



**CITY OF SAN ANTONIO**  
**OFFICE OF THE CITY COUNCIL**  
**COUNCIL CONSIDERATION REQUEST**

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TO: Mayor & City Council

FROM: Councilman Alan E. Warrick, II, District 2

COPIES TO: Sheryl Sculley, City Manager; Leticia Vacek, City Clerk; Martha G. Sepeda, Acting City Attorney; John Peterek, Assistant to the City Manager; Christopher Callanen, Assistant to City Council

SUBJECT: Defining Cigar Bars/Lounges within Chapter 36

DATE: April 12, 2016

Issue Proposed for Consideration

I ask for your support for the inclusion of the following item on the agenda of the earliest available meeting of the Governance Committee:

I ask that staff identify best practices and approaches in other Texas cities, and across the country, in regards to the creation of a definition for cigar bars/lounges within the City's smoking ordinance. The creation of this category should not affect the general provisions of the smoking ordinance or weaken the prohibition of smoking in restaurants and bars.

Brief Background

Similar in nature to enjoying a favorite pairing of wine with a meal, many cigar smokers say that enjoying a cigar with a cocktail enhances the experience of both. San Antonio's current policy is unduly burdensome and vague for entrepreneurs wanting to create this in a public setting. Cigars are more than a great American tradition — they are a powerful contributor to the U.S. and state economy. Recent nationwide market research indicates that cigar lounges generate two billion dollars in revenue annually and employed nearly 18,000 people in 2015. In San Antonio there are numerous examples of retail tobacco stores and potential stores that are missing out on tens of thousands of dollars in revenue due to the vagueness of the current ordinance.

The intent of this CCR is to begin dialogue to amend Chapter 36 of the Local Government Code to define and regulate cigar bars/lounges which would permit the sale and use of tobacco products indoors in conjunction with the sale of beverages and food. Section 36-1 of the Local Governance Code explicitly allows for the existence of a "Cigar Bar" under the definition of a "Retail Tobacco Store", however the Code is vague and does not give sufficient notice to a potential operator of a cigar bar/lounge.

Other cities such as Dallas and New Orleans have adopted ordinances that have clearly defined cigar bars/lounges as an establishment that generates ten (10) percent or more of its total annual gross income from the on-site sale of cigars, cigar related accessories, and the rental of on premises humidors or other cigar storage units, and does not permit the smoking of cigarettes.

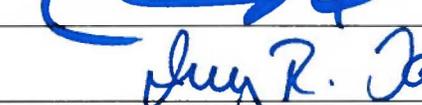
By creating this regulatory framework, the City will allow for a growing niche market of lounges, bars, and restaurants which could result in the creation of small businesses, jobs and unique culinary experiences. I acknowledge that smoking and second-hand smoke pose very serious health concerns and this CCR should in no way be construed as an attempt to "open the floodgates" on smoking in public spaces and shall not be permitted in live entertainment establishments that charge a cover more than three times per week.

Submitted for Council consideration  
by:

  
Councilman Alan E. Warrick, II, District 2

Supporting Councilmembers' Signatures (4 only)

District No.

1.	 <i>Discussion</i>	4
2.		1
3.		7
4.	July R. Taylor	Mayor

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