CHAPTER 5.07. ALCOHOLIC BEVERAGES

Sec. 5.07.011. Definitions.

The following words and phrases, when used in this chapter, shall have the meanings respectively ascribed to them:

Alcohol means a product of the distillation of any fermented liquor, rectified either once or more often, whatever may be the origin thereof, and includes synthetic ethyl alcohol.

Alcohol delivery support service means a service that facilitates the delivery of alcoholic beverages from a licensed alcoholic beverage establishment to a consumer. The service may utilize employees or independent contractors to transport alcoholic beverages pursuant to an order placed through a licensed establishment or through the service's own ordering platform.

Alcoholic beverage means:

(1) Beer, ale, porter, stout and other similar fermented beverages, including sake and similar products, of any name or description containing one-half of one percent (0.5%) or more alcohol by volume, brewed or produced from malt, wholly or in part, or from any substitute.

(2) Any beverage obtained by the fermentation of the natural content of fruits or other agricultural products containing sugar, of not less than one-half of one percent (0.5%) of alcohol by volume.

(3) Any distilled spirits commonly referred to as ethyl alcohol, ethanol, or spirits of wine in any form, including all dilutions and mixtures thereof from whatever process produced.

Alcoholic beverage manufacturer means an establishment where the primary business is the manufacture, production, and bottling of alcoholic liquor and spirit-based products of all kinds, including brewing, distilling, and rectifying activities. An alcoholic beverage manufacturer licensee is subject to all federal and state laws and regulations applicable to such business activities.

Beer means any beverage obtained by the alcoholic fermentation of any infusion or decoction of barley, malt, hops, or any other similar product, or any combination thereof, in water.

Brew pub means an establishment which manufactures malt beverages and sells those malt beverages at retail pursuant to the provisions of NRS Chapter 597.

Brewery means an establishment which manufactures malt beverages but does not sell those malt beverages at retail.

Change of ownership means any transaction in which all existing owners of a business transfer their ownership interests to one or more new persons, whether through an asset purchase, stock purchase, transfer of membership interests, or other method by which the business is wholly transferred to new ownership. The term does not include an internal transfer among existing owners, the addition or withdrawal of an owner, or a change in the legal entity or form through which the business is operated, provided at least one existing owner retains a direct or indirect ownership interest in the business.

City means the City of Reno.

Convicted means a finding of guilt resulting from a plea of guilty, the decision of a court or magistrate or the verdict of a jury, irrespective of the pronouncement of judgment or the suspension thereof.

Council means the City Council of the City of Reno.

Covered food establishment means a food establishment, as defined in NRS 580.050, that:

(1) Prepares and serves food on the premises for consumption on or off the premises; and

(2) Is licensed to sell at retail alcoholic beverages for consumption on the premises.

Craft distillery means an establishment which manufactures distilled spirits from agricultural raw materials through distillation and sells those distilled spirits pursuant to the provisions of NRS Chapter 597.

Distillation means the process of producing or purifying spirituous liquor by successive evaporation and condensation.

Fondle or *fondling* means touching that is intended to sexually arouse or excite; it includes, but is not limited to, rubbing, stroking, licking, or biting.

Fresh or *frozen perishable food* means those foods likely to spoil, decay, or become unsafe to consume if not kept refrigerated or frozen. Examples of foods that must be kept refrigerated for safety include, but are not limited to, fruits, vegetables, egg, meat, poultry, seafood, and dairy products. Fresh food may also include foods that have extended expiration dates, including but not limited to, fruits and vegetables not requiring refrigeration, canned food, condiments, dried meat and bakery items.

Importer means any person who, in the case of liquors which are brewed, fermented or produced outside the state, is first in possession thereof within the state after completion of the act of importation.

Instructional wine-making facility means an instructional wine-making facility operated pursuant to the provisions of NRS Chapter 597. For the purposes of this chapter:

(1) A person who operates an instructional wine-making facility is not a wine maker or a supplier, brewer, distiller, manufacturer, producer, vintner, bottler, wholesaler, wholesale dealer, retailer or retail dealer of wine.

