

DATE ISSUED: November 10, 2004

REPORT NO. 04-225

ATTENTION: Honorable Mayor and City Council
Docket of November 15, 2004

SUBJECT: Cost Recovery Fee for Determination of Public Convenience or Necessity

REFERENCE: City Council Resolution R-294124, Dated November 14, 2000

SUMMARY

Issues – Should the City of San Diego implement a cost recovery fee, pursuant to City Council Resolution R-294124, for the determination of Public Convenience or Necessity as it relates to alcohol beverage licenses?

Manager's Recommendation – Approve the proposal.

Other Recommendations - None

Fiscal Impact - The proposed fee will generate revenue increases estimated at \$11,091 due to recovering costs associated with investigating Public Convenience or Necessity applications.

BACKGROUND

On November 14, 2000, the Council of the City of San Diego adopted Resolution Number R-294124, delegating the authority to determine public convenience or necessity for alcoholic beverage licensing to the police department and establishing a review process. Section 2 (a) of the resolution reads as follows:

"The applicant shall submit a form provided by the Department of Alcoholic Beverage Control for a determination of "public convenience or necessity" to the San Diego Police Department, together with an application cost recovery fee as may be established by the Police Department, and any information or documentary evidence to be considered by the

Police Department tending to show that the "public convenience or necessity" would be served by issuance of the license."

Since the adoption of this resolution, the San Diego Police Department has continued to fulfill its responsibility of determining public convenience or necessity. However, no cost recovery fee was ever established to offset or recover the costs associated with these investigations.

The San Diego Police Department proposes that a cost recovery fee of \$221.82 be implemented to offset the cost of determining public convenience or necessity. This amount was derived by calculating the personnel and nonpersonnel costs associated with making these determinations as outlined in Attachment 2.

ALTERNATIVE

1. Do not approve the fee.
2. Recommend revisions to the proposed fee.

Respectfully submitted,

William M. Lansdowne
Chief of Police

Approved: P. Lamont Ewell
City Manager

LANSDOWNE/JCL

Attachment: [1. City Council Resolution R-294124, Dated November 14, 2000](#)
[2. Cost Recovery Fee Worksheet](#)