



CITY OF MOORPARK

COMMUNITY DEVELOPMENT DEPARTMENT | 323 Science Drive, Moorpark, California 93021
Main City Phone Number (805) 517-6200 | Fax (805) 532-2540 | www.moorparkca.gov

**NOTICE AND CALL OF A REGULAR MEETING OF THE
COMMUNITY AND ECONOMIC DEVELOPMENT STANDING COMMITTEE**
(Councilmember Delgado and Councilmember Means)
Wednesday, January 21, 2026, at 5:45 p.m.

**TO THE MEMBERS OF THE COMMUNITY AND ECONOMIC DEVELOPMENT STANDING
COMMITTEE OF THE CITY OF MOORPARK:**

NOTICE IS HEREBY GIVEN that a **Regular Meeting** of the Community and Economic Development Standing Committee is hereby called to be held on **Wednesday, January 21**, commencing at **5:45 p.m.** Said meeting will be held in the Moorpark City Hall **Century Conference Room, at 323 Science Drive**, Moorpark, California.

Said Regular Meeting shall be for the purpose of considering the following items:

1. **CALL TO ORDER:**
2. **ROLL CALL:**
3. **PUBLIC COMMENTS:**
4. **DISCUSSION ITEMS:**
 - A. Provide Input Regarding the Proposed High Street Entertainment Zone (**Staff: Gene Burse**)
5. **FUTURE AGENDA ITEMS:**
(Future agenda items are tentative and are subject to change.)
6. **ADJOURNMENT:**

Posted: January 15, 2026.

All writings and documents provided to the members of the Community and Economic Development Standing Committee of the City of Moorpark regarding all agenda items are available for public inspection at the City Hall public counter located at 323 Science Drive during regular business hours. The agendas and agenda reports for City Council Standing Committee meetings are available on the City's website at www.moorparkca.gov.

In compliance with the Americans with Disabilities Act, if you need special assistance to review an agenda or participate in this meeting, including auxiliary aids or services, please contact the Community Development Department at (805) 517-6200. Upon request, the agenda can be made available in appropriate alternative formats to persons with a disability. Any request for disability-related modification or accommodation should be made at least 48 hours prior to the scheduled meeting to assist the City staff in assuring reasonable arrangements can be made to provide accessibility to the meeting (28 CFR 35.102-35.104; ADA Title II).

CHRIS R. ENEGREN
Mayor

RENEE DELGADO
Councilmember

CHRIS BARRETT
Councilmember

TOM MEANS
Councilmember

DR. ANTONIO CASTRO
Councilmember

**COMMUNITY AND ECONOMIC DEVELOPMENT COMMITTEE
AGENDA REPORT**

TO: Honorable Committee Members

FROM: Doug Spondello, Community Development Director
Gene Burse, Deputy Community Development Director

DATE: 01/21/2026 Regular Committee Meeting

SUBJECT: Provide Input Regarding the Proposed High Street Entertainment Zone

BACKGROUND

On September 28, 2024, Governor Gavin Newsom signed Senate Bill (SB) 969, authorizing cities to establish Entertainment Zones where patrons may purchase alcoholic beverages from participating licensees for consumption in the public right-of-way, such as sidewalks and closed streets.

Prioritizing economic vitality, the City Council identified the creation of an Entertainment Zone for High Street as Goal 2, Objective 2.7 of the FY2025-2027 City Council Strategic Goals. Staff proposes an initial two-year pilot program with the potential of up to six activations of the Zone per calendar year. This pilot approach allows the City to evaluate operational outcomes before committing to a long-term program. To ensure legal compliance, the pilot excludes the privately owned lawn at the High Street Depot pending further legal analysis. This report explores three different models the City may consider for the proposed High Street Entertainment Zone (Zone).

Moorpark joins a growing number of California cities in exploring this economic development tool. To date, Entertainment Zones have been adopted in Santa Monica, San Francisco, Tehachapi, Auburn, Sacramento, Woodland, San Jose, Redding, Long Beach, and Fort Bragg. Other jurisdictions, including Suisun City and Loomis, are currently in the final stages of ordinance drafting and public outreach. Notably, San Buenaventura (Ventura) recently evaluated a pilot zone for its 'Main Street Moves' area but the Ventura City Council voted in December 2025 to defer establishing a zone and directed its staff to revisit the proposal in late 2026 (per Ventura City Council Staff Report Dec 2025).

DISCUSSION

An Entertainment Zone allows eligible licensees to sell to-go beverages for consumption within defined boundaries. To maintain public order, patrons must use city-approved wristbands and city-approved non-glass/non-metal containers. All alcoholic beverages in the Entertainment Zone are purchased only at a licensed premises located within the Entertainment Zone.

The City retains discretion to establish limits on hours/days, containers, signage, required security staffing, and requirements for liability insurance and indemnification through the ordinance adopting the Entertainment Zone and subsequent permits issued for events.

Eligible Licensees on High Street

As of January 2026, five licensees on High Street hold appropriate California Department of Alcoholic Beverage Control (ABC) licenses (Types 02, 41, 47, and 64) to participate in the Zone. These include:

- Lucky Fools Pub (Type 47)- 75 E. High Street; Foolish Enterprises, Inc.
- Freda's Fine Food and Drink (Type 47)- 233 E. High St.; Road Restaurant Group LLC
- M On High (Type 47)- 255 E. High St.; North American Services
- Luna Llena Restaurant (Type 41)- 313 E. High St.; Luna Llena Restaurant
- High Street Arts Center (Type 64)- 45 E. High St.; Moorpark Community Foundation for the Arts. Note: Participation for this venue is limited to two hours before, during, and one hour after a performance.