(2) An instructional wine-making facility is not a winery or a retailer.

Licensee means any individual person to whom a license has been issued pursuant to this title.

Licensed Establishment means the business and premises at which activities authorized by an alcoholic beverage license are conducted under the authority and responsibility of the licensee.

Liquor means:

(1) Beer, wine, gin, whiskey, cordials, ethyl alcohol or rum, and every liquid containing one-half of 1 percent or more of alcohol by volume and which is used for beverage purposes.

(2) Any liquid containing beer or wine in combination with any other liquor shall not be construed to be beer or wine.

Malt beverage means beer, ale, porter, stout and other similar fermented beverages of any name or description, brewed or produced from malt, wholly or in part.

New application means an application for a change of ownership, an application for a business operating at a new location, or an application adding a new full alcohol license to an existing business. The term new application shall not apply to an application to change the location of an existing licensed business, or to obtain a supplemental license under RMC 5.07.060(g) or (i).

Nonprofit organization means an organization that is certified as a tax exempt entity pursuant to 26 U.S.C. Section 501(c), including but not limited to organizations operated for religious, charitable, scientific, literary, educational, or fraternal purposes.

Package means any immediate container of alcoholic beverage which is filled or packaged by the manufacturer or bottler for sale by the manufacturer or bottler.

Person means and includes a natural person, any form of business or social organization and any governmental entity other than the City's use of its property in a proprietary capacity.

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Premises means any and all areas that are physically connected to, accessible to and approved by the City as a part of the licensed business for the sale, service, or consumption of alcoholic beverages, including any patio or outdoor service area specifically approved as part of the licensed premises. The term does not include parking lots, drive aisles, sidewalks, or any other unenclosed areas not expressly approved by the City as part of the licensed premises. For an alcoholic beverage caterer or other licensee authorized to sell or serve alcoholic beverages at an off-site event, the premises include the area approved for the event during the period authorized by the applicable permit.

Retail sale or *sale at retail* means a sale to a consumer or to any person for any purpose other than for resale.

Retailer means any person who sells at retail any alcoholic beverage.

Sale and *to sell* means any transfer, exchange or barter in any manner or by any means whatsoever for a consideration and includes without limitation, to serve, to solicit or receive an order for, to keep or expose for sale and to keep with intent to sell and shall include delivery of any alcoholic beverage in the City. For purposes of this chapter, transportation or delivery performed solely by an alcohol delivery support service on behalf of a licensee does not constitute an independent sale by the alcohol delivery support service.

Sales clerk means any principal, employee or other agent of the business who participates in making sales, operates the cash register or is otherwise behind the counter of the business at any time during which the business is open to the public.

Sample means an amount that is only of such quantity as is necessary to provide a taste of an alcoholic beverage. A sample may not exceed one-half ounce per drink.

Security employee or *contractor* means an individual, over the age of 21, whose job responsibilities include providing security to the employees and patrons of a business. Security employees or contractors shall comply with all state mandated alcohol training per NRS Chapter 369 and must provide proof of training upon request by any enforcement official as defined in the code.

Sensitive use means public parks, public recreation centers, primary or secondary schools, residential zoning districts, and facilities licensed by the State of Nevada for alcohol or drug abuse as outlined by NRS 449.00455, as amended.

Specified anatomical areas means:

(1) Less than completely or opaquely covered: human genitals or pubic region; buttock; or female breast below a point immediately above the top of the areola; and,

(2) Human male genitals in a discernibly turgid state, even if completely or opaquely covered.

Specified sexual activities means any of the following:

(1) Intercourse, oral copulation, masturbation or sodomy; or

(2) Excretory functions as a part of or in connection with any of the activities described in (1) above.

Wholesale sale or *sale at wholesale* shall mean sale to any person for purposes of resale.

Wholesaler means a person licensed to sell alcoholic beverages as they are originally packaged to retail stores or to another licensed wholesaler, or to transfer malt beverages and wine to an estate distillery pursuant to NRS 597.230 and 597.240, respectively, but not to sell to the consumer or general public.

