

Portland, Oregon
FINANCIAL IMPACT and PUBLIC INVOLVEMENT STATEMENT
For Council Action Items

(Deliver original to Financial Planning Division. Retain copy.)

1. Name of Initiator	2. Telephone No.	3. Bureau/Office/Dept.
4a. To be filed (date):	4b. Calendar (Check One) Regular Consent 4/5ths <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	5. Date Submitted to Commissioner's office and FPD Budget Analyst: 2-1-2012
6a. Financial Impact Section: <input type="checkbox"/> Financial impact section completed		6b. Public Involvement Section: <input type="checkbox"/> Public involvement section completed

1) Legislation Title:

Direct Office of Neighborhood Involvement and Police Bureau to formally notify Oregon Liquor Control Commission of City's opposition to issuing liquor license to food cart area, and authorize the City Attorney's Office to participate on behalf of the City of Portland (Resolution)

2) Purpose of the Proposed Legislation:

To direct ONI and Police Bureau to inform Oregon Liquor Control Commission of Portland city Council's opposition to the liquor license application for a food cart pod at 8145 SE 82nd Ave.

3) Which area(s) of the city are affected by this Council item? (Check all that apply—areas are based on formal neighborhood coalition boundaries)?

- | | | | |
|--|------------------------------------|------------------------------------|--------------------------------|
| <input checked="" type="checkbox"/> City-wide/Regional | <input type="checkbox"/> Northeast | <input type="checkbox"/> Northwest | <input type="checkbox"/> North |
| <input type="checkbox"/> Central Northeast | <input type="checkbox"/> Southeast | <input type="checkbox"/> Southwest | <input type="checkbox"/> East |
| <input type="checkbox"/> Central City | | | |
| <input type="checkbox"/> Internal City Government Services | | | |

FINANCIAL IMPACT

4) Revenue: Will this legislation generate or reduce current or future revenue coming to the City? If so, by how much? If so, please identify the source.
 No

5) Expense: What are the costs to the City related to this legislation? What is the source of funding for the expense? (Please include costs in the current fiscal year as well as costs in future years. If the action is related to a grant or contract please include the local contribution or match required. If there is a project estimate, please identify the **level of confidence**.)

No additional expense will be incurred. The City of Portland Liquor License Investigator with DVD and the Licensing Specialist with ONI will be responsible for the work as part of their general existing duties.

6) Staffing Requirements:

- **Will any positions be created, eliminated or re-classified in the current year as a result of this legislation?** *(If new positions are created please include whether they will be part-time, full-time, limited term, or permanent positions. If the position is limited term please indicate the end of the term.)*

No.

- **Will positions be created or eliminated in future years as a result of this legislation?**

No.

(Complete the following section only if an amendment to the budget is proposed.)

7) Change in Appropriations *(If the accompanying ordinance amends the budget please reflect the dollar amount to be appropriated by this legislation. Include the appropriate cost elements that are to be loaded by accounting. Indicate "new" in Fund Center column if new center needs to be created. Use additional space if needed.)*

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount

[Proceed to Public Involvement Section — REQUIRED as of July 1, 2011]

PUBLIC INVOLVEMENT

8) Was public involvement included in the development of this Council item (e.g. ordinance, resolution, or report)? Please check the appropriate box below:

☐ **YES:** Please proceed to Question #9.

☒ **NO:** Please, explain why below; and proceed to Question #10.

Public Involvement will be essential in the development of any rules related to this resolution, but that process has not been started yet.

9) If "YES," please answer the following questions:

a) What impacts are anticipated in the community from this proposed Council item?

b) Which community and business groups, under-represented groups, organizations, external government entities, and other interested parties were involved in this effort, and when and how were they involved?

c) How did public involvement shape the outcome of this Council item?

d) Who designed and implemented the public involvement related to this Council item?

e) Primary contact for more information on this public involvement process (name, title, phone, email):

10) Is any future public involvement anticipated or necessary for this Council item? Please describe why or why not.

Yes, public involvement will be necessary as the OLCC commences rule making and as staff represents the City of Portland in that process.

