



Electronic Game Promotion Establishments (Internet Cafes)

**City Council Workshop
March 13, 2012**

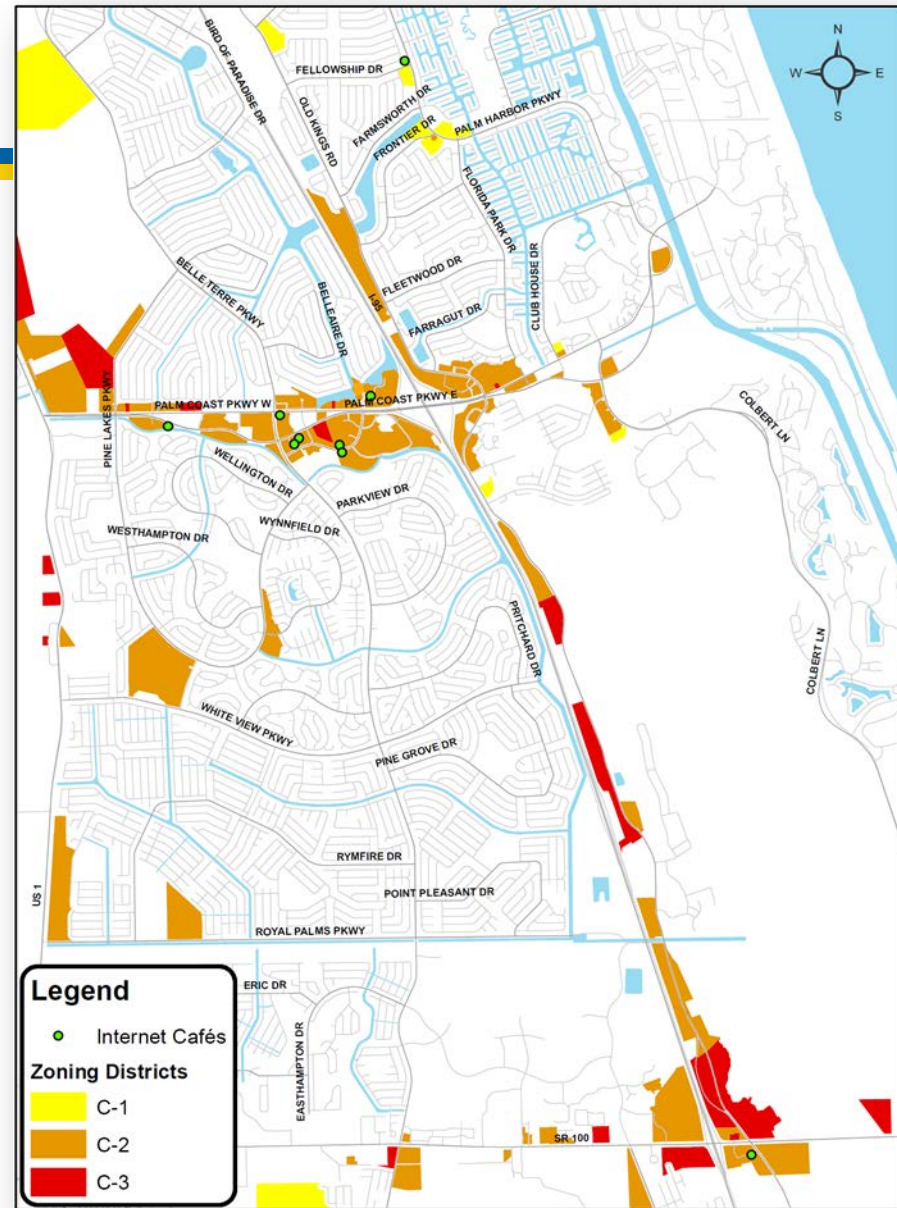
Internet Cafes Background

- Moratorium Expires May 4, 2012
- Update on legal status
 - Seminole County Case
 - Florida Legislature



Internet Cafes Current Status

- 9 active Businesses
- 8 are in COM-2, 1 in COM-1
- Classified as “Retail” use and allowed in all Commercial zoning districts and Master Planned Development (MPD) with Mixed-use Future Land Use Map Designation