Wine means any alcoholic beverages obtained by the fermentation of the natural content of fruits or other agricultural products containing sugar, including fortified wines such as port, sherry, and champagne, and which does not contain more than 24% alcohol by volume.

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Sec. 5.07.020. Access to establishment without warrant.

(a) **Findings.**

(1) The City is permitted by statute to regulate the conduct of alcohol sales businesses within its corporate limits.

(2) Alcohol sales businesses are part of a closely regulated industry.

(3) Through ordinances and statutes, alcohol licensees are required to conduct their business within particular parameters and are prohibited from permitting or engaging in particular acts.

(4) The City has a substantial interest in preserving the public's health, safety and quality of life through, among other programs, the regulation of alcohol sales businesses.

(5) Inspection of commercial property on which alcohol is sold, within the bounds of this section, is a necessary component of enforcing alcohol-related ordinances and statutes.

(b) **Purpose.** The provisions hereinafter contained and enacted are in pursuance of and for the purpose of securing and promoting the public health, morals and general welfare of persons patronizing or otherwise affected by a business so as to:

(1) Ensure that a licensee is conducting an alcohol sales business within laws specifically applying to alcohol sales businesses; and

(2) Ensure that a licensee is conducting an alcohol sales business without engaging in specific prohibited acts related to alcohol sales establishments.

(c) The Director of Business Licensing, the Director of Code Enforcement, the Director of Development Services, the Fire Chief, and their respective authorized designees shall have the authority to enter with or without a search warrant and free of charge, all areas of the licensed business premises to which the public normally has access during the operation of the business. Such authority shall only be exercised within reasonable times when a business establishment is open for the transaction of business. Inspection under this subsection shall be limited to verification that persons doing business on a business premises are properly licensed and have obtained all licenses required under Title 4 and 5, and verification of the conduct of business in compliance with the Reno Municipal Code. Inspection under this subsection shall be limited to a reasonable length of time on the premises necessary to accomplish the goals of the inspection. These limitations shall not be construed to prohibit action based upon any other constitutionally recognized exception to the warrant requirement.

(d) Refusal to allow entry pursuant to this subsection shall constitute grounds for suspension or revocation of a license as described in RMC 5.05.007.

Sec. 5.07.030. Posting of business premises.

(a) In the case of a license application to sell alcoholic beverages at any premises not currently operating as an alcoholic beverage business, the Business Licensing Department shall post notice of application for any alcohol license (excluding special event and special activity) on the proposed licensed premises upon the submission of a properly completed application for a license.

(1) The notice shall be prominently displayed and observable by persons in the public right-of-way outside of the premises.

(2) The notice shall identify the type of alcohol license for which application is made.

(b) The applicant may remove the posting upon receiving the pertinent alcohol license.

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Sec. 5.07.040. License required.

(a) General requirement. No person may engage in, conduct, operate, manage, or permit the operation of any activity involving the manufacture, distribution, sale, service, or provision of alcoholic beverages within the City without first obtaining the appropriate alcoholic beverage license issued pursuant to this chapter.

(b) Separate license for each business activity. A separate alcoholic beverage license is required for each type of business activity authorized under this chapter. A person engaging in more than one type of activity shall obtain each applicable license.

(c) Separate license for each location. A separate alcoholic beverage license is required for each fixed place of business or other location where licensed activity occurs, unless expressly exempted by this chapter.

(d) No implied authority. Issuance of any alcoholic beverage license authorizes only the specific activities described in that license and does not permit any other activity regulated under this chapter or any other provision of the Reno Municipal Code.

(e) Conformance with state law. All licensed activities must comply with applicable provisions of Nevada Revised Statutes, and nothing in this chapter shall be construed to authorize any activity prohibited under state law.

(f) Unlawful activity. Any sale, service, manufacture, distribution, or other handling of alcoholic beverages conducted without a valid license or conducted in a manner inconsistent with the scope of a license issued under this chapter shall constitute a violation subject to enforcement and penalties as provided in this title.

