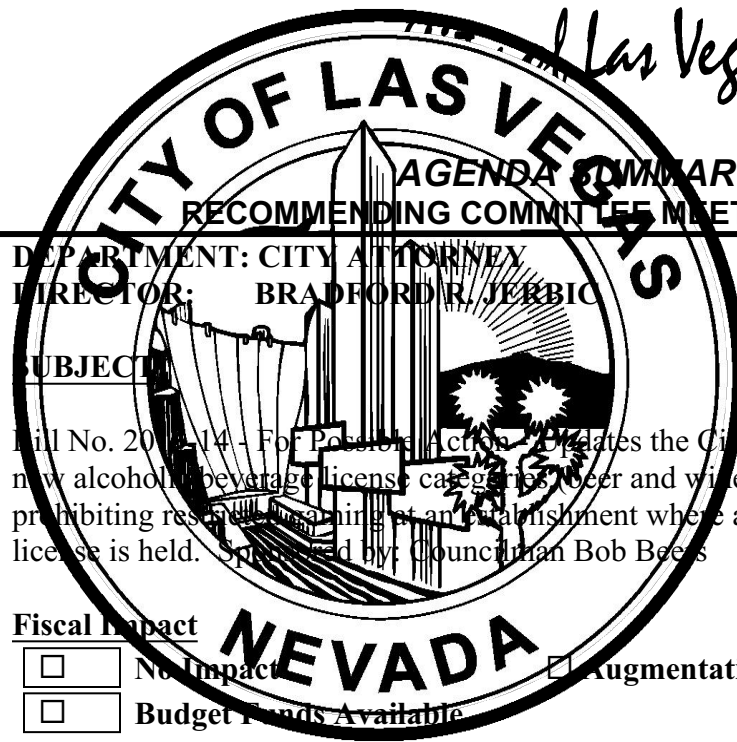




AGENDA SUMMARY PAGE
RECOMMENDING COMMITTEE MEETING OF: APRIL 2, 2013

DEPARTMENT: CITY ATTORNEY
DIRECTOR: BRADFORD R. JERBIC

☐ Consent ☒ Discussion

SUBJECT:

Bill No. 2013-14 - For Possible Action - Updates the City's licensing regulations by creating two new alcoholic beverage license categories (beer and wine room and ancillary brew pub) and prohibiting restricted gaming at an establishment where a beer and wine room alcoholic beverage license is held. Sponsored by: Councilman Bob Beers

Fiscal Impact

☐

No Impact

☐ Augmentation Required

☐

Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

This bill will create two new alcoholic beverage license categories (beer and wine room and ancillary brew pub) and prohibit restricted gaming at an establishment where a beer and wine room alcoholic beverage license is held.

RECOMMENDATION:

This bill should be submitted to a Recommending Committee for review, hearing and recommendation to the City Council for final action.

BACKUP DOCUMENTATION:

1. Bill No. 2013-14
2. Business Impact Statement
3. Submitted at Meeting - Text Amendment Submitted by Staff

Motion made by BOB BEERS to Hold in abeyance to 04/16/2013

Passed For: 3; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 0

BOB COFFIN, RICKI Y. BARLOW, BOB BEERS; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-None)

Minutes:

By way of reading the item, COUNCILMAN BARLOW declared the Public Hearing open.

KAREN DUDDLESTEN, Business Licensing Manager, submitted a text amendment addressing beer and wine rooms which are not currently accommodated by current codes. She also provided an overview of potential uses for the beer and wine rooms before discussing the proposed ancillary brew pub.

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COUNCILMAN BARLOW received clarification from MS. DUDDLESTEN that audits of the business will identify sales subject to the 1% license fee assessed to ancillary brew pubs. MS. DUDDLESTEN confirmed for COUNCILMAN COFFIN that the audit would be post facto.

MS. DUDDLESTEN stated that staff would evaluate whether the business was in compliance with state regulations and clarified that if manufacturing operations were becoming too large, the business might need to find a different manufacturing location. COUNCILMAN COFFIN questioned how sales would be measured and was told by MS. DUDDLESTEN that sales were measured by the gallons sold.

MARK LONGWITH, Banger Brewing Company, clarified some of the regulations pertaining to brew pubs and agreed with the amendments discussed by MS. DUDDLESTEN.

COUNCILMAN BEERS received clarification from MS. DUDDLESTEN that growlers are not allowed under current City Ordinances, but staff is working to amend that.

JIM WILSON, Old School Brewing Company, voiced concern with the increased fees that would be incurred by ancillary brew pubs with the one percent gross sales LICENSE FEE. He would prefer to have a fixed license fee that would be consistent with other license categories.

COUNCILMAN BARLOW had MS. DUDDLESTEN discuss why the city charges a \$75,000 origination fee to new taverns wishing to open within the City of Las Vegas, when the county charges nothing.

MS. DUDDLESTEN clarified for COUNCILMAN BARLOW that the ancillary is designed to allow new industries in while allowing businesses to add new lines of business.

AARON WELLING, Welling Orchard Brewing Company, stated that he has no interest in gaming, liquor or food because he wants to create a social environment akin to California breweries. He stated that the City of Henderson and Clark County offer more favorable incentives with lower fees and their willingness to work with business owners. He voiced concerns that the one percent semiannual license fee applies to gross sales and suggested that it only apply to wholesale transactions.

NICK FISHELLA, Lights Out dba Banger Brewing Company, also asked that the one percent license fee for ancillary brew pubs either be assessed to wholesale transactions and not gross sales, or be amended to a flat fee.

COUNCILMAN BARLOW had MS. DUDDLESTEN discuss the city's licensing fees and fee structures.

COUNCILMAN BARLOW suggested waiving origination fees, but keeping the assessment of one percent of gross sales as a license fee.

DEPUTY CITY MANAGER ORLANDO SANCHEZ stated that he would have staff conduct a comparison of other municipalities.

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COUNCILMAN BEERS summarized the three areas of concern for this proposed bill which are: (1) the deletion of the brew pub tavern license category, (2) qualifying at 49 percents of offsite sales instead of gross sales, and (3) adding language permitting the sale of growlers.

By way of reading the next item, COUNCILMAN BARLOW declared the Public Hearing closed.