Once an Entertainment Zone is established, new licensees may participate, provided they are within the defined area and have the appropriate license type. The establishment of an Entertainment Zone would not authorize consumption of alcohol in the public right of way outside the boundaries or times of the established Entertainment Zone.

Proposed High Street Entertainment Zone

As initially proposed, the High Street Entertainment Zone would authorize the consumption of alcoholic beverages sold by participating licensees during special events, such as the Apricot Festival, Country Days, and Holiday on High. To ensure administrative and operational clarity, the Zone is defined as follows:

- Entertainment Zone Boundary (Legal): High Street between Moorpark Avenue and Spring Road.
- Operational Closure Area (Operational): Typically extends from Moorpark Avenue to Magnolia Avenue for most events.

Note: Side streets (Bard, Magnolia, and Walnut) are excluded from the Zone.

The High Street Entertainment Zone will be activated exclusively within the public right-of-way during which portions of High Street are closed to vehicular traffic for City-sanctioned special events. While the Zone is active, individual sales remain limited to the hours permitted by each participating licensee's specific ABC license conditions and statutory requirements. In accordance with the California Business and Professions Code (B&P Code) § 25691(b), staff confirms that at least one licensee within the Zone boundaries (Lucky Fools Pub, Type 47) maintains the legal permit to sell alcoholic beverages for on-premises consumption during all potential hours of street closure. Staff's confirmation is based on current license conditions and is subject to change by ABC.

High Street Depot Property

Staff is evaluating allowing for the consumption of alcoholic beverages within the privately-owned open space lawn of the High Street Depot development, when those beverages are served by planned outlets within that project and during the operating hours of these businesses, not just during High Street closure events. The benefit of this would be that the outdoor area would not need to be fenced in or enclosed, as otherwise would be required per for permitted outdoor dining.

However, there is legal uncertainty as to whether a privately owned area subject to a public access easement qualifies as a public-right-of-way under B&P Code § 25691(b). Final eligibility will be confirmed by the City Attorney prior to any inclusion. If included in the High Street Entertainment Zone or through other means, the property owner (Daly Group) and future licensees at the property would likely enter into a multi-party agreement with the City. This could include participation requirements, insurance, and Temporary Use Permit (TUP) conditions. No alcohol consumption will be authorized on the lawn area unless and until the City Council expressly approves a compliant legal framework; therefore, the Depot component remains a secondary consideration pending further analysis.

Management and Liability Framework

State law authorizes local jurisdictions to establish Entertainment Zones and to designate a subordinate body or officer for oversight. In the absence of a business association for High Street, Moorpark can utilize an Event-Based Model. Under this framework, City staff will provide regulatory oversight, while the operational logistics and event-specific activations will be managed through the Temporary Use Permit process. This ensures that each activation is subject to individual site plan review and public safety coordination. Under this model:

- The Entertainment Zone is only active when a TUP for a street closure is approved with an estimate up to six times per calendar year.
- Eligible licensees must sign a Participation Agreement, waiving the City of any liability and naming the City as an Additional Insured on their liquor liability policies.

Staff suggests that the Zone's rules be incorporated as Conditions of Approval for the City's existing TUP process. This ensures that the zone is only active during pre-planned festivals on High Street. Conditions would likely include mandatory verification of liquor liability insurance.

The establishment of the Zone presents a balance between economic revitalization and municipal risk management. While the Zone is expected to bolster High Street's destination appeal and support the fiscal health of local licensees, it introduces inherent enforcement complexities regarding boundary monitoring and the administration of standardized containers and wristbands. By utilizing a pilot program and an event-based model, the City can capture the economic benefits of increased foot traffic during major festivals while maintaining a controlled environment that minimizes public safety risks and staff resources.

Operational Management Models

Three management models have been identified based on other California jurisdictions:

1. Internal Management (City-Led): Under this model, the City (e.g., the Police Chief, Community Development Director or a designated subordinate officer) serves as the designated subordinate officer or body required by SB 969.
 - a. The City assumes all administrative responsibilities, including sharing operational parameters with the ABC and coordinating with local law enforcement.
 - b. Pros: Ensures direct oversight by City staff and provides a single, consistent point of contact for the eligible licensees within the Zone and Moorpark Police Department (PD).
 - c. Cons: Places a significant administrative burden on staff and the City must absorb the costs of signage and biennial reporting unless a new fee is established. In this model, costs associated with administration and police enforcement within the entertainment zone are typically borne by the City.
2. Event-Based Management (Temporary Use Permit-Tied): The Zone is only activated during specific sanctioned events, with operational requirements tied to a Temporary Use Permit (TUP).
 - a. The individual event organizer (the permittee) acts as the operational lead for the duration of the event, handling logistics such as boundary signage and wristband distribution.
 - b. Pros: Minimal ongoing financial risk to the City, as operational costs (security/materials) are shifted to the event promoter; utilizes the existing, familiar TUP approval process.
 - c. Cons: Potential for inconsistent enforcement between different event organizers; requires City staff to verify new Additional Insured endorsements for every individual event.