(g) Conversion of license. A licensee may apply to convert an on-premises or package license between the wine and beer and full alcohol classifications. Council approval is not required unless the conversion involves a change of ownership, change of location, or other modification requiring Council review under this chapter. A conversion remains subject to all applicable background investigation requirements.

Sec. 5.07.050. Individuals licensed only.

Each license provided for in this article may only be issued to an individual person, it being the intention of the City Council to hold the individual, as the licensee, personally responsible for the orderly conduct of the business. If the applicant is not the sole owner of the business to be conducted on the premises for which the license is sought, or the owner(s), officer(s), manager(s), or director(s) wish to appoint an individual to be licensed, the application must be accompanied by a sworn statement from an owner, officer, manager, or director of the business appointing the applicant as the individual to be licensed, authorizing him/her to apply for the license and to conduct the business. The Business Licensing Department reserves the right to require any and all owners, officers, managers, or directors to submit application materials.

Sec. 5.07.060. Alcohol license types.

The following alcoholic beverage licenses may be issued under this chapter. Each license authorizes only the activities expressly described for that license and remains subject to RMC 5.07.040 and all other applicable provisions of this chapter:

(a) Alcoholic beverage manufacturer’s license.

(1) The holder of an alcoholic beverage manufacturer's license is authorized to manufacture and bottle any alcoholic beverage and to sell the manufactured or bottled product to other persons for resale only.

(2) The licensee may hold additional alcoholic beverage licenses that enable the sale of alcoholic beverages not manufactured by the establishment if to do so does not conflict with State law.

(b) Alcoholic beverage manufacturer’s package license.

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(1) The holder of an alcoholic beverage manufacturer's license is authorized to sell package alcoholic beverages produced onsite at retail in original sealed or corked containers only, and for consumption off the premises.

(c) Alcoholic beverage caterer's license.

(1) The holder of an alcoholic beverage caterer's license is authorized to sell all alcoholic beverages for consumption on the premises of a permitted special event, special activity, or private event; however, alcoholic beverages may not be dispensed from a mobile food vending vehicle/unit as defined in RMC Chapter 4.05 unless the vendor is included as part of a permitted special event, permitted special activity, or private event.

(2) Caterers whose principal place of business is outside the City shall still be required to obtain an alcoholic beverage caterer's license if doing business within the City.

(3) At such events, the licensee shall comply with all ordinances and provisions of the Code pertaining to the conduct of on-premises sales and violation of any such provisions may be grounds for suspension or revocation of the alcohol caterer's license.

(d) Cabaret license.

(1) The holder of a cabaret license is authorized to permit any singing, dancing, floor show or other live entertainment, as defined in NRS 368A.090 as amended, to be conducted or carried on the license premises.

(2) Prior to the issuance of a cabaret license, a security plan shall be submitted and approved by the Zoning Administrator, Business Licensing Department, Code Enforcement Department, and Reno Police Department. At a minimum, the security plan shall address:

a. Security staffing and procedures;

b. Queuing of patrons;

c. Safety protocols;

d. Exterior lighting; and

e. Procedures to prevent loitering outside of the business.

f. The business proprietor shall continuously maintain and enforce the security plan for the life of the license. At the discretion of the Zoning Administrator, Business Licensing Department, Code Enforcement Department, and Reno Police Department, a new security plan and/or amendments may be required.

g. Failure to comply with an approved security plan shall constitute a violation of this code and may result in revocation of the cabaret license and loss of authorization to operate with live entertainment, in addition to any other enforcement actions available under this Title.

(3) It shall be unlawful for any person to permit live adult entertainment to be conducted or carried on in any establishment wherein said live adult entertainment involves the exposure of specified anatomical areas, whether or not alcoholic beverages are sold, without first obtaining an adult interactive cabaret license.

(e) Nonprofit organization alcoholic beverage licenses.

(1) Full alcohol.

a. The holder of a full alcohol nonprofit organization license is authorized to sell all alcoholic beverages, only for consumption on the premises where sold.

