

STAFF REPORT
City of Lancaster

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DATE: November 10, 2015

TO: Mayor Parris and City Council Members

FROM: Jocelyn Corbett, Assistant City Attorney
Lee D'Errico, Public Safety Director

SUBJECT: **Amendment to Title 5 of the Lancaster Municipal Code, relating to business licenses.**

Recommendation:

Introduce **Ordinance No. 1010**, amending Title 5 of the Lancaster Municipal Code by repealing Articles I and V of Chapter 5.04 and adding a new Article I of Chapter 5.04, relating to business licenses.

Fiscal Impact: While the City may incur some slight additional cost associated with the more in-depth application review process, it is expected to be minimal. After some history with the new process, staff will amend the pertinent departmental budget(s) if these costs are greater than anticipated.

Background:

Over the past several months, staff has had ongoing discussions with the Criminal Justice Commission concerning proposed revisions and updates to the general business licensing provisions in the Municipal Code set forth in Chapter 5.04. The Commissioners provided very useful comments and suggestions during the process that guided staff in crafting the ordinance. At their regular meeting on October 14, 2015, the Commission voted to recommend the ordinance to City Council, with the inclusion of a few minor additional revisions discussed during the October 14 meeting; those revisions have been incorporated into the ordinance before you.

Article I of Chapter 5.04 of the Lancaster Municipal Code sets forth the provisions regulating the application, issuance, denial, renewal and revocation of general business licenses. As currently written, the provisions concerning the City's review of an application and the grounds for denial or revocation of a license are vague and ambiguous and do not authorize an adequate level of review before a license is issued. Staff has discovered that some licenses are issued to persons who have previously conducted their business in a manner that violates local or state law or that otherwise poses a threat to public health and safety.

Ordinance No. 1010 contains several significant revisions to Article I of Chapter 5.04. It authorizes the City to obtain information from other governmental entities, such as the Sheriff's Department, Fire Department, Public Health, the Board of Equalization and the Department of Alcohol and Beverage Control, in order to confirm a business complies with applicable laws. The Ordinance establishes reasonable grounds for denial and/or revocation of a license; it also authorizes the City to impose conditions on a license if doing so will mitigate concerns about the business's impact on public health, safety and welfare that might otherwise provide cause for denial or revocation.

The Ordinance provides that appeals of a denial, conditioning, suspension or revocation of a license will be heard by an independent Hearing Officer. A person may then appeal the Hearing Officer's decision to City Council.

Currently, taxi, tow and massage operators must undergo an annual LiveScan background check. The Ordinance adds liquor stores, smoke shops, hookah lounges and internet cafes to this list. It has been staff's experience in recent years that these businesses often require a greater use of City law enforcement and other resources than other businesses. Having the ability to identify prospective business owners with a pertinent criminal background will allow the City to either deny the license or craft conditions that will help mitigate the concerns about the business operation.

The Ordinance adds a requirement for owners of alcoholic beverage establishments to ensure that any employee who serves or sells alcoholic beverages undergoes and passes Responsible Alcoholic Beverage Server training at least once every three years, and to make available for City inspection documentation verifying compliance with the training requirement. Such establishments are further required to develop and implement practices and procedures to prevent the purchase and/or consumption of alcoholic beverages by underage persons.

The Ordinance also adds provisions to authorize the summary suspension of a business for a limited period of time if it is determined that an imminent hazard to public health, safety or welfare is at issue. Although it is anticipated these provisions will be very rarely, if ever, used, the ability to immediately suspend a business when an imminent threat has been discovered is necessary to protect public health and safety.

Finally, the Ordinance generally cleans up various provisions that address the procedures for staff's processing new and renewal applications and issuing licenses.

The previous Article V, which contained the violation and penalty provisions, has been incorporated into Article I.

Attachment:

Ordinance No. 1010