Committee	Item	No.	5	
<b>Board Item</b>	No			

# COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee:	Public Safety	Date: <u>July 19, 2010</u>
Board of Su	pervisors Meeting	Date
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	Application Public Correspondence	
OTHER	(Use back side if additional space	
-		Date_July 15, 2010 Date

An asterisked item represents the cover sheet to a document that exceeds 25 pages. The complete document is in the file.

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[Expanding the Entertainment Commission's Power to Revoke Permits.]

Ordinance amending Sections 1060.20.4 and 1070.20 of the San Francisco Police Code to expand the grounds for revocation of place of entertainment permits, extended-hours premises permits, and one-time event permits to include: (1) public safety considerations, where operation of the permit poses a substantial risk of physical harm or injury to individuals, and (2) where the permittee's persistent action or inaction causes serious and continuing problems that amount to a public nuisance.

NOTE:

Additions are <u>single-underline italics Times New Roman</u>; deletions are <u>strike-through italics Times New Roman</u>. Board amendment additions are <u>double-underlined</u>; Board amendment deletions are <u>strikethrough normal</u>.

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

Section 1. The San Francisco Police Code is hereby amended by amending Section 1060.20.4, to read as follows:

## SEC. 1060.20.4. REVOCATION OF A PERMIT.

- (a) GROUNDS FOR REVOCATION. The Entertainment Commission may revoke any Place of Entertainment or One Time Event Permit issued under this Article if it determines after a public hearing that any of the following conditions exist:
- (1) The Permittee has knowingly made any false, misleading, or fraudulent statement of material fact or has knowingly omitted a material fact in the application for a permit; or .
  - . (2) The Permittee has failed to pay any fee or charge required under this Article; or.
    - (3) The Permittee has failed to surrender the permit as required by Section 1060.24(b).
- (4) One or more of the grounds for suspension enumerated in Section 1060.20.1(a) applies, and considerations of public safety warrant revocation of the permit. For purposes of this provision,

"considerations of public safety" means a substantial risk of physical harm or injury to individuals. In determining whether considerations of public safety warrant revocation, the Commission shall evaluate the likelihood and seriousness of the threat to public safety that continued operation of the Business under the permit presents. In making its determination, the Commission shall consider the following factors: (i) the history of violence and other public safety problems associated with the operation of the Business; (ii) a pattern of the Permittee's noncompliance with Security Plan requirements imposed by law or as a condition of the permit; (iii) the frequency of the Permittee's violations of other provisions of law or permit conditions, which violations have contributed to violence or other public safety problems associated with the operation of the Business; (iv) the degree to which the Permittee's action or inaction has been responsible for violence and other public safety problems associated with the operation of the Business; and (v) the degree to which the City, through the Entertainment Commission, Director, Police Department, or otherwise, has notified the Permittee of violence or other public safety problems associated with the operation of the Business and/or of the need to take action to reduce such problems, and the promptness and efficacy of the Permittee's responses.

- (5) One or more of the grounds for suspension enumerated in Section 1060.20.1(a) applies, and revocation is warranted because the problems that those grounds have created have been serious and continuing, and the action or inaction of the Permittee contributing to those problems has been persistent; provided, that the circumstances warranting revocation under this provision would constitute a public nuisance within the meaning of Section 3840 of the California Civil Code.
- (b) HEARING BY COMMISSION. The Entertainment Commission shall give the Permittee and the Manager written notice of a hearing to determine whether to revoke a permit. The notice shall set forth the grounds for the proposed revocation and the date, time and location of the hearing.
- (c) APPLICATION FOR PERMIT AFTER REVOCATION. The revocation of a permit under this Article shall not preclude the Permittee from applying for a new permit under this

Article, except that, notwithstanding any other provision of law, including but not limited to Section 1060.5(f), revocation under Section 1060.20.4(a)(4) or Section 1060.20.4(a)(5) shall render the Permittee ineligible to apply for a new permit under this Article for one year from the date of revocation.

(d) When considering whether to revoke a permit under this Article, the Commission and the Director shall consider any previous denial of a permit application or previous suspension or revocation of a permit, under this Article or Article 15.2, for the same permit applicant or Permittee when the circumstances warranting the previous action are relevant to the current determination.

Section 2. The San Francisco Police Code is hereby amended by amending Section 1070.20, to read as follows:

### SEC. 1070.20. REVOCATION OF A PERMIT.

- (a) GROUNDS FOR REVOCATION. The Entertainment Commission may revoke any permit issued under this Article if it determines after a public hearing that any of the following conditions exist:
- (1) The Permittee has knowingly made any false, misleading, or fraudulent statement of material fact or has knowingly omitted a material fact in the application for a permit; or.
  - (2) The Permittee has failed to pay any fee or charge required under this Article; or.
  - (3) The Permittee has failed to surrender the permit as required by Section 1070.22(b).
- (4) One or more of the grounds for suspension enumerated in Section 1070.17.1(a) applies, and considerations of public safety warrant revocation of the permit. For purposes of this provision, "considerations of public safety" means a substantial risk of physical harm or injury to individuals. In determining whether considerations of public safety warrant revocation, the Commission shall evaluate the likelihood and seriousness of the threat to public safety that continued operation of the Business

under the permit presents. In making its determination, the Commission shall consider the following factors: (i) the history of violence and other public safety problems associated with the operation of the Business; (ii) a pattern of the Permittee's noncompliance with Security Plan requirements imposed by law or as a condition of the permit; (iii) the frequency of the Permittee's violations of other provisions of law or permit conditions, which violations have contributed to violence or other public safety problems associated with the operation of the Business; (iv) the degree to which the Permittee's action or inaction has been responsible for violence and other public safety problems associated with the operation of the Business; and (v) the degree to which the City, through the Entertainment Commission, Director, Police Department, or otherwise, has notified the Permittee of violence or other public safety problems associated with the operation of the Business and/or of the need to take action to reduce such problems, and the promptness and efficacy of the Permittee's responses.