Internet Cafes Options

- Prohibit Electronic Game Promotions
- No Action – Let moratorium expire
- Regulate in Land Development Code and/or Code of Ordinances



Internet Cafes Options

- Prohibit Electronic Game Promotions
 - Need ordinance to ban
 - Likely to be legally challenged
 - Resources to be devoted to challenge



Internet Cafes Options

- No Action
 - Moratorium Expires
 - New “Cafes” treated as “retail” use



Internet Cafes Options

- Regulate
 - Amend Land Development Code (LDC) and/or Code of Ordinances (COO)
 - LDC
 - Regulates location and other land use requirements
 - COO
 - Regulates operation



Internet Cafes Options



- Regulate in LDC
 - Zoning Districts
 - Prohibit in COM-1
 - Special Exception in COM-2 (Existing Uses “grandfathered” for Special Exception Use)
 - Permit (As-of-right) in COM-3
 - MPD per Development Agreement
 - Distance Separation
 - 1,000 feet from churches, parks, and/or schools

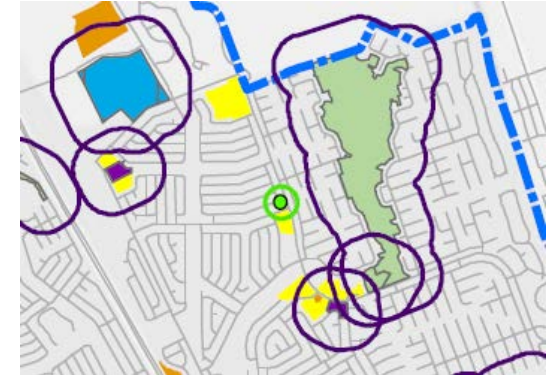


Existing Cafes with 1,000' Separation Requirements

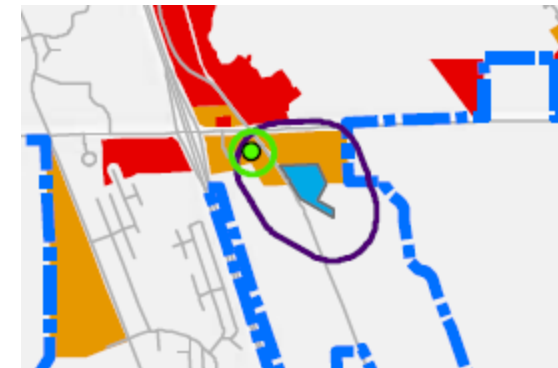


Along Palm Coast Parkway

-  1,000 ft. radius around church, school, or public park
-  500 ft. radius around "café"



Palm Harbor Parkway



Flagler Plaza



Internet Cafes

Name	Address	# of terminals	Operating Hours (Generally)	Sheriff's Incident Report*	Zoning	Within 1000' of following :		
						School	Public Park	Church
EZ Café	1755 Palm Harbor Parkway Unit A	24	10 a.m. to 12 a.m.	1	COM-1	-	-	-
Palm Coast Internet Café	160 Cypress Point Pkwy.	40	10 a.m. to 12 a.m.	6	COM-2	✓	-	✓
Lucky Day Sweepstakes	108 Flagler Plaza	75	10 a.m. to 11 p.m.	1	COM-2	✓	-	-
Neptune Internet Sweepstakes	1499 Palm Coast Pkwy NW, Suite C	30		8	COM-2	✓	-	✓
Thunderbird Internet Café (Winn Dixie Shopping Center)	1274 Palm Coast Parkway SW	40	10 a.m. to 12 or 2 a.m.	2	COM-2	✓	-	✓
Copacabana Internet Café	1000 Palm Coast Parkway SW Unit 107	15		5	COM-2	✓	-	✓
Sunny Day Internet Café	15 Cypress Branch Way Suite 201	30	10 to 12 or 2 a.m.	0	COM-2	✓	-	✓
Allied Veterans of the World	50 Plaza Drive Suite 201	98		1	COM-2	-	-	-
The Lucky Palm	300 Palm Coast Parkway Suite 9-11	30	12 p.m. to 10 p.m.	1	COM-2	-	-	-

☐ - Non-conforming with proposed regulations.

