BOARD of SUPERVISORS

City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. (415) 554-5184
Fax No. (415) 554-5163
TDD/TTY No. (415) 554-5227

M E M O R A N D U M

TO: Katy Tang, Director, Office of Small Business
Small Business Commission, City Hall, Room 448

FROM: Brent Jalipa, Assistant Clerk
Budget and Appropriations committee

DATE: June 3, 2024

SUBJECT: REFERRAL FROM BOARD OF SUPERVISORS
Budget and Appropriations committee

The Board of Supervisors' Budget and Appropriations committee has received the following legislation, introduced by Mayor London Breed on June 1, 2024, which is being referred to the Small Business Commission for comment and recommendation.

File No. 240598

Ordinance amending the Police Code to adjust to current amounts the license fees for Billiard Parlor, Dance Hall Keeper, Extended Hours Premises, Fixed Place Outdoor Amplified Sound, Limited Live Performance, Mechanical Amusement Device, and Place of Entertainment permits.

Please return this cover sheet with the Commission's response to Brent Jalipa, Budget and Finance Clerk, by email to: brent.jalipa@sfgov.org.

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RESPONSE FROM SMALL BUSINESS COMMISSION - Date: _____

____ **No Comment**

____ **Recommendation Attached**

_____
Chairperson, Small Business Commission

[Police Code - Entertainment License Fee Updates]

Ordinance amending the Police Code to adjust to current amounts the license fees for Billiard Parlor, Dance Hall Keeper, Extended Hours Premises, Fixed Place Outdoor Amplified Sound, Limited Live Performance, Mechanical Amusement Device, and Place of Entertainment permits.

NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.
Additions to Codes are in *single-underline italics Times New Roman font*.
Deletions to Codes are in ~~*strikethrough italics Times New Roman font*~~.
Board amendment additions are in double-underlined Arial font.
Board amendment deletions are in ~~strikethrough Arial font~~.
Asterisks (* * * *) indicate the omission of unchanged Code subsections or parts of tables.

Be it ordained by the People of the City and County of San Francisco:

Section 1. Articles 1, 15, 15.1, and 15.2 of the Police Code are hereby amended by revising Sections 2.27, 1025, 1036.8, 1037.2, 1060.1.1, and 1070.1-1, to read as follows:

SEC. 2.27. SCHEDULE OF LICENSE FEES FOR PERMITS ISSUED BY THE POLICE DEPARTMENT OR ENTERTAINMENT COMMISSION.

The following license fees are payable to the Tax Collector for permits issued by the Police Department or Entertainment Commission and, when applicable, for their renewal, except as provided in Section 1060.1.1 of the Police Code, as may be amended from time to time:

Note: All license fees are at an annual rate unless otherwise indicated.

TYPE OF PERMIT	LICENSE FEE
* * * *	* * * *
Billiard Parlor – First Table	~~*159*~~ *268*
Billiard Parlor – Each Additional Table	14

Dance Hall Keeper	~~448~~ *756*
* * * *	* * * *
Extended Hours Permit	~~531~~ *896*
Fixed Place Outdoor Amplified Sound	~~274~~ *345*
* * * *	* * * *
Limited Live Performance	~~157~~ *265*
* * * *	* * * *
Mechanical Amusement Devices – First Machine	~~301~~ *508*
Mechanical Amusement Devices – Each Additional Machine	0
* * * *	* * * *
Place of Entertainment	~~511~~ *863*
* * * *	* * * *

SEC. 1025. LICENSE FEES.

(a) Every person granted a dance hall permit by the Entertainment Commission shall pay to the Tax Collector an annual license fee on or before March 31, in accordance with the provisions of Section 76.1 of the Business and Tax Regulations Code.

(b) The amount of the license fee for the 2024-2025 fiscal year shall be as set forth in Section 2.27 of this Code, and such amount shall be adjusted for inflation commencing with the 2025-2026 fiscal year, and annually thereafter, in accordance with Section 2.31 of this Code.

(c) The provisions of ~~*this*~~ Section*s* *1022-1026* shall not apply to any dance hall used exclusively for any of the following dances:

(*1*~~*a*~~) Dances of a bona fide social character, to which admission is limited strictly on invitation of the person acting as host, and for which no fee, either by way of admission or in any other manner, is charged.

(*2*~~*b*~~) Dances given by any public agency or by any educational, recreational, or social agency, or by any bona fide fraternal, charitable, or religious or benevolent or any other nonprofit organization having a regular membership association primarily for mutual social,

mental, political, and civic welfare, to which admission is limited to members and guests, and revenue accruing therefrom to be used exclusively for the benevolent purposes of said organization.

(*3e*) Dances conducted by any dancing academy or dancing class in which instruction in dancing is given for hire.

SEC. 1036.8. LICENSE FEES.

(a) Every holder of a mechanical amusement device permit shall pay the Tax Collector for each Arcade or Ancillary Use that the permit authorizes, an annual license fee, on or before March 31, in accordance with the provisions of Section 76.1 of the Business and Tax Regulations Code.

