



**Report to the Board of Supervisors, Fiscal Year July 1, 2019-June 30, 2020.  
Submitted September 2020**

**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 (DAO), 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 14<sup>th</sup> annual report to the Board of Supervisors and includes a summary of activities undertaken over the last year by performing Departments.

The 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 city and 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, 2019-June 30, 2020:**

**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) 2019-20, which were highly impacted by the COVID-19 public health emergency, both due to Shelter-in-Place as well as staff activation.:

- DPH conducted 189 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.
- As of March 2020 no educational site visits by San Francisco Department of Public Health were conducted due to Shelter-in-Place Health Orders related to COVID-19.
- 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 189 stores receiving educational site visits in FY 2019-20, 79% were in compliance with the performance standards, as observed during the educational site visit.
- 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 staff provided direct community education in partnership with the SFPD. In FY 2019-20 staff presented at the Taraval SFPD Captains' Community Meeting to approximately 25 San Franciscans. DAO staff educated the community on DAO and answered questions from community members.
- DPH maintains a website for DAO which was updated during this reporting period to include new contact information and links to translated documents.  
[www.sfdph.org/DAO](http://www.sfdph.org/DAO)
- Normally 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. Because of COVID-19, this letter was not sent due to the extension given to small businesses by the Office of the Treasurer and Tax Collector to pay their license fees.
- On February 27, 2020, Patricia Erwin, SFDPH Community Health Equity & Promotion Deputy Director, presented to the Board of Supervisors on the educational services provided. Attached is the powerpoint presentation for reference.

### **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 a total of 225 IMPACT inspections, 16 Minor Decoy Operations and issued 15 citations during this reporting 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: 2 were conducted for Pre-Halloween & Halloween events with 89 premises visited (October), 1

was conducted with 4 premises visited (November), 2 were conducted on New Year's Eve with 41 premises visited (December), 1 was conducted with 1 premises visited (January), 1 was conducted with 7 premises visited (February), 2 were conducted with a total 22 premises visited (March), 1 was conducted with a total of 5 premises visited (April), for a total of 10 operations and 169 premises visited, there were zero citations issued.

### **City Attorney**

Although the services of the Office of the City Attorney (CA) were not accessed in FY 2019-20, 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, Public Health and Building Inspection 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 (TTX) implemented a consolidated billing system for license renewal fees. As a result, businesses receive a single bill that lists all the certificate 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. Below is summary of revenue collected and activities conducted by TTX during its billing cycle of April 1, 2019 – March 31, 2020. During this period TTX:

- TTX received \$147,382 in license fees for DAO/H73 fees, \$1,533 in penalties and \$1,014 in Bureau of Delinquent Revenue (BDR) penalties.
- TTX mailed the license fee bills to 529 ABC Type 20 and 21 vendors and issued 400 DAO certificates.

### **DAO Administrative Activities**

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

- 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 2020-21:**

- COVID-19 has had a major impact on DAO activities with many activities scaled back or interrupted altogether since March 2019. In FY 2020-21 DPH DAO staff will continue to monitor COVID-19 public health response and determine what is practical and safe for businesses, the public and staff to implement as related to educational site visits.
- Partnerships with SFPD, Office of Treasurer and Tax Collector, and City Attorney's Office will continue.

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