3. Third-Party Management (Association/BID-Led): The City contracts with a professional Business Improvement District (BID) or Merchant Association (e.g. Moorpark Chamber of Commerce) to serve as the primary operator.
 - a. Pros: Provides specialized place-management expertise without increasing the number of City staff headcount; allows for professional branding, marketing and centralized procurement of standardized cups/wristbands; the Chamber can act as a direct liaison for eligible licensees; and identifies a clear and consistent point of contact and responsibility for implementation of the Zone.
 - b. Cons: This model would require a new service contract with the Chamber or other entity; requires the City to monitor the third party's performance and compliance with SB 969.
 - i. Case Studies
 1. Sacramento: Uses the Midtown Association. This group procures standardized branded materials for all vendors.
 2. Ventura: Proposed using Downtown Ventura Partners (DVP) to manage ambassadors, monitor boundaries, and track participating licensees.
 3. Santa Monica: Partners with Downtown Santa Monica, Inc. (DTSM) for management, daily oversight, and private security. Established a zone on the Third Street Promenade with a dedicated police presence and a robust Participation Agreement to shield the city from liability.
 4. City of San Francisco: Uses Business Improvement Districts (BIDs) to manage daily operations for 16 permanent zones.

Table 1 (Comparison of Operational Management Models) below provides a comparative analysis of the three management models based on potential fiscal impact, staffing resources, and operational oversight. While Internal Management offers the highest level of City control, it requires significant staff resources. Conversely, Event-Based and Third-Party models shift much of the operational burden and cost to external partners, though they require the City to establish clear performance standards and maintain regular communication with those entities to ensure compliance with SB 969.

Table 1. Comparison of Operational Management Models

Model	City Cost	Admin Burden	Consistency	Liability Control
Internal	High	High	High	High
Event-Based	Low	Medium	Medium	Medium
Third-Party	Medium	Low	High	Medium

FISCAL IMPACT

The fiscal impact of establishing the High Street Entertainment Zone is divided into material costs, law enforcement labor, and private security requirements. Because the Zone covers a compact four-block area with five eligible licensees, as of January 2026 and subject to change, operational costs are expected to be significantly lower than larger-scale programs in other California jurisdictions.

To provide context on the scale of this project, staff analyzed the recent pilot program proposal evaluated by the City of Ventura in late 2025 (per Ventura City Council Staff Report Dec 2025). Ventura’s proposed one-year pilot was significantly larger, encompassing 36 eligible licensees across five blocks. The total estimated cost for Ventura’s program was \$713,959, with a total unfunded amount of \$459,400, and was based on a seven-day-a-week Main Street Moves model for intensive daily staffing. In comparison, Moorpark’s proposed activation involves only 14% of the number of eligible licensees evaluated by Ventura, resulting in lower costs.

The High Street Entertainment Zone is estimated to be activated approximately six times per year. Staff used the Holiday on High Street event (December 2025) as a baseline for labor costs, which totaled approximately \$13,000 for Moorpark PD labor. This figure reflects premium Saturday rates, which are typical for the City’s major special events. Historically, public safety costs for High Street events have been handled by the City, the primary event organizer, sponsors, or a combination thereof. Depending on the event type, sponsors, primary event organizers or the City may bear the costs associated with the operations of Zone.

- Existing Events: Activation of the Zone is anticipated for the Apricot Festival, Country Days, and Holiday on High and is not expected to result in a net increase to public safety costs, as these events already require a law enforcement presence for street closures and these costs are funded by the City, the primary event organizer, sponsors or a combination thereof.
- Haunted High Street: While this is a major event, it does not currently feature third-party alcohol vendors. This event could be eligible for activation of the Zone.
- Unidentified Community Events: Activation of the Zone for potential future unidentified events would potentially represent a new fiscal impact on the event organizer, the City, sponsors or combination thereof. Based on the above example of public safety labor cost, with an approximate 6-to-7-hour labor window (covering a 4-hour Zone activation), these events are estimated to incur public safety costs

of at least \$13,000 each. A variety of variables are factored into estimating costs for public safety which include but are not limited to the day of the week the event would be scheduled for and the length of time in which the event would occur. Staff continues to coordinate with the Moorpark PD to refine estimates.

In addition to law enforcement labor provided by the Moorpark PD, the City will require private security services to manage the internal operations of the Zone. Private security will be responsible for rule enforcement, conduct monitoring, age verification, and the dissemination of official Zone wristbands. Private security will be funded by the event organizer unless otherwise approved by the City Council. These costs will be further defined as part of the event-specific Temporary Use Permit (TUP) process. Staff recommends that any ordinance include authority for the City Manager to require full cost recovery for law enforcement and private security services for future non-City organized events.

The initial establishment of the Zone involves significant staff time across the Community Development, City Manager, and City Attorney departments to draft the ordinance and management plan. Furthermore, B&P Code § 25691(c) mandates a formal review of the Zone every two years. Staff is currently researching costs for materials—including non-metal/non-glass containers, wristbands, and signage—which have not yet been determined. All administrative and biennial review costs are expected to be absorbed within existing departmental work programs.

COUNCIL GOAL COMPLIANCE

This project is based on City Council Goal 2.7: Designate High Street as an Entertainment Zone. It further supports the strategic objective of enhancing High Street as a destination for entertainment and shopping.

NEXT STEPS

Staff will engage in outreach with key stakeholders, including eligible licensees, event organizers, and the developer of the High Street Depot. Following the completion of outreach, technical, and legal research, staff anticipates returning to the CEDC and City Council with a formal ordinance and management plan for adoption in March or April.

