

From: Smith, David
Sent: Monday, April 23, 2012 11:10 AM
To: Lane, Jim
Subject: Entertainment District

Mayor Lane...

Your comments last Tuesday evening presumably referred to a study I prepared for you January 13, 2012 that looked at all sales tax generation by all downtown establishments that operate under some liquor license.

I have copied below the email that summarized that study.

David

From: Smith, David
Sent: Friday, January 13, 2012 5:14 PM
To: Lane, Jim
Cc: Twist, J.P.
Subject: FW: Entertainment District

Mayor Lane...

Further to the email below, I prepared a schedule of all sales tax generation by all downtown establishments that operate under some liquor license. The total number of such businesses is 155, or about 25% of the 654 such licensees City-wide (and includes all the restaurants, grocery stores, drug stores and the like who operate under liquor licenses.)

The analysis shows gross sales tax and license fee revenues to the City. The total 1.65% sales tax generation by these 155 businesses is \$3.9 million and their license fees generate another \$169,000. If their revenues are defined to exclude food, then the balance (only liquor sales and license fees) would be \$1.9 million.

Lic. Series	Downtown Establishments	# Downtown	1.65% Total	Less Food & Other (estimate)	1.65% Liquor	License Fees	Combined
5	Government	1	*	*	*	0	0
6	Bar	42	676,682	0	676,682	50,400	727,082
7	Beer & Wine Bar	15	173,024	(110,735)	62,289	7,500	69,789
9	Liquor Store	2	*	*	*	900	900
10	Beer & Wine Store	4	113,813	0	113,813	1,200	115,013
11	Hotel	7	666,782	(592,634)	74,148	8,400	82,548
12	Restaurant (>40% food)	83	2,235,267	(1,424,374)	810,893	99,600	910,493
13	Winery	1	*	*	*	900	900
14	Private Club	1	*	*	*	300	300
		155	3,865,568	(2,127,743)	1,737,825	169,200	1,907,025

* If fewer than three establishments are licensed, disclosure of information is prohibited.

Hopefully, this gives a more complete picture of the economic impact of these licensees, without discount for the items I mentioned in the earlier email. Furthermore, if the case can be made that other downtown businesses (retail stores, hotels and others that do not operate under any liquor license permit) enjoy spinoff benefits, then the City's revenue would be greater. Let me know if you wish to discuss this further.

David