- (5) One or more of the grounds for suspension enumerated in Section 1070.17.1(a) applies, and revocation is warranted because the problems that those grounds have created have been serious and continuing, and the action or inaction of the Permittee contributing to those problems has been persistent; provided, that the circumstances warranting revocation under this provision would constitute a public nuisance within the meaning of Section 3840 of the California Civil Code.
- (b) HEARING BY COMMISSION. The Entertainment Commission shall give the Permittee and the Manager written notice of a hearing to determine whether to revoke a permit. The notice shall set forth the grounds for the proposed revocation and the date, time and location of the hearing.
- (c) APPLICATION FOR PERMIT AFTER REVOCATION. The revocation of a permit under this Article shall not preclude the Permittee from applying for a new permit under this Article, except that, notwithstanding any other provision of law, including but not limited to Section 1060.5(f), revocation under Section 1070.20(a)(4) or Section 1070.20.(a)(5) shall render the Permittee ineligible to apply for a new permit under this Article for one year from the date of revocation.

(d) When considering whether to revoke a permit under this Article, the Commission and the Director shall consider any previous denial of a permit application or previous suspension or revocation of a permit, under this Article or Article 15.1, for the same permit applicant or Permittee when the circumstances warranting the previous action are relevant to the current determination.

Section 3. Severability. In the event that a court of competent jurisdiction holds that federal or state law, rule, or regulation invalidates any clause, sentence, paragraph, or section of this Ordinance or the application thereof to any person or circumstances, it is the intent of the Board of Supervisors that the court sever such clause, sentence, paragraph, or section so that the remainder of this Ordinance shall remain in effect.

APPROVED AS TO FORM: DENNIS J. HERRERA, City Attorney

By: (1) 7 PB

Deputy City Attorney

#### **LEGISLATIVE DIGEST**

[Expanding the Entertainment Commission's power to revoke permits.]

Ordinance amending Sections 1060.20.4 and 1070.20 of the San Francisco Police Code to expand the grounds for revocation of Place of Entertainment permits, Extended-Hours Premises permits, and One Time Event permits to include (1) public safety considerations, where operation of the permit poses a substantial risk of physical harm or injury to individuals, and (2) where the permittee's persistent action or inaction causes serious and continuing problems that amount to a public nuisance.

#### **Existing Law**

The Entertainment Commission's power to revoke entertainment-related permits is narrow. Revocation is available only in three circumstances: The permittee (1) knowingly made false, misleading, or fraudulent statements or knowingly omitted a material fact in applying for a permit; (2) failed to pay a required fee or charge; or (3) failed to surrender the permit upon a change of ownership. If a permittee is responsible for serious public safety problems or other serious problems affecting the community, the Commission's only recourse is to suspend the permit – and a first suspension may be for no more than 30 days, a second suspension no more than 60 days, and a third suspension no more than 90 days.

#### **Amendments to Current Law**

The proposed ordinance would add two grounds for permit revocation: (1) considerations of public safety, where operation of the permit poses a substantial risk of harm or injury to individuals; and (2) where the permittee's persistent action or inaction causes serious and continuing problems that amount to a public nuisance.

In revoking a permit on the basis of public safety considerations, the Commission would have to first determine that one or more of the existing grounds to suspend the permit are present. The Commission would then determine whether revocation is warranted based on consideration of five factors:

- The history of violence and other public safety problems associated with the permittee's business;
- A pattern of the permittee's noncompliance with security plan requirements;
- The frequency of the permittee's violations of other provisions of law or permit conditions, which have contributed to violence or other public safety problems associated with the permittee's business;

- The degree to which the permittee has been responsible for violence and other public safety problems associated with the permittee's business; and
- The degree to which City officials have notified the permittee of violence or other public safety problems associated with the permittee's business or of the need to act to reduce such problems, and the promptness and efficacy of the permittee's responses.

The Commission would also be authorized to revoke a permit where one or more of the grounds for suspension is present, and

- The problems thereby created are serious and continuing;
- The action or inaction of the permittee contributing to those problems has been persistent; and
- The circumstances warranting revocation constitute a public nuisance as defined by law.

For either type of permit revocation, the permittee would be ineligible to reapply for the permit, or any permit under the same Article of the Police Code, for a year.

#### **Background Information**

The continued operation of a business that has received a permit under Articles 15.1 and/or 15.2 of the Police Code can pose a serious threat to public safety or a serious public nuisance, warranting revocation of the permit. But currently the Police Code does not authorize the Entertainment Commission to revoke a permit on those bases, no matter how compelling the circumstances. The proposed ordinance would correct this gap in the law, to enable the Commission in compelling cases to revoke a permit.

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