



MEETING DATE: 9/07/04

ITEM NO. 18c

COUNCIL AGENDA REPORT

DATE: August 26, 2004
TO: MAYOR AND TOWN COUNCIL
FROM: DEBRA J. FIGONE, TOWN MANAGER (with signature)
SUBJECT: ENTERTAINMENT USES IN ASSOCIATION WITH AN EATING OR DRINKING ESTABLISHMENT

BACKGROUND:

Mayor Glickman asked that this item be agendized for discussion by the Council to discuss and/or reassess the policy restrictions for entertainment uses.

In September 2001, Town Council approved a Resolution 2001-106 (Attachment 1) amending the Town's Alcoholic Beverage Policy. The Alcohol Beverage Policy specifies that:

- 1. The Town shall continue to discourage applications for entertainment establishments serving alcoholic beverages.
2. Entertainment in association with an eating or drinking establishment may be allowed if standards and a permit process are adopted.

Since the adoption of the Resolution 2001-106, the Town has continued to discourage entertainment uses. The Town has not developed standards nor a permit process to allow new entertainment uses. Therefore, there is no provision to allow new entertainment uses in association with an eating or drinking establishment. Those businesses that currently operate with entertainment uses were approved prior to the adoption of the entertainment restrictions set forth in the Alcohol Beverage Policy and are allowed to continue to operate with entertainment uses.

(Continued on Page 2)

PREPARED BY: BUD N. LORTZ (with signature)
DIRECTOR OF COMMUNITY DEVELOPMENT

Reviewed by: ps Assistant Town Manager ok Attorney Clerk Finance
Community Development Revised: 8/26/04 5:10 pm

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MAYOR AND TOWN COUNCIL

SUBJECT: ENTERTAINMENT USES IN EATING OR DRINKING ESTABLISHMENT

August 26, 2004

DISCUSSION:

If the Council determines that this issue warrants further analysis, staff should be directed to explore options for further code or policy amendments. Staff will need to adjust the established schedules for certain projects that are in process to reassign staff resources to address this issue.

ENVIRONMENTAL ANALYSIS:

None

FISCAL ANALYSIS:

None

Attachment:

1. Resolution 2001-106 and Policy Regulating the Consumption and Service of Alcoholic Beverages

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RESOLUTION 2001 - 106

RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
AMENDING THE TOWN'S ALCOHOLIC BEVERAGE POLICY

WHEREAS, the sale of alcoholic beverages, if not regulated, can jeopardize public safety, result in an increase of calls for police services and compromise the quality of life for Town residents; and

WHEREAS, The Town Council wants to balance the regulation of alcoholic beverage service and protection of residential neighborhoods with the goal of maintaining a vibrant and successful Downtown and commercial areas throughout Los Gatos; and

WHEREAS, the Town Council held a study session on July 2, 2001 to discuss issues relating to service of alcoholic beverages; and

WHEREAS, the Town Council has indicated a desire to review all applications for new alcohol service or change in existing service, and a need to amend the existing Alcohol Policy,

THEREFORE BE IT RESOLVED: the Town Council of the TOWN OF LOS GATOS does hereby adopt the amended Alcoholic Beverage Policy attached hereto as Exhibit A.

POLICY REGULATING THE CONSUMPTION AND SERVICE OF ALCOHOLIC BEVERAGES

I. Purpose

The consumption or service of alcoholic beverages, if not regulated, can jeopardize public safety; result in an increase of calls for police services and compromise the quality of life for Town residents. This policy provides parameters for alcoholic beverage service, particularly addressing late night service when alcohol related incidents are most likely to occur and when the disturbances to Town residents is least tolerable.

The service of alcoholic beverages, with or without meals, past 10 PM is a discretionary privilege to be determined on a case by case basis. The following provisions are intended to balance the protection of residential neighborhoods in close proximity to commercial districts and still maintain the viability of our commercial centers in which restaurants have an essential role. Hours of operation may be regulated based on an establishment's proximity to residential neighborhoods or schools, the concentration of establishments in an area serving alcoholic beverages or for other reasons that may arise at the public hearing.

The deciding body may approve a conditional use permit to serve alcoholic beverages based on the merits of the application and subject to the following requirements:

II. General policy

1. The Town shall continue to strongly discourage new applications for stand alone bars or restaurants with separate bars.
2. The Town shall continue to discourage applications for entertainment establishments serving alcoholic beverages.
3. Entertainment in association with an eating or drinking establishment may be allowed if standards and a permit process are adopted.
4. Alcoholic beverage service for new conditional use permit applications or applications for modification of a conditional use permit shall not be allowed:
 - A. After 11 PM Sunday through Thursday, except for holidays and evenings before holidays.
 - B. After 1 AM Friday, Saturday, holidays or evenings before holidays.

An existing establishment with a conditional use permit in good standing allowed to serve alcoholic beverages past the hours stated above may continue to operate under their existing hours of operation.

III. Specific Policy

1. Restaurants:

Alcoholic beverages may only be served with meals.

2. Restaurants With Separate Bars:

Alcoholic beverage service is permitted in the dining area only in conjunction with meal service. Meal service shall be available until closing or 11 PM Sunday through Thursday and until 12 midnight Friday, Saturday, holidays and evenings before holidays, whichever is earlier, if late night bar service is available. Specific hours of operation for each establishment are determined upon issuance of a conditional use permit.

IV. Review Process

1. Proposals for new bars or restaurants with bars and all requests for new alcohol service or a change to existing service shall be reviewed by the Planning Commission. The Commission will make a recommendation to the Town Council and the Council shall have final review authority.
2. Changes in ownership for businesses involving service of alcoholic beverages shall be reviewed by the Community Development Department. The following process will be followed:
 - a. The Director of Community Development shall contact the new business owner to make them aware of the conditions of approval attached to the Use Permit for the location.
 - b. One year following issuance of a business license, surrounding/impacted property owners shall be notified and any comments regarding the operation of the business shall be solicited.
 - c. If the Director of Community Development becomes aware of any alcohol related impacts on the surrounding neighborhood, the Director shall review the operation of the business to determine whether there is a violation of the use permit.