

Meeting Date: October 25, 2011

Agenda Item # 8-D

CITY COUNCIL AGENDA ITEM

Contact Name: William E. Reischmann, Jr., Esquire
Department: City Attorney
Contact: Phone: 407-425-9566

City Manager: Jamie Croteau

Subject: Status of regulation of internet cafes in Florida and in Orange City

BACKGROUND: The City of Orange City previously enacted a temporary moratorium prohibiting the placement and development of new internet cafes (as those business entities are known in the State of Florida) in Orange City. That moratorium has expired. But, prior to its expiration, the City Council adopted a land use regulation which limited the location of these establishments to just the heavy industrial zoning district (I-2). There have been no legal internet cafes opened in Orange City since these legislative actions were taken by the City Council.

Several current State legislators have indicated their intention to address the State and local community concerns associated with the operation of these business entities in this next legislative session. Further, other local governments have taken steps to regulate these business entities, some like Orange City with zoning regulations, others with regulations of the business' operations. For example, Seminole County recently adopted an ordinance which prohibits the use of equipment which is commonly used by these establishments to facilitate their alleged gambling operation. This has prompted litigation against Seminole County. That litigation is on-going. Preliminary rulings have been favorable to Seminole County.

RECOMMENDATIONS:

The City Attorney will present additional information and a detailed current status of State and various local regulations of internet cafes for Council's consideration.

ATTACHMENTS: NONE.

FINANCIAL IMPACT:

Reviewed by City Attorney: _____
Reviewed by Finance Dept: _____
Reviewed by: _____

1 st Discussion Date	2 nd Discussion Date:	3 rd Discussion Date:	Other Dates