- Stakeholder Outreach: Conduct meetings with event organizers, eligible licensees on High Street, the Moorpark Chamber of Commerce, and the Daly Group (High Street Depot). This is planned to occur in January and February.
- Public Safety Coordination: Finalize feedback from Moorpark PD regarding boundary enforcement and staffing for the Zone activations. This is planned to occur in January and February.
- Legal Research: Finalize the determination on the High Street Depot's eligibility under SB 969 and confirm language to safeguard the City from legal liability for privately organized events, to the extent feasible. This is planned to occur in January and February.

- Committee/Council Return: Staff anticipates returning to the CEDC, if the committee desires, in February or March with a draft ordinance and management plan for recommendation to the full City Council in March or April.

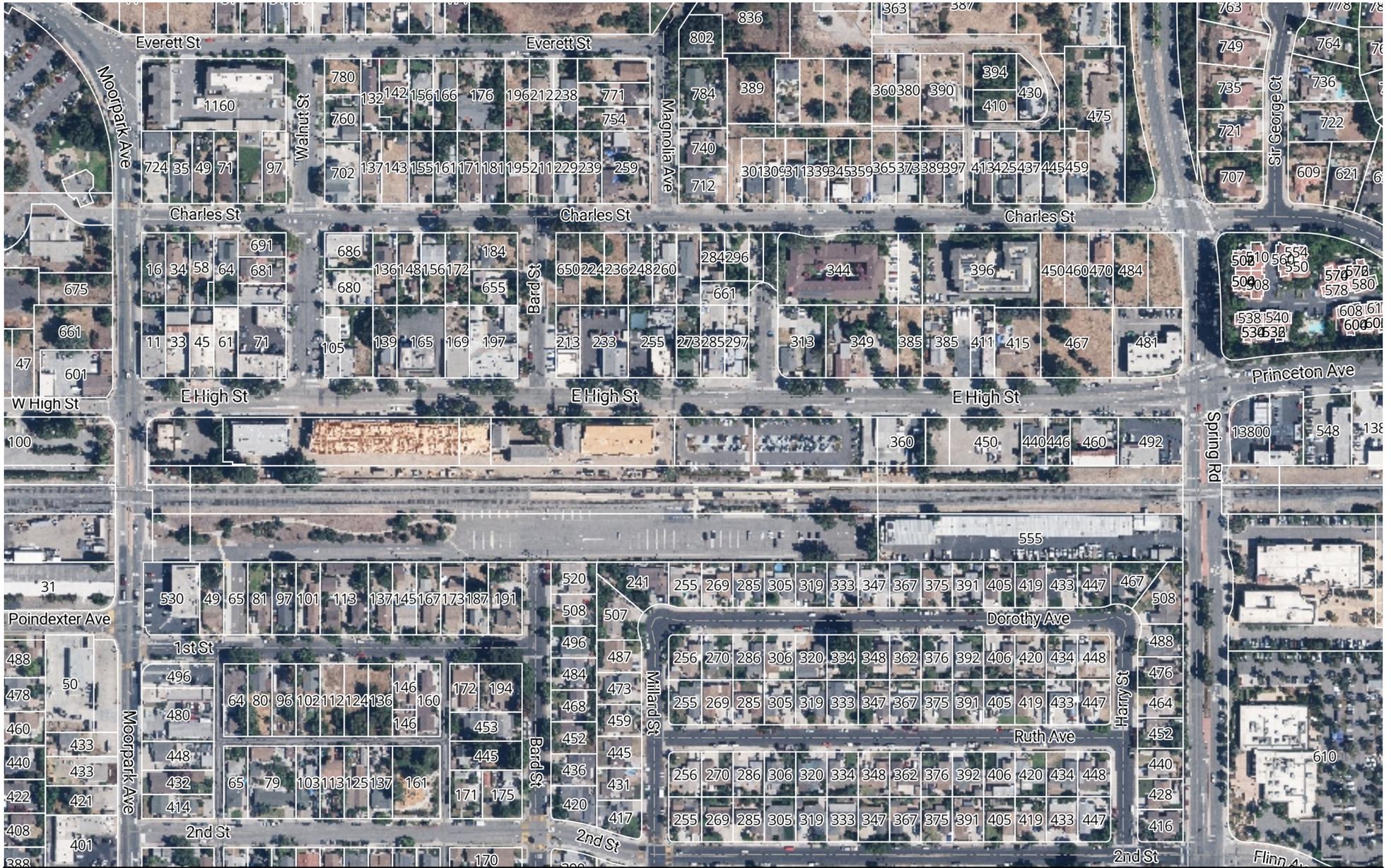
STAFF RECOMMENDATION

Staff recommends that the Committee provide direction on the establishment of the proposed High Street Entertainment Zone and direct the Community Development Department to develop a draft ordinance and management plan for a two-year pilot program on High Street, utilizing an event-based activation model tied to the City's existing TUP process. Staff also recommends that the Committee provide direction on the inclusion of the High Street Depot property pertaining to developing a framework which would provide direction on whether staff should further evaluate a legally compliant framework that could allow alcohol service within the High Street Depot lawn area, subject to City Attorney approval and future City Council action.

Attachments:

1. Senate Bill 969 (Chapter 869)
2. Map of Proposed High Street Entertainment Zone
3. Entertainment Zone Participation Requirements and Guidelines

Proposed High Street Entertainment Zone Boundary



1" = 300 ft

11/17/2025



This map may represent a visual display of related geographic information. Data provided here is not a guarantee of actual field conditions. To ensure complete accuracy, please contact the responsible staff for the most up-to-date information.

