 97% were in compliance with the performance standards, as observed during the educational site visit.
- DPH staff also provided direct community education in partnership with the SFPD. In FY 2017-18 staff presented at six different SFPD Captains' Community Meetings in the following districts: Central, Ingleside, Mission, Northern, Richmond and Taraval, to approximately 150 San Franciscans. In collaboration with the DPH's Tobacco Free Project (TFP), DAO staff educated the community on DAO, and answered questions from community members.
- DPH disseminates educational materials upon request from the public and during educational site visits, at SFPD Captains' district meetings and directly in response to requests received through emails, phone replies, and one-on-one meetings.
- DPH also maintains a website for DAO which website was updated during this reporting period to include new contact information and links to translated documents. www.sfdph.org/DAO
- Every March, DPH sends an informational letter to DAO vendors reminding them of their responsibilities as a business owner and DPH contact information for any questions. The reverse side of the letter includes the current years' Performance Standards and reminds business to post it in their establishment. The process of how to request a fee waiver for H73 annual fee was specifically outlined in the letter that was sent in March 2018.

San Francisco Police Department (SFPD) - Alcohol Liaison Unit (ALU)

In May 2010, the Chief of Police created a unit of the SFPD 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.

ALU conducted 184 total IMPACT inspections, and 11 Minor Decoy Operations during this report period.

In addition, ALU conducted various related activities, including visits to businesses of ABC License Applicants, community meetings, IMPACT (Informed Merchants Preventing Alcohol-Related Crime Tendencies) inspections and General Enforcement/Taskforce operations events: SF Pride Enforcement (June).

City Attorney

Although the services of the Office of the City Attorney (CA) were not accessed in FY 2017-18, the CA was available if needed to provide guidance on DAO in the following ways:

- Receiving and reviewing requests from city departments including Planning, Police (SFPD), Public Health (SFDPH) and Building Inspection (DBI) for City Attorney Analysis. Based upon that review, advise whether further enforcement is appropriate and authorized under the DAO.
- Providing advice to City agencies regarding compliance and enforcement.

Office of the Treasurer and Tax Collector

In December 2013, pursuant to an 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. As a result, 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. The annual bills are sent in the beginning of March and payment is due on or before April 30. Based on the monthly reports sent to DPH by the Office of the Treasurer and Tax Collector activities for FY 2017-18 include:

- Office of the Treasurer and Tax Collector received \$176,198 in license fees for DAO/H73 fees, \$3,370 in penalties and \$1,742 in costs.
- License fee bills were mailed to 743 ABC Type 20 and 21 vendors, and 643 DAO license certificates were issued.

DAO Administrative Activities

The Department of Public Health staff members implement administrative responsibilities and provide general coordination for DAO. Activities in this fiscal year included:

- DPH hired a Health Worker II staff to fill a vacancy during this reporting period and this individual began work on April 2, 2018. 25% of this position is devoted to work on DAO, primarily conducting Educational Site Visits to DAO retailers.
- Meetings were conducted with staff from other City Agencies and DPH Branches: 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.
- Additionally, 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.
- Upon request from the Treasurer and Tax Collector, DPH provided information from the ABC on specific Type 20 and 21 vendors in San Francisco; this responsibility was taken on as of June 2013 when the California Alcohol and Beverage Control no longer issued monthly updates of the status of Type 20 and 21 vendors specific to each city and county in California due to state budget cuts.

Planned DAO Activities for FY 2018-19:

- In FY 2018-19, DPH will continue to implement activities and processes as outlined above, and working with City Agency partners to strengthen education to community and collaboration on DAO implementation and other initiatives impacting alcohol retailers and related businesses.
- Partnerships with SFPD, Office of Treasurer and Tax Collector, and City Attorney's Office will continue.

- DPH will update and maintain a comprehensive database of vendors. 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 with the retailers for the DAO.
- In FY 2018-19, we will continue to share data with Environmental Health Branch and the Tobacco Free Project to coordinate information and engagement with retailers.

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San Francisco Department of Public Health October 2018
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