(2) Wine and beer.

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a. The holder of a wine and beer nonprofit organization license is authorized to sell wine and beer, only for consumption on the premises where sold.

(f) On-premises alcoholic beverage licenses.

(1) Full alcohol.

a. The holder of a full alcohol on-premises license is authorized to sell all alcoholic beverages, only for consumption on the premises where sold.

b. All new applications for full alcohol on-premises licenses shall be subject to an application fee that is equal to two times the annual cost of the full alcohol on-premises license fee. This application fee will cover the cost of up to two licensee background checks and all other applicable reviews and inspections required for a full alcohol on-premises license. Additional required background checks will incur the background check fee per the fee schedule at the time of application.

(2) Wine and beer.

a. A wine and beer on-premises license shall entitle the holder to sell wine and beer, only for consumption on the premises where sold.

(3) Exception for unfinished bottles of wine. Notwithstanding subsections (f)(1) and (f)(2), and to the extent permitted by state law, the holder of an on-premises alcoholic beverage license may permit a customer who purchased a bottle of wine for consumption on the licensed premises to remove the partially consumed bottle from the premises. Before removal, the licensee shall ensure that the bottle is securely recorked or recapped and sealed with a tamper-evident seal.

(g) On-premises alcoholic beverage to-go and delivery license.

(1) A licensee operating a covered food establishment under an on-premises alcoholic beverage license may obtain an on-premises alcoholic beverage to-go and delivery license authorizing the establishment to sell alcoholic beverages to-go and to deliver alcoholic beverages in accordance with RMC 5.07.080.

(2) Delivery may be performed by the licensee or by an alcohol delivery support service acting on behalf of the licensee. An alcohol delivery support service acting solely on behalf of the licensee is not required to obtain an alcoholic beverage license under this chapter and is not independently authorized to sell alcoholic beverages.

(3) An on-premises alcoholic beverage to-go and delivery license is supplemental to the licensee's underlying on-premises alcoholic beverage license and is not valid independently of that license.

(h) Package alcoholic beverage licenses.

(1) Full alcohol.

a. The holder of a full alcohol package license is authorized to sell all alcoholic beverages at retail, in original sealed or corked containers only, and for consumption off the premises where the same are sold or provided free of charge.

b. All new applications for full alcohol package licenses shall be subject to an application fee that is equal to two times the annual cost of the full alcohol package license fee. This application fee will cover the cost of up to two licensee background checks and all other applicable reviews and inspections required for a full alcohol package license. Additional required background checks will incur the background check fee per the fee schedule at the time of application.

(2) Wine and beer.

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a. The holder of a wine and beer package license is authorized to sell wine and beer at retail, in original sealed or corked containers only, and for consumption off the premises where the same are sold or provided free of charge.

(i) Package alcoholic beverage delivery license.

(1) The holder of a package alcoholic beverage license may obtain a package alcoholic beverage delivery license authorizing the delivery of alcoholic beverages sold by the licensed establishment in accordance with RMC 5.07.070.

(2) Delivery may be performed by the licensee or by an alcohol delivery support service acting on behalf of the licensee. An alcohol delivery support service acting solely on behalf of the licensee is not required to obtain an alcoholic beverage license under this chapter and is not independently authorized to sell alcoholic beverages.

(3) A package alcoholic beverage delivery license is supplemental to the licensee's underlying package alcoholic beverage license and is not valid independently of that license.

(j) Wholesale alcoholic beverage licenses.

(1) Full alcohol.

a. The holder of a full alcohol wholesale license is authorized to sell all alcohol at wholesale.

b. Any person or business whose principal place of business is located outside the City and who engages in the wholesale delivery of alcohol into the City shall be required to obtain a City-issued full alcohol wholesale license prior to conducting any such deliveries. This requirement applies regardless of whether the person or business holds a Nevada State Liquor License under NRS Chapter 369.