ATTACHMENT 1

Senate Bill No. 969

CHAPTER 869

An act to amend Sections 23039.5, 23357, 23358, 23396, and 25690 of, and to add Sections 25691 and 25692 to, the Business and Professions Code, relating to alcoholic beverages.

[Approved by Governor September 28, 2024. Filed with
Secretary of State September 28, 2024.]

LEGISLATIVE COUNSEL'S DIGEST

SB 969, Wiener. Alcoholic beverages: entertainment zones: consumption.

The Alcoholic Beverage Control Act contains various provisions regulating the application for, the issuance of, the suspension of, and the conditions imposed upon alcoholic beverage licenses by the Department of Alcoholic Beverage Control. Existing law defines “entertainment zone” for purposes of the act as a zone created by ordinance on or after January 1, 2024, in the City and County of San Francisco, that authorizes consumption of one or more types of alcoholic beverages on public streets, sidewalks, or public rights-of-way adjacent to and during a special event permitted or licensed by the department. Existing law authorizes the City and County of San Francisco to establish an entertainment zone, subject to certain requirements, including providing specified information relating to the entertainment zone to the department and establishing a process or procedure by which persons in possession of alcoholic beverages in the entertainment zone may be readily identifiable as being 21 years of age or older.

This bill would, instead, define “entertainment zone” as a zone created by a city, county, or city and county ordinance on or after January 1, 2025, that authorizes consumption of one or more types of alcoholic beverages on public streets, sidewalks, or public rights-of-way. The bill would additionally authorize any city, county, or city and county to establish an entertainment zone, subject to the above-described requirements. Before enacting an ordinance to establish or modify an entertainment zone, the bill would require a city, county, or city and county to notify local law enforcement and request feedback about specific information, including, among others, the entertainment zone’s proposed boundaries and days and hours of operation. The bill would require a city, county, or city and county that establishes an entertainment zone, or its designated subordinate officer or body, to review the operation of the entertainment zone every 2 years following the adoption of the entertainment zone, as specified, and to make any reports produced during the review available to the department upon request.

Existing law authorizes a licensed beer manufacturer, a licensed winegrower, and any on-sale licensee to permit consumers to leave the

premises with open containers of alcoholic beverages for consumption off the premises within an entertainment zone, subject to certain conditions. Existing law specifies that a licensed beer manufacturer, a licensed winegrower, and any on-sale licensee whose privileges are restricted due to operating conditions or other statutory restrictions may be prohibited from exercising entertainment zone privileges that are contrary to their operating conditions. For this purpose, existing law requires any restrictions on the exercise of off-sale privileges to apply to the removal of alcoholic beverages from the licensed premises for consumption in the entertainment zone.

This bill would, instead, prohibit any restrictions on the exercise of off-sale privileges from applying to the removal of open alcoholic beverages from the licensed premises for consumption in the entertainment zone.

This bill would incorporate additional changes to Section 23358 of the Business and Professions Code proposed by AB 2177 to be operative only if this bill and AB 2177 are enacted and this bill is enacted last.

The people of the State of California do enact as follows:

SECTION 1. Section 23039.5 of the Business and Professions Code is amended to read:

23039.5. “Entertainment zone” means a zone created by a city, county, or city and county ordinance on or after January 1, 2025, that authorizes consumption of one or more types of alcoholic beverages on public streets, sidewalks, or public rights-of-way.

SEC. 2. Section 23357 of the Business and Professions Code is amended to read:

23357. (a) A licensed beer manufacturer may, at the licensed premises of production, sell to consumers for consumption off the premises beer that is produced and bottled by, or produced and packaged for, that manufacturer. Licensed beer manufacturers may also exercise any of the following privileges:

(1) Sell that beer to any person holding a license authorizing the sale of beer.

(2) Sell that beer to consumers for consumption on the manufacturer’s licensed premises or on premises owned by the manufacturer that are contiguous to the licensed premises and which are operated by and for the manufacturer.

(3) Sell beer and wine, regardless of source, to consumers for consumption at a bona fide public eating place on the manufacturer’s licensed premises or at a bona fide public eating place on premises owned by the manufacturer which are contiguous to the licensed premises and which are operated by and for the manufacturer.

(4) (A) Permit consumers to leave the premises with open containers of alcoholic beverages for consumption off the premises within an entertainment zone if all of the following conditions are satisfied:

