



THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: June 21, 2010 REPORT NO. 10-095
ATTENTION: Public Safety and Neighborhood Services Committee
Agenda of June 30, 2010
SUBJECT: Informational Report from the San Diego Police Department
Regarding the Tobacco Retailer Ordinance Update

SUMMARY

THIS IS AN INFORMATION ITEM ONLY. NO ACTION IS REQUIRED ON THE PART OF THE COMMITTEE OR THE CITY COUNCIL.

BACKGROUND

On November 15, 2007, the San Diego City Council added Sections 33.4501 through 33.4519 to the San Diego Municipal Code regarding the permits for Tobacco Products sales. The purpose was to regulate and license retail businesses that sold or distributed tobacco products. The permit fees would be used to enforce laws aimed at discouraging the sales of tobacco products to juveniles. It was the intent of this section to have all costs associated with the administration and enforcement to be borne by the retailer applicants and permit holders.

Part of the ordinance states that the San Diego Police Department will present a report to the committee on the status of the Tobacco Ordinance upon request.

ADMINISTRATION INFORMATION

The San Diego Police Department has identified 1,250 businesses that sell or distribute tobacco products in the City of San Diego. (California State Board of Equalization)

Since our last reporting out (March, 2009) the Department has been able to gain compliance from 1,079 of the businesses within the City of San Diego. This number represents a significant increase from the 501 that were in compliance as of December 2008. In the continuing efforts to maintain compliance, the Department has recently posted our user friendly renewal application on-line for business owners to download. The Department has continued to work with the other 171 business owners to confirm their status and gain compliance.

INSPECTIONS AND ENFORCEMENT

The San Diego Police Department Vice Permits and Licensing office conducted over 50 overt field inspections from December, 2008 to December, 2009. These inspections were used as an opportunity to educate and gain voluntary compliance from the business owners.

In addition to the overt inspections, the San Diego Police Department Vice Detectives and the Vice Permits and Licensing Police Officers also conducted three undercover juvenile decoy operations in the City of San Diego. A total of 30 covert inspections were completed during these operations. All of these inspections were used to educate the business owners. The results are as follows:

| Date | Number of Inspections | Results | Council Districts |
|----------|-----------------------|------------|-------------------|
| 08/11/09 | 9 | No arrest | 3,2 |
| 11/07/09 | 11 | 4 warnings | 5,1,7 |
| 12/27/09 | 10 | 4 warnings | 4,6,8 |

Note: Each of the warnings were followed up with a letter and personal contact to ensure the needed corrections were made.

The location of the inspection sites were randomly selected by Council District and included all types and sizes of stores selling tobacco products. All three of these operations were educational only and there were no citations issued. Since December 2009 we have done two additional decoy operations where we have taken a zero tolerance enforcement stance.

In an effort to lower our operational cost, we conducted all of our inspections during normal working hours and used volunteers for the decoy operations. Therefore we were able to reduce our overtime cost from \$3,223.00 last year to \$0 this year.

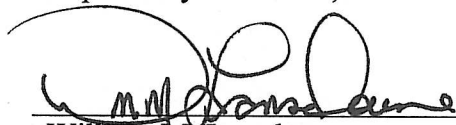
ESTIMATED ILLEGAL SALES RATE

Based on the 30 undercover inspections that resulted in 8 violations, the estimated rate of illegal sales to juveniles is 26.7%. We have focused on Education with the business owners and so far this year we have not had any underage sales out of the 26 covert inspections we have done.

FEES AND FINES

In 2009, the Police Department Permit and Licensing Unit collected \$105,512 in regulatory fees and \$37,727 in application fees for a total of \$143,239. This is an increase of \$65,235 from last year's collected fees. All monies were sent to the City's general fund.

Respectfully submitted,



William M. Lansdowne
Chief of Police