*Incidents include: Alarm-Commercial Burglar, Assault & Battery, Criminal Mischief, Disturbance (Verbal or Physical), Intoxication, Larceny, Suspicious Vehicle, Person, or Incident, & Trespassing.



Internet Cafes

Option – Regulatory Ordinance

- Code of Ordinance (COO)
 - “De minimis” exception
 - Facility operated by Section 501 (c) and with five (5) or fewer pieces of Electronic equipment
 - Permitting
 - Limit number in City (9)
 - Separate Application (Certificate of Use)



Internet Cafes

Option – Regulatory Ordinance

- Code of Ordinance (COO) cont'd.
 - Certificate of Use
 - Inventory of equipment
 - Background check for owners and operators of establishments
 - Certification that software has been tested
 - Affidavit with following:
 - Identity of operator and all owners including names of principles,
 - Statement of whether any individuals listed as operator or owner has been convicted of felony,
 - Verification of distance separation from school, church and/or public park,
 - Processing Fee of \$500



Internet Cafes

Option – Regulatory Ordinance

- Code of Ordinance (COO) cont'd.
 - Eligibility of Operator:
 - Permit denied for following, owner or operator has been:
 - Convicted or plead no contest within five (5) years of application to felony, exploitation of vulnerable adult
 - Convicted or plead no contest within five (5) years of misdemeanor to any type of fraud
 - Permit revoked under this ordinance within three (3) years
 - Application materials are incomplete or untruthful



Internet Cafes

Option – Regulatory Ordinance

- Code of Ordinance (COO) cont'd.
 - Denial of Permit:
 - Operator denied may reapply
 - Operator may appeal to Hearing Officer within 15 calendar days



Internet Cafes

Option – Regulatory Ordinance

- Code of Ordinance (COO) cont'd.
 - Restrictions on Transfer of Certificate of Use
 - Ownership – Background Check
 - New location – review for consistency with regulations
 - Public Nuisance
 - May be declared public nuisance if site is used on more than two occasions within a 6-month period:
 - Assault, burglary, theft, robbery by sudden snatching, distribution of controlled substances



Internet Cafes

Option – Regulatory Ordinance

- Code of Ordinance (COO) cont'd.
 - Inspection of Premises and ability to select and remove any single piece of electronic equipment to inspect, test to determine compliance.



Internet Cafes

Option – Regulatory Ordinance

- Code of Ordinance (COO) cont'd.
 - Signage Requirements
 - Interior Signs
 - Permit (Certificate of Use, Business Tax receipt)
 - Rules for electronic game promotions (rules, prize tables, odds)
 - “State and local law prohibits ... requiring entry fee ... No donation or contribution required. ...You may obtain free entries upon request ...”



Internet Cafes

Option – Regulatory Ordinance

- Code of Ordinance (COO) cont'd.
 - Operation of business
 - No sale or consumption of alcohol
 - No one under 18 permitted
 - Limitation on number of equipment (100)
 - No increase in number of equipment
 - Hours of operation (?? to ??, 7? days a week)



Internet Cafes

Option – Regulatory Ordinance

- Code of Ordinance (COO) cont'd.
 - Safety and Security Requirements
 - Security camera system,
 - Drop safe,
 - Silent alarm,
 - Licensed security guard at night (6:00 p.m. to closing),
 - Transparency of windows for law enforcement



Internet Cafes

Option – Regulatory Ordinance

- Code of Ordinance (COO) cont'd.
 - Penalties
 - Civil penalties not to exceed \$500/violation
 - Each day the violation exists shall constitute separate violation



Internet Cafes

- Next Steps
 - Distribute “Draft” Ordinances to County and other Municipalities
 - PLDRB hearing and recommendation on proposed LDC changes (April 18, 2012)
 - City Council for 2 public hearings (May 1 & 15, 2012)



Internet Cafes

- Discussion