- (i) The premises is located within the entertainment zone.
 - (ii) Consumption of that type of alcoholic beverage is authorized by the ordinance creating the entertainment zone.
 - (iii) Open alcohol containers only leave the premises during the hours allowed by the ordinance establishing the entertainment zone.
 - (iv) Patrons with open containers exit the premises directly into an entertainment zone.
 - (v) All alcoholic beverages in the entertainment zone are purchased only at a licensed premises located within the entertainment zone.
 - (vi) The premises expressly prohibits open containers or closed containers of alcoholic beverages acquired outside their premises.
 - (vii) Delivery of alcoholic beverages to consumers within the entertainment zone by the licensee or by any third-party delivery service is expressly prohibited unless the delivery is to a residential building or private business that is not a licensee.
 - (viii) No alcoholic beverages purchased at the licensed premises may leave the premises in an open glass or metal container for consumption in an entertainment zone.
 - (ix) The licensee annually submits their notice of intent to participate in an open container entertainment zone to the department.
- (B) This paragraph does not require a licensee to sell any alcoholic beverage for consumption off the premises within an entertainment zone.
- (C) Licensees whose privileges are restricted due to operating conditions or other statutory restrictions may be prohibited from exercising entertainment zone privileges that are contrary to their operating conditions. For purposes of this paragraph, any restrictions on the exercise of off-sale privileges shall not apply to the removal of open alcoholic beverages from the licensed premises for consumption in the entertainment zone.
- (b) Notwithstanding any other provision of this division, licensed beer manufacturers and holders of out-of-state beer manufacturer's certificates may be issued and may hold retail package off-sale beer and wine licenses. Alcoholic beverage products sold at or from the off-sale premises that are not produced and bottled by, or produced and packaged for, the beer manufacturer shall be purchased by the beer manufacturer only from a licensed wholesaler.
- (c) Notwithstanding any other provision of this division, a licensed beer manufacturer may manufacture cider or perry at the licensed premises of production and may sell cider or perry to any licensee authorized to sell wine. For purposes of this subdivision, "cider" and "perry" have the meanings provided in Section 4.21(e)(8) of Title 27 of the Code of Federal Regulations. This subdivision does not alter or amend the classification of cider or perry as wine for any purpose other than that provided by this section.
- (d) A beer manufacturer may also have upon the licensed premises, or on premises owned by the manufacturer that are contiguous to the licensed premises and are operated by and for the manufacturer all beers and wines, regardless of source, for sale or service only to guests during private events

or private functions not open to the general public. Alcoholic beverage products sold at the premises that are not produced and bottled by, or produced and packaged for, the beer manufacturer shall be purchased by the beer manufacturer only from a licensed wholesaler. All alcoholic beverages sold or served shall be produced by a licensee authorized to manufacture the product.

SEC. 3. Section 23358 of the Business and Professions Code is amended to read:

23358. (a) Licensed winegrowers, notwithstanding any other provisions of this division, may also exercise the following privileges:

(1) Sell wine and brandy to any person holding a license authorizing the sale of wine or brandy.

(2) Sell wine and brandy to consumers for consumption off the premises where sold.

(3) Sell wine to consumers for consumption on the premises.

(4) Sell all beers, wines, and brandies, regardless of source, to consumers for consumption on the premises in a bona fide eating place as defined in Section 23038, which is located on the licensed premises or on premises owned by the licensee that are contiguous to the licensed premises and which is operated by and for the licensee. At such a bona fide public eating place, beer, wine, and brandy may be used in the preparation of food and beverages to be consumed on the premises.

(5) (A) Permit consumers to leave the premises with open containers of alcoholic beverages for consumption off the premises within an entertainment zone if all of the following conditions are satisfied:

(i) The premises is located within the entertainment zone.

(ii) Consumption of that type of alcoholic beverage is authorized by the ordinance creating the entertainment zone.

(iii) Open alcohol containers only leave the premises during the hours allowed by the ordinance establishing the entertainment zone.

(iv) Patrons with open containers exit the premises directly into an entertainment zone.

(v) All alcoholic beverages in the entertainment zone are purchased only at a licensed premises located within the entertainment zone.

(vi) The premises expressly prohibits open containers or closed containers of alcoholic beverages acquired outside their premises.

(vii) Delivery of alcoholic beverages to consumers within the entertainment zone by the licensee or by any third-party delivery service is expressly prohibited unless the delivery is to a residential building or private business that is not a licensee.

(viii) No alcoholic beverages purchased at the licensed premises may leave the premises in an open glass or metal container for consumption in an entertainment zone.

(ix) The licensee annually submits their notice of intent to participate in an open container entertainment zone to the department.

(B) This paragraph does not require a licensee to sell any alcoholic beverage for consumption off the premises within an entertainment zone.

(C) Licensees whose privileges are restricted due to operating conditions or other statutory restrictions may be prohibited from exercising entertainment zone privileges that are contrary to their operating conditions. For purposes of this paragraph, any restrictions on the exercise of off-sale privileges shall not apply to the removal of open alcoholic beverages from the licensed premises for consumption in the entertainment zone.

(6) Produce spirits of wine and blend those spirits of wine into wine produced by the winegrower or sell those spirits of wine to an industrial alcohol dealer or a distilled spirits manufacturer.

(b) A winegrower may also have upon the premises all beers, wines, and brandies, regardless of source, for sale or service only to guests during private events or private functions not open to the general public. Alcoholic beverage products sold at the premises that are not produced and bottled by, or produced and packaged for, the winegrower shall be purchased by the winegrower only from a licensed wholesaler.

(c) A winegrower shall actually produce on the winegrower's licensed premises by conversion of grapes, berries, or other fruit, into wine, not less than 50 percent of all wines sold to consumers on the winegrower's licensed premises and any licensed branch premises.

(d) The department may, if it shall determine for good cause that the granting of any such privilege would be contrary to public welfare or morals, deny the right to exercise any on-sale privilege authorized by this section in either a bona fide eating place the main entrance to which is within 200 feet of a school or church, or on the licensed winery premises, or both.

(e) Nothing in this section or in Section 23390 is intended to alter, diminish, replace, or eliminate the authority of a county, city, or city and county from exercising land use regulatory authority by law to the extent the authority may restrict, but not eliminate, privileges afforded by these sections.