Amalia Alarcon de Morris

BUREAU DIRECTOR



CITY OF

PORTLAND, OREGON

OFFICE OF NEIGHBORHOOD INVOLVEMENT

AMANDA FRITZ, COMMISSIONER
Amalia Alarcón de Morris, Bureau Director
1221 SW 4th Avenue, Room 110
Portland, Oregon 97204

Enhancing the quality of Portland's Neighborhoods through community participation

DATE: February 23rd, 2012

36909

TO: Commissioner Amanda Fritz

FROM: Theresa Marchetti, Liquor Licensing Specialist

RE: Resolution Title: Direct Office of Neighborhood Involvement and Police Bureau to formally notify Oregon Liquor Control Commission of City's opposition to issuing liquor license to food cart area, and authorize the City Attorney's Office to participate on behalf of the City of Portland (Resolution)

1. **Intended Thursday Filing Date: February 23rd, 2012**
2. **Requested Council Agenda Date: February 29th, 2012**
3. **CONTACT NAME AND NUMBER:** Theresa Marchetti, x33092
4. **PLACE ON** ☐ CONSENT ☒ REGULAR
5. **FINANCIAL IMPACT STATEMENT ATTACHED:** ☒ Y ☐ N ☐ N/A
6. **THREE (3) ORIGINAL COPIES OF CONTRACTS APPROVED AS TO FORM BY CITY ATTORNEY ATTACHED:** ☐ Yes ☐ No ☒ N/A

7. BACKGROUND ANALYSIS

Food Cart enterprises have grown in Portland, with an estimated 696 food carts operating in the Portland City Limits as of January of 2012. The OLCC has received several inquiries from food cart owners for an annual liquor license. Several carts have been granted Temporary Sales Licenses to serve alcohol for a single event.

After receiving an opinion from the attorney general, the OLCC intends to license food carts and food cart pods using the same criteria as for a traditional brick and mortar establishment.

The OLCC is currently considering one particular liquor license for 8145 SE 82nd Ave, dba: Cartlandia. This will set a precedent for licensing out doors premises for the sale and consumption of alcohol as the licensed area is being defined as the footprint on the ground and not an enclosed structure. OLCC staff has recommended the license for Cartlandia be issued with several enforceable restrictions. Additionally, Catlandia has agreed to abide by several provisions voluntarily, which are not enforceable.

OLCC received an opinion back from the Attorney General indicating that nothing prohibits them from licensing a food cart if the license was based on the location (footprint) of the business and not on the cart itself. The statute prohibits a license from being mobile, which is avoided if the location the cart is positioned on is the location of the license.

Attached are the best practices and models the OLCC anticipates using to license these entities, both with on premise and off premises licenses. The best practices they have developed are *suggestions (not requirements)*, which may lead to rule making at some distant point in the future. However, they are moving forward now with licensing these businesses, and if one of the operations chooses to operate outside the best practices, there is no recourse currently available.

The licensing of Cartlandia will set a precedent for the licensing of the other 698 entities (and growing) to be licensed without clear guidelines. Food Carts are fundamentally different than traditional brick and mortar establishments in that there are no walls to establish "the premises". Food cart operators often do not control the entire premises in which their customers congregate. Food cart operators share seating with other similar entities, and operate primarily out of doors close to or in residential neighborhoods.

There are no uniform standards for how the licensing of these outdoor entities will occur. Therefore, City and OLCC staff will be left to address each location on a case by case basis in an effort to secure restrictions to mitigate certain harm to the livability of the community. Often it will require problems to develop with negative impacts on the community in order to request restriction. Restrictions, although enforceable at the OLCC, can be lifted at any time at the request of the licensee and the discretion of the OLCC, without notice to the City of Portland.

The City of Portland received the application in June of 2011. Because of transitions in staff, no formal position was taken by the City of Portland within the required timeframe and therefore the default recommendation "Favorable" was entered as the City's position. Resolution 36905, passed on February 8th, 2012; marks the official position of Portland City Council. In that Resolution, Portland City council voted 4 to 1 to oppose the licensing of food cart pods and entities unless clear guidelines were developed.

The resolution currently before City Council today directs City Staff to formally notify the OLCC of Portland City Council's position in opposition of any license being granted prior to the adoption of clear guidelines.

8. **FINANCIAL IMPACT**

There is no financial impact to the proposed authorization.

9. **RECOMMENDATION/ACTION REQUESTED**

Approve the resolution.