



Adoption of Downtown Urban Core Alcohol Impact Area – Petition from the city of Olympia

Date: December 11, 2013

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Licensing and Regulation Division

Problem or Opportunity

The city of Olympia has been unsuccessful in their multi-year initiative, dating back to 2010, to mitigate the effects of Chronic Public Inebriation (CPI) through a voluntary Alcohol Impact Area in the city's downtown area. Board recognition will enable mandatory product restrictions within the geographic bounds of the Alcohol Impact Area, significantly improving the potential for positive change in the community. Absent board recognition, the city's public safety initiative will devolve, resulting in increased drain on city law enforcement, emergency medical responders, and community social services.

Background

Banned products are an essential aspect of the mandatory alcohol impact area recognition, having identified alcoholic beverages that contribute to problematic public safety concerns. The city is requesting mandatory recognition of the Downtown Urban Core Alcohol Impact Area. The city submitted their petition for board-recognition January 16, 2013.

March 13, 2012, the city adopted Ordinance 6796, in accordance with WAC 314.12.215, establishing the Downtown Urban Core Alcohol Impact Area. The banned products in Ordinance 6803 were amended April 24, 2012, This action was necessary to mitigate the continuing problems associated with Chronic Public Inebriation, and crimes associated with the sale of fortified beer.

This unique geographical area includes retail and commercial businesses, as well as single and multifamily residential districts. Easy access to public transportation in, out, and around the area plus reasonable walking distances to retail outlets is a major contributor to the growth of the homeless population.

Significant Action Timeline:

January, 2011 City and community group(s) launched a voluntary compliance effort known as the Downtown Project. A multidirectional approach to create a safe and welcoming environment, one of the primary goals was establishing Best Management Practices (BMP) with bar and tavern owners. BMPs aim to prevent over-service, set minimum staffing levels based on the number of patrons, and increase communication between the partners. The city believes these agreements continue to promote public health and safety.

Another aspect of the Downtown Project was establishing the Downtown Ambassador Program (DAP). The ambassadors are trained to provide social service referrals; referring more than 24 individuals in the first six months of the program.

May, 2012 The city conducted monthly compliance audits, the results of which demonstrate the effectiveness of the voluntary alcohol impact area. Of the nine licensees, only four complied with the city's request. The remaining five licensees continued sales of "voluntarily banned" products throughout the 6-month voluntary compliance period.

July, 2013 The city embarked on a significant initiative to address the Board's concerns regarding the impact of this proposal in the community. The Board delayed their action on the request to adopt the mandatory alcohol impact area, asking the city to provide documentation of continuing activities.

October, 2013 In response to the Board's request the city submitted enhanced documentation of their pre-



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resolution voluntary effort, and collected extensive data for the July to October period. This documentation included pictorial evidence of continuing litter illustrating the on-going problems with chronic inebriant activities. Affidavits from city officials, law enforcement, and emergency medical treatment staff outline the negative fiscal impacts because of the additional strain on limited resources. These negative impacts substantially affect the health, peace, and safety of the citizens who live, work, and play in the downtown area. Economic development and sustaining existing businesses in the downtown area continues to be negatively impacted by the chronic public inebriant population’s antisocial activities.

The city has substantially reduced the number of products they wish to ban. Each product requested is documented in the supporting data submitted to the Board.

Recommendations

Licensing Division staff recommends adoption of the city of Olympia’s request for board-recognition of the Downtown Urban Core Alcohol Impact Area. The city and their community partners’ initiative to obtain voluntary compliance have been exhaustive. They have demonstrated the work required by WAC 314-12-215; *“a good faith effort has been made by the government subdivision to control the problem through voluntary efforts. . . .”*

Board-recognition adds our regulatory authority, creating a partnership with the local jurisdiction, and brings to bear additional incentives for licensees. Mandatory restrictions create a level playing field for all affected licensees within the bounds of the Alcohol Impact Area. This is the most effective way to create permanent change in the community short of a total absence of indigent people. Our experiences in other communities tell us that within a relatively short period those licensees who must stop selling high-alcohol low-cost beverages soon see their customer-base evolve to include neighborhood residents and visitors who were previously hesitant to patronize their businesses when the chronic public inebriants were on or around the licensed premises.