SEC. 3.5. Section 23358 of the Business and Professions Code is amended to read:

23358. (a) Licensed winegrowers, notwithstanding any other provisions of this division, may also exercise the following privileges:

(1) Sell wine and brandy to any person holding a license authorizing the sale of wine or brandy.

(2) Sell wine and brandy to consumers for consumption off the premises where sold.

(3) Sell wine to consumers for consumption on the premises.

(4) Sell all beers, wines, and brandies, regardless of source, to consumers for consumption on the premises in a bona fide eating place as defined in Section 23038, which is located on the licensed premises or on premises owned by the licensee that are contiguous to the licensed premises and which is operated by and for the licensee. At such a bona fide public eating place, beer, wine, and brandy may be used in the preparation of food and beverages to be consumed on the premises.

(5) (A) Permit consumers to leave the premises with open containers of alcoholic beverages for consumption off the premises within an entertainment zone if all of the following conditions are satisfied:

- (i) The premises is located within the entertainment zone.
- (ii) Consumption of that type of alcoholic beverage is authorized by the ordinance creating the entertainment zone.
- (iii) Open alcohol containers only leave the premises during the hours allowed by the ordinance establishing the entertainment zone.
- (iv) Patrons with open containers exit the premises directly into an entertainment zone.
- (v) All alcoholic beverages in the entertainment zone are purchased only at a licensed premises located within the entertainment zone.
- (vi) The premises expressly prohibits open containers or closed containers of alcoholic beverages acquired outside their premises.
- (vii) Delivery of alcoholic beverages to consumers within the entertainment zone by the licensee or by any third-party delivery service is expressly prohibited unless the delivery is to a residential building or private business that is not a licensee.
- (viii) No alcoholic beverages purchased at the licensed premises may leave the premises in an open glass or metal container for consumption in an entertainment zone.
- (ix) The licensee annually submits their notice of intent to participate in an open container entertainment zone to the department.

(B) This paragraph does not require a licensee to sell any alcoholic beverage for consumption off the premises within an entertainment zone.

(C) Licensees whose privileges are restricted due to operating conditions or other statutory restrictions may be prohibited from exercising entertainment zone privileges that are contrary to their operating conditions. For purposes of this paragraph, any restrictions on the exercise of off-sale privileges shall not apply to the removal of open alcoholic beverages from the licensed premises for consumption in the entertainment zone.

(6) Produce spirits of wine and blend those spirits of wine into wine produced by the winegrower or sell those spirits of wine to an industrial alcohol dealer or any person holding a license authorizing the manufacture or rectification of distilled spirits.

(b) A winegrower may also have upon the premises all beers, wines, and brandies, regardless of source, for sale or service only to guests during private events or private functions not open to the general public. Alcoholic beverage products sold at the premises that are not produced and bottled by, or produced and packaged for, the winegrower shall be purchased by the winegrower only from a licensed wholesaler.

(c) A winegrower shall actually produce on the winegrower's licensed premises by conversion of grapes, berries, or other fruit, into wine, not less than 50 percent of all wines sold to consumers on the winegrower's licensed premises and any licensed branch premises.

(d) The department may, if it shall determine for good cause that the granting of any such privilege would be contrary to public welfare or morals,

deny the right to exercise any on-sale privilege authorized by this section in either a bona fide eating place the main entrance to which is within 200 feet of a school or church, or on the licensed winery premises, or both.

(e) Nothing in this section or in Section 23390 is intended to alter, diminish, replace, or eliminate the authority of a county, city, or city and county from exercising land use regulatory authority by law to the extent the authority may restrict, but not eliminate, privileges afforded by these sections.

SEC. 4. Section 23396 of the Business and Professions Code is amended to read:

23396. (a) Any on-sale license authorizes the sale of the alcoholic beverage specified in the license for consumption on the premises where sold. No alcoholic beverages, other than beers, may be sold or served in any bona fide public eating place for which an on-sale license has been issued unless the premises comply with the requirements prescribed in Section 23038, 23038.1, 23038.2, or 23038.3.

(b) (1) In addition to the privilege in subdivision (a), any on-sale license for a premises located in an entertainment zone authorizes the licensee to permit consumers to leave the licensed premises with open containers of alcoholic beverages for consumption off the premises within the entertainment zone if all of the following conditions are satisfied:

(A) The alcoholic beverage is specified in both the license and the ordinance creating the entertainment zone.

(B) Open alcohol containers only leave the premises during the hours allowed by the ordinance establishing the entertainment zone.

(C) Patrons with open containers exit the licensed premises directly into an entertainment zone.

(D) All alcoholic beverages in the entertainment zone are purchased only at a licensed premises located within the entertainment zone.

(E) The premises expressly prohibits open containers or closed containers of alcoholic beverages acquired outside their premises.

(F) Delivery of alcoholic beverages to consumers within the entertainment zone by the licensee or by any third-party delivery service is expressly prohibited unless the delivery is to a residential building or private business that is not a licensee.

(G) No alcoholic beverages purchased at the licensed premises may leave the premises in an open glass or metal container for consumption in an entertainment zone.

(H) The licensee annually submits their notice of intent to participate in an open container entertainment zone to the department.

(2) This subdivision does not require a licensee to sell any alcoholic beverage for consumption off the premises within an entertainment zone.

(3) Licensees whose privileges are restricted due to operating conditions or other statutory restrictions may be prohibited from exercising entertainment zone privileges that are contrary to their operating conditions. For purposes of this paragraph, any restrictions on the exercise of off-sale

privileges shall not apply to the removal of open alcoholic beverages from the licensed premises for consumption in the entertainment zone.

