

March 20, 2025

MEMORANDUM

To: Public Safety Committee

From: Tamaso Johnson and Ketil Freeman, Analysts

Subject: Council Bill 120956 – Regulation of After-hours Nightlife Lounges

On March 25th the Public Safety Committee (Committee) will have an initial discussion and briefing on Council Bill (CB) 120956, which would establish new safety regulations for certain types of nightlife establishments that are open between the hours of 2 a.m. and 6 p.m.

This memorandum (1) provides background on current regulations applicable to most afterhours nightlife establishments, (2) describes what CB 120956 would do, and (3) discusses next steps.

Current City Regulations Applicable to Nightlife Establishments

Large nightclubs, including those open after 2:00 a.m., are currently required to have a written safety plan that addresses security, crowd control, and procedures for ensuring that underage patrons are not served alcohol. Safety plans are filed with, and reviewed by, the Department Finance and Administrative Services (FAS). Current regulations apply to nightclubs that serve liquor and have a certificate of occupancy that allows 200 or more persons to be in the establishment.

Other types of nightlife establishments that may be open after 2:00 a.m. are also regulated by FAS. Specifically, all-ages dance venues are required to obtain a regulatory license and meet minimum security requirements, including the provision of security personnel,³ and adult entertainment premises must similarly obtain a regulatory license and meet minimum security requirements.⁴ Current regulations require that adult entertainment establishments close by 2:30 a.m.⁵

In addition to specific regulations, the City Attorney's Office reviews and advises on liquor license applications (<u>Understand the Liquor License Review</u>) and the Office of Economic Development provides resources to current and prospective nightlife establishments related to understanding city, county, and state regulations and maintaining good relationships with nearneighbors (<u>Nightlife Establishment Handbook</u>).

¹ See <u>Seattle Municipal Code (SMC) Chapter 10.11</u>.

² SMC Section 10.11.010.C.

³ SMC Ch. 6.295.

⁴ SMC Ch. 6.270.

⁵ SMC Section 6.270.130.

CB 120956

The proposed bill would create new safety regulations for nightlife lounges that are open between the hours of 2:00 a.m. and 6:00 a.m. for the purposes of socializing and either smoking or dancing.

Regulated businesses would include both venues open to the public and private clubs.

Restaurants, adult entertainment establishments, all-ages dance venues, entertainment venues like theaters and spectator sports facilities, and businesses whose purposes do not extend to socializing and either smoking or dancing would be exempt from the regulations.

Regulated businesses would not be able to remain open past 2:00 a.m. 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 trained security personnel on site when the business is open after 2:00 a.m., 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.

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. FAS would be primarily responsible for enforcing the new regulations. Initial enforcement staffing could be accomplished through paid overtime to existing inspectors for after-hours work.

FAS estimates the cost for overtime staffing and development of outreach materials could be \$100,000 in 2025. That cost could be absorbed by annual department underspend. Depending on the number of regulated businesses, additional appropriations and position authority could be required for future enforcement. Future costs could be recovered through increases in business license fees.

Next Steps

The Committee will have an initial briefing and discussion on March 25th. The Committee may vote on a recommendation to the Full Council at its meeting on April 8th.

cc: Ben Noble, Director Yolanda Ho, Deputy Director