(2) Wine and beer.

a. The holder of a wine and beer wholesale license is authorized to sell wine and beer at wholesale.

b. Any person or business whose principal place of business is located outside the City and who engages in the wholesale delivery of wine and beer into the City shall be required to obtain a City-issued wine and beer wholesale license prior to conducting any such deliveries. This requirement applies regardless of whether the person or business holds a Nevada State Liquor License under NRS Chapter 369.

Sec. 5.07.070. Package alcoholic beverage delivery.

Subject to NRS 369.489 and any such regulations as the Nevada Department of Taxation may prescribe, the holder of a package alcoholic beverage delivery license issued pursuant to RMC 5.07.060(i), or an alcohol delivery support service acting on behalf of the licensee, may deliver alcoholic beverages sold by the licensee in their original packages to a consumer in the City.

(a) A holder of a package alcoholic beverage delivery license or an alcohol delivery support service acting on behalf of a holder of a package alcoholic beverage delivery license shall not deliver an alcoholic beverage to:

(1) Any location licensed for the retail sale of alcoholic beverages;

(2) Any school property or any place wherein a school is conducted; or

(3) Any location that does not have a permanent address that includes a street name and number.

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Sec. 5.07.080. On-premises alcoholic beverage to-go sales and delivery.

Subject to NRS 369.4891 and any such regulations as the Nevada Department of Taxation may prescribe, a licensee operating a covered food establishment under an on-premises alcoholic beverage to-go and delivery license issued pursuant to RMC 5.07.060(g) may:

(a) Sell an alcoholic beverage in a container sealed by the licensee for consumption off the premises; and

(b) Deliver an alcoholic beverage sold by the licensee in a container sealed by the licensee to a consumer in the City. Delivery may be performed by the licensee, an employee of the licensed establishment, or by an alcohol delivery support service acting on behalf of the licensee.

(c) The licensee or an alcohol delivery support service acting on behalf of the licensee shall not deliver an alcoholic beverage to:

(1) Any location licensed for the retail sale of alcoholic beverages;

(2) Any school property or any place wherein a school is conducted; or

(3) Any location that does not have a permanent address that includes a street name and number.

Sec. 5.07.090. Complimentary alcoholic beverage permit.

(a) The holder of a complimentary alcoholic beverage permit is authorized to provide alcoholic beverages at no charge to clients or patrons when offered solely as an incidental amenity to a primary non-alcohol-related service, subject to the following conditions:

(1) The cost of any goods or services may not vary based on whether a patron accepts a complimentary alcoholic beverage, and the beverage must be provided without charge.

(2) Alcohol service must remain subordinate to the principal business activity and may not constitute a primary use of the premises.

(3) The business may not be arranged, furnished, or operated in a manner that suggests an alcohol sales establishment, and alcoholic beverages shall not be displayed as if they are available for purchase.

(4) The business shall not advertise, explicitly or implicitly, that it operates as a bar or that alcoholic beverages are offered as a draw or promotional feature.

(5) Complimentary alcoholic beverages must be consumed on the premises and may not be removed, purchased, or otherwise transferred for off-site consumption.

(6) The provision of complimentary alcoholic beverages shall comply with all applicable ordinances, laws, and regulations governing the possession, service, and consumption of alcohol.

(b) Approval of this permit is administrative and does not require Council action.

(c) The Business Licensing Department may deny an application for a complimentary alcoholic beverage permit if it determines that issuance of the permit would be inconsistent with the protection of public health, safety, or welfare; if the primary business activity is not suitable for the service of alcoholic beverages; or if the applicant has a history of noncompliance with this chapter or other applicable laws and regulations. Nothing in this section shall be construed to require approval of a permit solely because the application is otherwise complete.

Sec. 5.07.100. Nevada State Liquor License requirements and approval.

Any person engaged in business described in NRS Chapter 369 as an importer/wholesaler or manufacturer of beer, wine and liquors, winemakers, instructional wine-making facilities, breweries, brew pubs, and craft distilleries must obtain a Nevada State Liquor License to engage in these activities involving intoxicating liquor. Application

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approval for licenses relating to intoxicating liquor must be made to the governing body of the incorporated city where the applicant's business is physically located.

