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Memorandum

TO: MAYOR REED

FROM: Councilmember Nora Campos

SUBJECT: BUDGET DOCUMENT

DATE: May 21, 2010

Approved

Nova Campos

Date

5/21/10

RECOMMENDATION

That the following recommendation be enacted.

BACKGROUND

City-Council Initiated Essential Services Preservation Fund/Other Budget Proposals

Program/Project Title: Tobacco Retailer Permit Program

Amount of City Funding Required: TBD

Fund Type (i.e. General Fund, C&C funds, etc.) TBD

Anticipated Outcomes: Requested funding changes would affect benefits or services for San José residents, businesses, community groups, etc., as described below: (Use as much space as rêquired.)

Direct the City Manager and City Attorney to prepare an analysis for City Council consideration of a potential ordinance requiring retailers to obtain a permit from the City in order to sell tobacco products and paraphernalia. As part of his analysis, the City Attorney shall determine those program costs, such as the level of enforcement of State and local tobacco laws regarding illegal sales to minors, that can be recovered through permit fees. The City Manager's analysis should include projected program costs and the resulting annual permit fee for individual retailers. As a basis for comparison, staff should also include in its analysis information regarding similar programs that have already been adopted in the cities of Los Angeles, San Diego, San Francisco, Oakland, and Sacramento.

Funding Source

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This program should be designed to achieve full cost recovery.

Department or Organization: Office of City Attorney

Department or Organization Contact (Please list contact information for the individual that certified cost estimates contained within your recommendation.)

Name: Rick Doyle

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E-mail address: Richard.doyle@sanjoseca.gov

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One-time X Ongoing

The City Service Area to which the change best relates:

- □ Community and Economic Development Services
- □ Environmental and Utility Services
- Neighborhood Services
- ✓ Public Safety
- □ Strategic Support
- □ Transportation and Aviation Services