Cigar Bars/Lounges & Smoking Ordinance

Planning and Zoning Commission Meeting October 28, 2019

Background

- City Council/staff have received inquiries related to a new cigar bar/lounge wanting to operate within the city
- City-wide smoking ban ordinance (effective Oct 1, 2019) prohibits this new type of business from operating
- Comprehensive Zoning Ordinance does not allow "Cigar Bar/Lounge"
 - CZO allows "tobacco store" (retail establishment) with a smoking area as an accessory use (allowed by right LR-2, C, LI and HI; includes e-cigarettes)
 - CZO prohibits "Hookah/Vapor lounges" in all zoning districts
 - <u>Hookah/Vapor Lounge</u> A business establishment for which the configuration of the floor area is to facilitate on-site consumption of tobacco, cigarette, and nicotine-enriched solutions.



Direction Requested

- Is Council interested in amending the city-wide smoking ban ordinance to allow for cigar bars/lounges?
 - If no then no further action needed.
 - If yes then how to allow for the use?

Before you answer... several items to consider...



Items to Consider – Public Health Perspective

- From a staff perspective, the public health issue is more of a matter of choice
- Patrons knowingly enter this type of establishment and subject themselves to smoke inhalation; it is a personal choice
- Use differs from other places of business that are not customarily identified as smoking establishments where the general public would not anticipate being potentially subject to smoke inhalation
- Distance proximity should be considered in relation to schools



Items to Consider – Zoning Perspective

- Cigar bars/lounges may generate primary source of revenues from sale of alcoholic beverages for on-premise consumption – not from the sale of tobacco and accessories
 - Is that acceptable?
 - Requires approval of a private club SUP (per CZO); however, business establishments may not want to pursue private club permit from TABC
 - Should the city allow for on-premise consumption through some other means without the private club permit? (i.e. qualifying restaurant/mixed beverage permit with food and beverage certificate)



Items to Consider – Zoning Perspective (continued)

- Should the use be required to have a certain amount of food sales?
 - Full service restaurant, catering only, or no food requirement at all?
 - Depending upon how alcohol sales for on-premise consumption allowed may impact the food sales component (e.g. qualifying restaurants 50%/50%; private clubs food sufficient for general membership)
 - If food service required need to address cigar bars/lounges opened adjacent to a restaurant such that the area used for smoking does not evolve into a "smoking section" of a restaurant
 - Some businesses may not want to have the food requirement
- Other items:
 - Live and/or DJ music, entertainment
 - Special events/private parties
 - Allow within a single-tenant building vs. multi-tenant building
 - Hours of operation limitations



Council Direction Received

- Is Council interested in amending the city-wide smoking ban ordinance to allow for cigar bars/lounges?
 - If no then no further action needed
 - If yes then how to allow for the use? ✓



How to allow for the use?

- Where should the use be allowed to occur?
 - Allow city-wide within certain standard zoning districts? (i.e. LR-1, LR-2, C, LI)
 - Only in certain areas of the city regardless of base zoning? (i.e. overlay districts)
 - Amend Planned Development Districts on an as needed basis?
 - Allow by right?
 - Allow subject to approval of a specific use permit (SUP)?

Council Direction

- Allow Cigar Bars, Hookah/Vaping Lounges, and Bars in an "Entertainment Overlay District" within the city's East Side
 - Subject to approval of a Specific Use Permit (SUP)
 - Establish certain performance criteria to minimize impact on adjacent businesses



How to allow for the use?

Council Direction (continued)

- Is it acceptable for the use to have higher sources of revenue from alcohol sales instead of tobacco sales and/or food consumption?
- Should the use be required to have a certain amount food sales? X
- Live and/or DJ music, entertainment is that acceptable?



DISCUSSION