In addition to the limitations imposed by NRS Chapter 597, it shall be unlawful for any person(s) to conduct business as an importer/wholesaler of intoxicating liquors, and/or conduct business as a brew pub, brewery, craft distillery, instructional wine facility, rectifier, or winemaker in the City without first obtaining City Council approval of the application for a Nevada Department of Taxation state liquor license ("state license") and the appropriate alcoholic beverage license from the City.

(a) If the applicant maintains his or her principal place of business within the corporate boundaries of the City, a state license application must be submitted in accordance with NRS 369.190 as amended.

(b) Upon receipt of a complete state license application, and all applicable fees, the business license department shall place the state license application on a Council agenda for consideration. The Council shall examine the state license application to determine if there is satisfactory evidence that the applicant is a person of good moral character, not acting in violation of NRS 369.180, and not applying for a license for a business in which the applicant is prohibited from engaging pursuant to NRS 369.382.

(1) In determining whether satisfactory evidence exists that an applicant is a person of good moral character, the Council may consider background investigations, suitability determinations, licensing history, or regulatory findings completed by other governmental jurisdictions or regulatory agencies, including state, federal, or local licensing bodies, when such information is relevant and sufficiently reliable. The Council may rely on these findings in whole or in part in lieu of requiring duplicative background investigations, provided the prior review is comparable in scope to the requirements of this chapter and was completed within the three months immediately preceding the application. External background investigations older than three months may be considered as supplemental information in evaluating an applicant's suitability or confirming good moral character, and the Council may rely on such information, together with any other relevant and reliable evidence, in making its determination.

(c) The Council shall approve or disapprove the state license application. If the state license application is disapproved by the Council, the City license department shall notify the applicant in writing. If the Council approves the state license application, the City license department shall forward it through the applicant to the Nevada Department of Taxation, together with the Council's written approval. The appropriate City licenses shall not be issued unless the Nevada Department of Taxation first issues the state liquor license.

(d) The Council may disapprove an application for any of the reasons listed in the intoxicating liquor provisions of this chapter or if it determines the applicant is not a suitable person for approval of such a license in accordance with the criteria in this chapter.

(e) Procedures for enforcement actions against any of the licenses described in this section are detailed in NRS Chapter 369.

(f) The City Manager, or designee, may administratively approve a request for local approval of a proposed amendment to a Nevada Department of Taxation-approved state liquor license, provided the amendment does not involve any change requiring a new suitability determination pursuant to NRS 369.190. Local approval under this subsection does not eliminate the requirement for a City application or Council review when such review is otherwise necessary under this chapter. Administrative amendments are subject to approval by the Nevada Department of Taxation.

Sec. 5.07.110. Prohibited activities.

(a) It shall be unlawful for any licensee to display, present, or offer for purposes of amusement or entertainment, or allow to be displayed, presented, or offered for purposes of amusement or entertainment upon the premises of any licensed establishment, any floor show, act or presentation which is lewd, indecent or obscene.

(b) Except as provided in NRS 202.030, it shall be unlawful for any licensee, under the provisions of this chapter, to knowingly allow or permit any person under the age of 21 years to remain on the premises where alcoholic beverages are sold by the drink for consumption. This subsection does not apply to:

(1) An area where meals are regularly served at tables or booths separate from a bar;

(2) An establishment where alcoholic beverages are sold only in original sealed or corked containers for consumption off the premises;

(3) A person performing employment duties authorized by subsection (c).

(c) Except as otherwise authorized by law, it shall be unlawful for a licensee or permittee to employ or permit a person under 21 years of age to sell, serve, dispense, open, or mix alcoholic beverages. The following exceptions apply:

(1) A person who is at least 18 years of age may sell alcoholic beverages in original sealed or corked containers for consumption off the premises while under the direct supervision of the licensee or an employee who is at least 21 years of age.

