

## **SUMMARY and FISCAL NOTE**

<b>Department:</b>	<b>Dept. Contact:</b>	<b>CBO Contact:</b>
LEG	Freeman – 206.684.8178	NA

### **1. BILL SUMMARY**

#### **Legislation Title:**

AN ORDINANCE relating to the regulation of after-hours nightlife lounges; defining after-hours nightlife lounges; establishing operational and safety requirements for such businesses; describing enforcement mechanisms; and adding a new Chapter 10.10 to the Seattle Municipal Code.

#### **Summary and Background of the Legislation:**

The proposed legislation would create new safety regulations for lounges that are open between the hours of 2:00 a.m. and 6:00 a.m. Regulated businesses would not be able to remain open past 2:00 am unless they:

1. Have extended hours permission as part of a valid liquor license issued by the Washington Liquor and Cannabis Board;
2. Maintain minimum security requirements, including having at least two security personnel, taking steps to prevent patrons with weapons from entering the establishment, preparing a written safety plan, and operating video surveillance; and
3. Allow access to public areas of the business by City enforcement staff during business hours.

The proposed regulations would not apply to restaurants, licensed adult entertainment establishments, licensed all-ages dance venues, and theater and sports and recreation facilities.

Violation of the regulations could result in civil citations and escalating penalties. Continued violations could ultimately result in suspension or revocation of a City business license. Businesses that receive a citation could request a mitigation hearing or contested case hearing before the City Hearing Examiner.

The legislation is intended to help address public safety events at and around after-hours lounges by establishing uniformly applicable safety regulations.

### **2. CAPITAL IMPROVEMENT PROGRAM**

**Does this legislation create, fund, or amend a CIP Project?**

☐ Yes ☒ No

### 3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation have financial impacts to the City?

☐ Yes ☒ No

#### 3.d. Other Impacts

**Does the legislation have other financial impacts to The City of Seattle, including direct or indirect, one-time or ongoing costs, that are not included in Sections 3.a through 3.c? If so, please describe these financial impacts.**

The proposed legislation could require after-hours enforcement by Department of Finance and Administrative Services (FAS) license and standards inspectors and other City staff. Those inspectors may be required to work during non-regular business hours to perform inspections, which could require overtime. Additionally, FAS would need to develop outreach and engagement materials in multiple languages to educate affected business about new regulatory requirements.

Costs associated with those activities are uncertain and depend on the number of regulated businesses. FAS estimates that ongoing costs could be as high as \$100,000 for overtime and outreach. In 2025 that cost could be absorbed by departmental underspend. After 2025, ongoing costs could require additional appropriation authority.

**If the legislation has costs, but they can be absorbed within existing operations, please describe how those costs can be absorbed. The description should clearly describe if the absorbed costs are achievable because the department had excess resources within their existing budget or if by absorbing these costs the department is deprioritizing other work that would have used these resources.**

See above.

**Please describe any financial costs or other impacts of *not* implementing the legislation.**

The Seattle Police Department, Seattle Fire Department, and other departments currently spend a significant amount of time responding to incidents associated with after-hours nightlife lounges. Those responses have significant costs. Not implementing this legislation could mean continuing police and fire responses to several dozen serious public safety incidents per year.

**Please describe how this legislation may affect any City departments other than the originating department.**

See above.

### 4. OTHER IMPLICATIONS

**a. Is a public hearing required for this legislation?**

No

**b. Is publication of notice with The Daily Journal of Commerce and/or The Seattle Times required for this legislation?**

No

**c. Does this legislation affect a piece of property?**

No

**d. Please describe any perceived implication for the principles of the Race and Social Justice Initiative.**

- i. How does this legislation impact vulnerable or historically disadvantaged communities? How did you arrive at this conclusion? In your response please consider impacts within City government (employees, internal programs) as well as in the broader community.**

The proposed legislation would require that regulated after-hours venues comply with uniformly applicable safety regulations. Regulated business could include hookah lounges and other types of businesses that are owned and operated immigrant and refugee communities.

Many victims of violence associated with after-hours venues are from historically disadvantaged communities. Those victims include Donnie Chin, Nadia Kassa, Jonathan Bishu, Trevis Bellard, and Francisco Escatell.

- ii. Please attach any Racial Equity Toolkits or other racial equity analyses in the development and/or assessment of the legislation.**

Not applicable.

- iii. What is the Language Access Plan for any communications to the public?**

FAS will develop explanatory outreach materials for regulated businesses consistent with the City's Language Access Program ([Language Access Program - IandRaffairs | seattle.gov](#)) administered by the Office of Immigrant and Refugee Affairs.

**e. Climate Change Implications**

- i. Emissions: How is this legislation likely to increase or decrease carbon emissions in a material way? Please attach any studies or other materials that were used to inform this response.**

Not applicable.

- ii. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle’s resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**

Not applicable.

- f. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program’s desired goal(s)? What mechanisms will be used to measure progress towards meeting those goals?**

The legislation is intended to help address public safety events at and around after-hours lounges by establishing uniformly applicable safety regulations. The effectiveness of the legislation could be measured by changes in public safety calls for service and significant public safety events, like gun violence, in or around regulated businesses

- g. Does this legislation create a non-utility CIP project that involves a shared financial commitment with a non-City partner agency or organization?**

## **5. ATTACHMENTS**

**Summary Attachments:**