(b) The amount of the license fee for the 2024-2025 fiscal year shall be as set forth in Section 2.27 of this Code, and such amount shall be adjusted for inflation commencing with the 2025-2026 fiscal year, and annually thereafter, in accordance with Section 2.31 of this Code.

SEC. 1037.2. LICENSE FEE.

(a) Every person, firm, or corporation owning, leasing, or maintaining any billiard table, pool table, or combination table, for the use of patrons of any place of business, shall pay an annual license fee to the Tax Collector for the first such table and additional license fee for each additional such table in any such place of business on or before March 31, in accordance with the provisions of Section 76.1 of the Business and Tax Regulations Code. The permit shall be nontransferable.

(b) The amount of the license fee for the 2024-2025 fiscal year shall be as set forth in Section 2.27 of this Code, and such amount shall be adjusted for inflation commencing with the 2025-2026 fiscal year, and annually thereafter, in accordance with Section 2.31 of this Code.

SEC. 1060.1.1. LICENSE FEES.

(a) Except as otherwise provided in this Section 1060.1.1, every person granted a Place of Entertainment Permit, Limited Live Performance Permit, or Fixed Place Outdoor Amplified Sound Permit by the Entertainment Commission shall pay to the Tax Collector an annual license fee on or before March 31, in accordance with the provisions of Section 76.1 of the Business and Tax Regulations Code.

(b) The amount of the license fee for the ~~*2005-2006*~~*2024-2025* fiscal year shall be as set forth in Section 2.27 of this Code, and such amount shall be adjusted for inflation commencing with the ~~*2006-2007*~~*2025-2026* fiscal year, and annually thereafter, in accordance with Section 2.31 of this Code.

* * * *

SEC. 1070.1-1. LICENSE FEES.

(a) Every person granted an Extended Hours Premises Permit by the Entertainment Commission under this Article *15.2* shall pay to the Tax Collector an annual license fee on or before March 31, in accordance with the provisions of Section 76.1 of the Business and Tax Regulations Code.

(b) The amount of the license fee for the ~~*2005-2006*~~*2024-2025* fiscal year shall be as set forth in Section 2.27 of this Code, and such amount shall be adjusted for inflation commencing with the ~~*2006-2007*~~*2025-2026* fiscal year, and annually thereafter, in accordance with Section 2.31 of this Code.

Section 2. Effective Date. This ordinance shall become effective 30 days after enactment. Enactment occurs when the Mayor signs the ordinance, the Mayor returns the

ordinance unsigned or does not sign the ordinance within ten days of receiving it, or the Board of Supervisors overrides the Mayor's veto of the ordinance.

Section 3. Scope of Ordinance. In enacting this ordinance, the Board of Supervisors intends to amend only those words, phrases, paragraphs, subsections, sections, articles, numbers, punctuation marks, charts, diagrams, or any other constituent parts of the Municipal Code that are explicitly shown in this ordinance as additions, deletions, Board amendment additions, and Board amendment deletions in accordance with the "Note" that appears under the official title of the ordinance.

APPROVED AS TO FORM:
DAVID CHIU, City Attorney

By: ***/s/ Sarah Crowley***
SARAH CROWLEY
Deputy City Attorney

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FILE NO. 240598

LEGISLATIVE DIGEST

[Police Code - Entertainment License Fee Updates]

Ordinance amending the Police Code to adjust to current amounts the license fees for Billiard Parlor, Dance Hall Keeper, Extended Hours Premises, Fixed Place Outdoor Amplified Sound, Limited Live Performance, Mechanical Amusement Device, and Place of Entertainment permits.

Existing Law

The Police Code currently sets the following fees:

- Billiard Parlor license fee: $159
- Dance Hall Keeper license fee: $448
- Extended Hours Premises license fee: $531
- Fixed Place Outdoor Amplified Sound license fee: $274
- Limited Live Performance license fee: $157
- Mechanical Amusement Device license fee: $301
- Place of Entertainment license fee: $511

Amendments to Current Law

This ordinance would amend the Police Code to increase the fees to the following amounts in FY24-25, based on updated cost recovery calculations:

- Billiard Parlor license fee: $268
- Dance Hall Keeper license fee: $756
- Extended Hours Premises license fee: $896
- Fixed Place Outdoor Amplified Sound license fee: $345
- Limited Live Performance license fee: $265
- Mechanical Amusement Device license fee: $508
- Place of Entertainment license fee: $863

Background Information

The Police Code currently lists license fees for the above-listed permits at FY 2005-2006 levels. The amounts actually being charged in FY 2023-2024, based on annual inflation adjustments since FY 2005-2006, are as follows:

- Billiard Parlor license fee: $225
- Dance Hall Keeper license fee: $634

- Extended Hours Premises license fee: $752
- Fixed Place Outdoor Amplified Sound license fee: $289
- Limited Live Performance license fee: $222
- Mechanical Amusement Device license fee: $426
- Place of Entertainment license fee: $724

This ordinance would increase the license fee amounts to align with current cost recovery calculations.

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