SEC. 5. Section 25690 of the Business and Professions Code is amended to read:

25690. A city, county, or city and county that establishes an entertainment zone shall do both of the following:

(a) Establish a process or procedure by which persons in possession of alcoholic beverages in the entertainment zone may be readily identifiable as being 21 years of age or older.

(b) Upon establishing or modifying the entertainment zone, provide all of the following to the department:

(1) A copy of the ordinance establishing or modifying the entertainment zone.

(2) Information as may be necessary to identify the boundaries of the entertainment zone.

(3) The days and hours of operation of the entertainment zone.

(4) The types of alcoholic beverages permitted within the entertainment zone.

(5) The approved nonglass and nonmetal containers in which alcoholic beverages may be authorized.

SEC. 6. Section 25691 is added to the Business and Professions Code, to read:

25691. (a) An ordinance establishing or modifying an entertainment zone shall not authorize consumption of alcoholic beverages during the hours in which sales of alcoholic beverages are prohibited under Section 25631.

(b) An ordinance establishing or modifying an entertainment zone may only authorize consumption of alcoholic beverages during the hours in which at least one licensee within the boundaries of the entertainment zone is permitted to sell alcoholic beverages for consumption on the premises.

SEC. 7. Section 25692 is added to the Business and Professions Code, to read:

25692. (a) Before enacting an ordinance to establish or modify an entertainment zone, a city, county, or city and county shall notify local law enforcement and request feedback about both of the following:

(1) Potential health and safety impacts that might be generated by the entertainment zone and strategies to mitigate those impacts.

(2) The entertainment zone's proposed boundaries, days and hours of operation, types of alcoholic beverages permitted, and approved nonglass and nonmetal containers.

(b) A city, county, or city and county that establishes an entertainment zone, or its designated subordinate officer or body, shall review the operation of the entertainment zone every two years following the adoption of the entertainment zone to ensure that the entertainment zone is being maintained in a manner that protects the health and safety of the general public. This review shall be conducted in consultation with local law enforcement

agencies and any reports produced during the review shall be made available to the department upon request.

SEC. 8. Section 3.5 of this bill incorporates amendments to Section 23358 of the Business and Professions Code proposed by both this bill and Assembly Bill 2177. That section of this bill shall only become operative if (1) both bills are enacted and become effective on or before January 1, 2025, (2) each bill amends Section 23358 of the Business and Professions Code, and (3) this bill is enacted after Assembly Bill 2177, in which case Section 3 of this bill shall not become operative.

Entertainment Zone Participation Requirements and Guidelines

Detailed requirements and guidelines for participating in an established entertainment zone.

Requirements

Effective January 1, 2025, amendments to existing law allow for a city, county, or city and county to enact an ordinance that creates entertainment zones within their local jurisdiction. An established entertainment zone authorizes consumption of one or more types of alcoholic beverages on public streets, sidewalks, or public rights-of-way located within the defined boundaries of the entertainment zone. Licensees who would like to participate in an established entertainment zone must meet the following requirements:

1. Must be either a licensed beer manufacturer (e.g., Type 01, 23, 75), a licensed winegrower (e.g., Type 02), or an on-sale licensee (e.g., Type 41, 42, 47, 48). The example license types provided are not inclusive of all license types that may be able to participate. You should contact your local ABC office if you have questions about your ability to participate in an established entertainment zone.
2. The licensed premises that will be participating must be located within the defined boundaries of the established entertainment zone. You should contact the local jurisdiction responsible for creating the entertainment zone if you have questions about the defined boundaries.
3. Licensees who would like to participate in an established entertainment zone must notify the department of their intent to do so on an annual basis. This can be done on-line via the department's Entertainment Zone Notification Tool.

Guidelines

1. Only those alcoholic beverages allowable by the license type and the ordinance establishing the entertainment zone may be provided to patrons for purposes of participating in the entertainment zone's privileges.
2. Patrons leaving the participating licensed premises with an open alcoholic beverage container must exit the premises directly into the established entertainment zone. Additionally, this may only occur during the days and hours allowed by the ordinance establishing the entertainment zone.
3. No alcoholic beverages purchased at a participating licensed premises may leave the premises in an open glass or metal container.
4. Delivery of alcoholic beverages to consumers within the entertainment zone by the participating licensee or a third-party delivery service is prohibited unless the delivery is to a residential building or private business that is not a licensee.

5. Participating licensees whose privileges are restricted due to operating conditions or other statutory restrictions may be prohibited from exercising entertainment zone privileges that are contrary to those operating conditions or statutory restrictions. For example, a licensee with an operating condition that limits sales and/or consumption of alcoholic beverages to 10:00 P.M. must still abide by this condition regardless of the time allowable by the established entertainment zone. However, any operating conditions on the exercise of off-sale privileges shall not apply to the removal of open alcoholic beverage containers from the participating licensed premises for consumption within the entertainment zone.

It is the participating licensee's responsibility to understand the privileges and restrictions associated with participating in an established entertainment zone. Any violations associated with a licensee's participation in an established entertainment zone may subject the licensee to disciplinary action. Before participating in an established entertainment zone, licensees should familiarize themselves with the following sections of the ABC Act: Business and Professions Code Sections 23095.5, 23357, 23358, 23396, 25690, 25691, and 25692. Licensees should also be fully aware of the privileges and restrictions associated with the ordinance that established the entertainment zone.