If the board completes the recognition process by adopting the resolution December 18, 2013, the sale restrictions will be effective February 15, 2014.

- Notice of board adoption will be distributed via US Mail to licensees and distributors no later than December 20, 2013
- The notice will be posted on the internet web site and distributed by e-mail no later than December 20, 2013.
- The Communications Office will prepare a press release and distribute it to the local media contacts for publication.
- Licensees must have all restricted products removed from any licensed premises by close of business February 14, 2014. Distributors are authorized to return any existing inventory on the licensee premises to their inventory for redistribution to licensees outside the alcohol impact area.

Expected Results

The city of Olympia is required to submit annual reports updating the effectiveness of the mandatory alcohol impact area. Updates should include data and observations of the local authority and community members demonstrating the impact, positive or negative, of the mandatory restrictions. Reporting data can be developed collaboratively by the city with LCB staff. Annual reports are due commencing February 1, 2015.

Benefits	Drawbacks
<ul style="list-style-type: none"> • There can be more consistent enforcement activities • Distributors and retailers can more easily comply with the amended list • Monitoring of consumer activities will be more productive • Assist the city in maximizing available resources 	<ul style="list-style-type: none"> • We may receive objections related to the negative economic impact • Suppliers may object to their products being added to the list



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Estimated Cost and Timeframe

Date	Activity	Current Status
October 30, 2013	Present city's request for mandatory recognition to Board requesting authority to open a second public comment period.	Completed
November 4, 2013	Open public comment period	Completed
December 3, 2013	End of public comment period	Completed
December 10, 2013	Brief Board chair and members regarding analysis of public comments and staff recommendation	Completed
December 11, 2013	Public Hearing	Completed
December 18, 2014	Present adoption recommendation resolution to the Board for final action	Pending
December 20, 2013	Distribute notice of Board's action	Pending
February 15, 2014	Effective date of new banned products, if approved	Pending

Licensing administrative expenses associated with the mandatory alcohol impact area implementation and maintenance will be absorbed into our current appropriation.

Stakeholder Impacts

Identify *internal* stakeholders and get their feedback about how they might be affected.

Stakeholder	Impacts (Political, Resource, Other)
Director's Office	Political and Resource
Licensing	Resource
Enforcement	Resource
Human Resources	
Business Enterprise	
Retail	
Purchasing	
Distribution Center	
Administrative Services	
Information Technology	Resource
Contracts Office	
Finance	

Identify *external* stakeholders get their feedback about how they might be affected.

Stakeholder	Fiscal and Resource Impacts
Washington State Agencies	
Prevention	Resource
Industry	Fiscal and Resource
Vendors	Fiscal and Resource



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Acceptance

We have reviewed this document and approve:

Approved by	Signature	Date
Name Title		
Name Title		
Name Title		



Proposed Banned Products List
City of Olympia Downtown Urban Core Alcohol Impact Area
Effective February 15, 2014

<u>Manufacturer</u>	<u>Brand Name</u>	<u>Alcohol Content by Volume</u>
The Steel Brewing Co	Steel Reserve – All Flavors	8.1%
Anheuser Busch	Hurricane High Gravity	8.1%
Miller Brewing Co	Milwaukee Best Ice	5.9%
Miller Brewing Co	Olde English 800 – All Flavors	5.9%
Mickey's Brewing Co	Mickey's Ice	5.8%
Drink Four Brewing Co	Four Loko – All Flavors	12%
Mike's Hard Lemonade Co	Mike's Harder – All Flavors	8% - 9.9%
Coors Brewing Co	Keystone Ice	5.9%
Olde English 800 Brewing Co	Olde English 800 High Gravity	8%