

## HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** HB 1009 City of Jacksonville, Duval County

**SPONSOR(S):** McBurney

**TIED BILLS:**           **IDEN./SIM. BILLS:**

| REFERENCE                                    | ACTION    | ANALYST | STAFF DIRECTOR or<br>BUDGET/POLICY CHIEF |
|--|-----------|---------|--|
| 1) Community & Military Affairs Subcommittee | 12 Y, 0 N | Tait    | Hoagland                                 |
| 2) Economic Affairs Committee                |           |         |  |

### SUMMARY ANALYSIS

Florida law limits the number of alcoholic beverage licenses that may be issued to one license for every 7,500 residents in a county<sup>1</sup>. Special Restaurant Beverage (SRX) licenses may be issued in excess of the quota limitations, and are regulated under Rule 61A-3.0141, F.A.C.

The specific requirements regarding the issuance of SRX licenses in the City of Jacksonville are found in chapter 87-471, L.O.F. The chapter creates a defined special zone in downtown Jacksonville that consists of three specified areas - Northside West, Northside East and Southbank. Within these areas, SRX licenses are issued to any bona fide restaurant which derives at least 51% of its annual gross income from the sale of food consumed on the premises, has accommodations for 100 or more patrons at tables, and occupies more than 1,800 square feet of floor space. Areas outside of the special zone are subject to general law and Florida Administrative Code rules governing SRX licenses.

The bill expands the special zone by creating an additional area, the Urban Transition area. The Urban Transition area is contiguous to the existing areas.

The number of restaurants impacted by the addition of the Urban Transition area to the special zone is unknown, so the projected revenues from the license fees are indeterminate. The Division of Alcoholic Beverages and Tobacco with the Florida Department of Business and Professional Regulation has indicated that current staff and resources can be used to process the additional license requests allowed by this bill.

The bill takes effect upon becoming a law.

<sup>1</sup> S. 561.20(1), F.S.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Present Situation

Florida law limits the number of alcoholic beverage licenses that may be issued to one license for every 7,500 residents in a county<sup>2</sup>. Special Restaurant Beverage (SRX) licenses may be issued in excess of the quota limitations in s. 561.20(1), F.S., and are regulated under Rule 61A-3.0141, F.A.C. With the exception of specified counties or cities, SRX licenses may be issued to bona fide restaurants with a service area occupying 2,500 or more square feet of floor space and with accommodations for the service and seating of 150 or more patrons at tables at one time.<sup>3</sup> All SRX licenses issued after January 1, 1958, have the suffix "SRX" as a part of the license number.

The specific requirements regarding the issuance of SRX licenses in the City of Jacksonville are found in chapter 87-471, L.O.F. (chapter). The chapter created a defined special zone in downtown Jacksonville that consists of three specified areas - Northside West, Northside East and Southbank. Within these areas, SRX licenses may be issued to any bona fide restaurant that derives at least 51% of its annual gross income from the sale of food consumed on the premises, has accommodations for 100 or more patrons at tables, and occupies more than 1,800 square feet of floor space.

In addition, the chapter states that the SRX licenses are subject to local zoning requirements establishing distance requirements between liquor-serving establishments and churches and schools.

Businesses located outside the special zone in Jacksonville must meet general law and Florida Administrative Code rules governing SRX licenses.

#### Proposed Changes

HB 1009 amends the chapter to create an additional area, the Urban Transition area, for the special zone. The Urban Transition area is the area bound by Margaret Street to the west, Dellwood Avenue and Interstate 95 to the north and northeast, and the St. Johns River to the east and south. The Urban Transition area is contiguous to the existing areas in the special zone and is shown in the map below:



<sup>2</sup> S. 561.20(1), F.S.

<sup>3</sup> The exceptions for the square footage rule are: the counties of Alachua, Brevard, Broward, Citrus, for premises with a cocktail lounge or open bar, Dade, Pasco, St. Lucie, Walton, Martin, Nassau, Okaloosa, Okeechobee, Osceola, Hendry, Highlands, Hillsborough, Indian River, Lake, and Orange County with respect to Orlando, Winter Park, and Maitland. The exception for the service and seating rule are: the counties of Alachua, Brevard, Broward, Dade, Hendry, Highlands, Walton, Hillsborough, Indian River, Pasco, Martin, Nassau, Okaloosa, St. Lucie, Osceola, and Orange County with respect to Orlando, Winter Park, and Maitland.

The additional of the Urban Transition area to the special zone will provide small business owners and operators with the ability to operate full-service restaurants within the area.

The State of Florida currently levies an annual fee of \$1,820 for a SRX license. The number of restaurants impacted by the addition of the Urban Transition area to the special zone is unknown, so the projected revenues from the license fees are indeterminate.

The Division of Alcoholic Beverages and Tobacco with the Florida Department of Business and Professional Regulation has indicated that current staff and resources can be used to process the additional license requests allowed by this bill.

The bill takes effect upon becoming a law.

**B. SECTION DIRECTORY:**

**Section 1:** Amends chapter 87-471, L.O.F, relating to Special Restaurant License (SRX) requirements for Duval County.

**Section 2:** Provides an effective date of upon becoming a law.

**II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS**

A. NOTICE PUBLISHED? Yes  No

IF YES, WHEN? January 26, 2011.

WHERE? *The Financial News & Daily Record*, a daily (except Saturday and Sunday) paper of general circulation published in Jacksonville, Duval County, Florida and distributed in Duval County, Florida.

B. REFERENDUM(S) REQUIRED? Yes  No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached  No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached  No

**III. COMMENTS**

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

**IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES**