



September 22, 2014

Honorable David Chiu, President  
San Francisco Board of Supervisors  
City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco, CA 94102-4689

RE: Report to the Board of Supervisors  
Deemed Approved Uses Ordinance  
Ordinance #43-06, February 28, 2006  
Signed by the Mayor: March 10, 2006

Dear Supervisor Chiu:

Please find attached the annual report on the conduct of the Deemed Approved Uses Ordinance. This report reviews activities for the period of July 2013 through June 2014.

Each performing department has added a summary of their activities to this report and those sections are clearly marked.

Thank you in advance. I am available to answer any questions about the Department's role and activities undertaken to date.

Sincerely,

A handwritten signature in blue ink that reads "Michael F. Paquette".

Michael Paquette, MPH  
Health Educator  
Community Health Equity & Promotion Branch  
San Francisco Department of Public Health  
[michael.paquette@sfdph.org](mailto:michael.paquette@sfdph.org)  
(415) 437-6224 desk  
(415) 431-7154 fax

Cc: Tracey Packer, MPH, Director, Community Health Equity & Promotion Branch  
Patricia Erwin, MPH, Deputy Director, Community Health Equity & Promotion Branch  
Lieutenant Edward Santos, ABC Liaison Unit, San Francisco Police Department  
Aleeta Van Runkle, Chief of Community & Neighborhood Services, City Attorney  
Loretta Lieberman, Account Services Manager, Office of the Treasurer & Tax Collector



**Report to the Board of Supervisors, Fiscal Year July 1, 2013-June 30, 2014.  
Submitted September 2014**

**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 March 2006, the Board of Supervisors passed an Ordinance, which was signed by former Mayor Gavin Newsom to create a "Deemed Approved Uses" program that addresses the role and responsibilities of businesses that sell alcohol in off-sale venues in respect to community health and safety. This constitutes the 8<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 is based on the county's oversight of land use and planning to educate and monitor businesses that sell alcohol in off-sale venues if they are found to be in nonconformance to the DAO Performance Standards. 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 Treasurer and Tax Collector.

**Summary of Report for Fiscal Year July 1, 2013-June 30, 2014:**

**Accomplishments:**

**San Francisco Department of Public Health: Vendor and Public Education and Outreach**  
The DAO Education and Outreach program ensures that vendors receive a visit from DAO staff each year. The purpose of the visits is to create a strong working relationship among merchants, neighbors, and city government; to provide information and support to vendors on how to comply with the DAO, to increase awareness of DAO among neighborhoods, and to strengthen community partnerships to promote the health, safety and welfare of the residents of San Francisco. Below is a summary of major accomplishments:

- San Francisco Department of Public Health (DPH) conducted 495 Educational Site Visits to ABC License-Type 21 vendors in San Francisco County to provide education and information on the DAO and to determine if Performance Standards and license certificate were posted.
- This year, after a review of outcomes of educational site visits we decided not to conduct Educational Site Visits to the large chain grocery stores and pharmacies/drug stores due to their history of not having problems related to the DAO. In addition, in terms of smaller retailers, DPH focused on only Type 21 licenses - because in addition to selling beer and wine, they also sell spirits.
- We advised vendors who were not in possession of a current license/certificate and a current copy of the Performance Standards about possible consequences for non-

compliance; provided recommendations to vendors on ways to ensure compliance with Performance Standards.

- DPH educational site visit team maintained 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.
- We disseminated educational materials upon request from the public and during educational site visits, San Francisco Police Department (SFPD) Captain's Precinct meetings, community organizations and neighborhood meetings; and direct contact 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). Through ALU, the police department conducts an Alcohol Beverage Control (ABC) inspection called IMPACT (Informed Merchants Preventing Alcohol-Related Crime Tendencies) at off-sale ABC licensed premises. All documentation including any police reports are submitted to the State Alcohol Beverage Control Board. During the FY 2013-2014, the SFPD conducted IMPACT inspections at 363 licensed premises as indicated below:

#### IMPACT Inspections:

- 311 Initial Inspections
- 23 Re-Inspections
- 336 Total Inspections
- 39 Decoy Operations
- 363 Premises
- 34 Incident Reports/Criminal Citations Issued

### **City Attorney**

During FY 2013-2014 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.

### **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 being sent every February.

- For the FY July 2013 thru June 2014, the Tax Collector received \$153,648 in license fees and \$3,102 in penalties and costs for DAO/H73 fees.
- Grand total collected for FY 2013-14 was \$156,750.

- Total number of H73 license fee bills and educational materials provided to vendors in FY 2013/2014 was 668.

### **DAO Administrative Activities**

Department of Public Health staff is lead on implementing administrative responsibilities and general coordination for DAO. In fiscal year 2013-2014 activities 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 held with staff from other DAO City Agencies: San Francisco Police Department, Tax Collector's Office, City Attorney, and Department of Public Health's Environmental Health Branch, as needed to coordinate administration of DAO.
- Upon request by Tax Collector, DPH provides information from the California Alcohol and Beverage Control 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 2014-2015:**

- In FY 2014-2015, we 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.
- We began building a comprehensive database 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.

Prepared by:

Michael Paquette, MPH

Health Educator

Community Health Equity & Promotion Branch

San Francisco Department of Public Health

Ph: (415) 437-6224

Email: michael.paquette@sfdph.org

San Francisco Department of Public Health September 2014

Deemed Approved Uses Ordinance Annual Report to the Board of Supervisors