(2) A person who is at least 16 years of age may place unopened containers of alcoholic beverages in coolers, storage areas, or displays while under the direct supervision of the licensee or an employee who is at least 21 years of age.

(3) For purposes of this subsection, "direct supervision" means that the licensee or supervising employee is present on the licensed premises while the activity is performed.

Sec. 5.07.120. Council action on alcoholic beverage applications.

(a) This section applies to every application requiring Council approval under this chapter including, but not limited to, an application for a new license, any change of ownership, change of physical location, or other amendment to a license that requires Council approval under this chapter.

(b) The Council may approve, approve with conditions, deny, continue, remand for further review, or take such other action with respect to an application subject to this section. However, where an application has received approval from all relevant City departments and complies with applicable zoning and other legal requirements, the Council may deny the application or impose conditions only upon findings, based on substantial evidence in the record, that granting the license would result in specific, identifiable adverse impacts that cannot be adequately mitigated through reasonable conditions of approval.

(c) In considering whether to approve, approve with conditions, or deny an application subject to this section, the Council shall base its decision on the criteria set forth in this subsection and substantial evidence in the record. In evaluating a proposed operation, the Council may consider reasonably anticipated effects but shall not rely on speculation or generalized concerns. Relevant criteria may include, without limitation:

(1) The background and past business practices of the applicant(s);

(2) The proposed operational plan;

(3) The suitability of the proposed location and premises;

(4) The potential adverse effects of the proposed operation on sensitive uses, residential uses, or surrounding properties;

(5) Public safety concerns and impacts on City services;

(6) Parking, traffic circulation, and compatibility with the surrounding area;

(7) The type and degree of security if proposed or required;

(8) Consistency with adopted City plans or policies; and

(9) Any legal basis that is not arbitrary and capricious.

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(d) Additional locational standards and approval criteria for land uses requesting package alcoholic beverage licenses are set forth in Title 18. Compliance with Title 18 does not preclude the Council from imposing additional reasonable conditions or restrictions supported by substantial evidence in the record and consistent with this section.

(e) Nothing in this section shall be construed to invalidate any license existing on September 14, 1963, or to prevent the continued sale of alcoholic beverages by the holder of such license or a successor in interest at the location specified in the license.

Sec. 5.07.130. Downtown Safe Scape Area and Buffer Area standards.

PURPOSE

The purpose of this section is to: (i) safeguard property and promote public health, safety and welfare in and around the businesses; (ii) prevent crime, illegitimate behavior and nuisance behavior in and around the businesses; (iii) protect the City's investment in the redevelopment of the downtown areas, (iv) maintain and revitalize downtown property values; (v) preserve and improve the quality of the City's downtown neighborhoods and commercial districts; and (vi) preserve and improve the quality of urban life.

(a) **Applicability.** This section applies only to businesses licensed to sell accessory package alcoholic beverages within the following areas: (i) Downtown Safe Scape Area and Downtown Safe Scape Buffer Area, as depicted in Figure 1 (Downtown Safe Scape Area and Downtown Safe Scape Buffer Area Map), and (ii) East 4th Street Corridor Safe Scape Buffer Area as depicted in Figure 2 (East 4th Street Corridor Safe Scape Buffer Area Map). The border in Figure 1 shall be measured to the centerline of the identified streets. The Buffer Areas depicted in Figure 1 and Figure 2 shall measure 1,000 feet outward from the Downtown Safe Scape Area and the East 4th Street, respectively. The following exceptions apply:

(1) Package alcoholic beverage sales as an accessory use meeting the following criteria:

a. Businesses having not more than 2,500 square feet of distinct floor space utilized for the sale of package alcoholic beverages which are located within, and accessory to, a primary business with a minimum of 20,000 additional square feet of floor space, if such distinct and accessory business is located entirely within the primary business and has neither an outdoor storefront nor a door leading immediately to the outdoors; or,

b. Businesses which hold a valid on-premises alcoholic beverage license, where the sale of package alcoholic beverages is accessory to and located within the primary business; or,

c. Grocery stores as defined in RMC 5.07.140(b).

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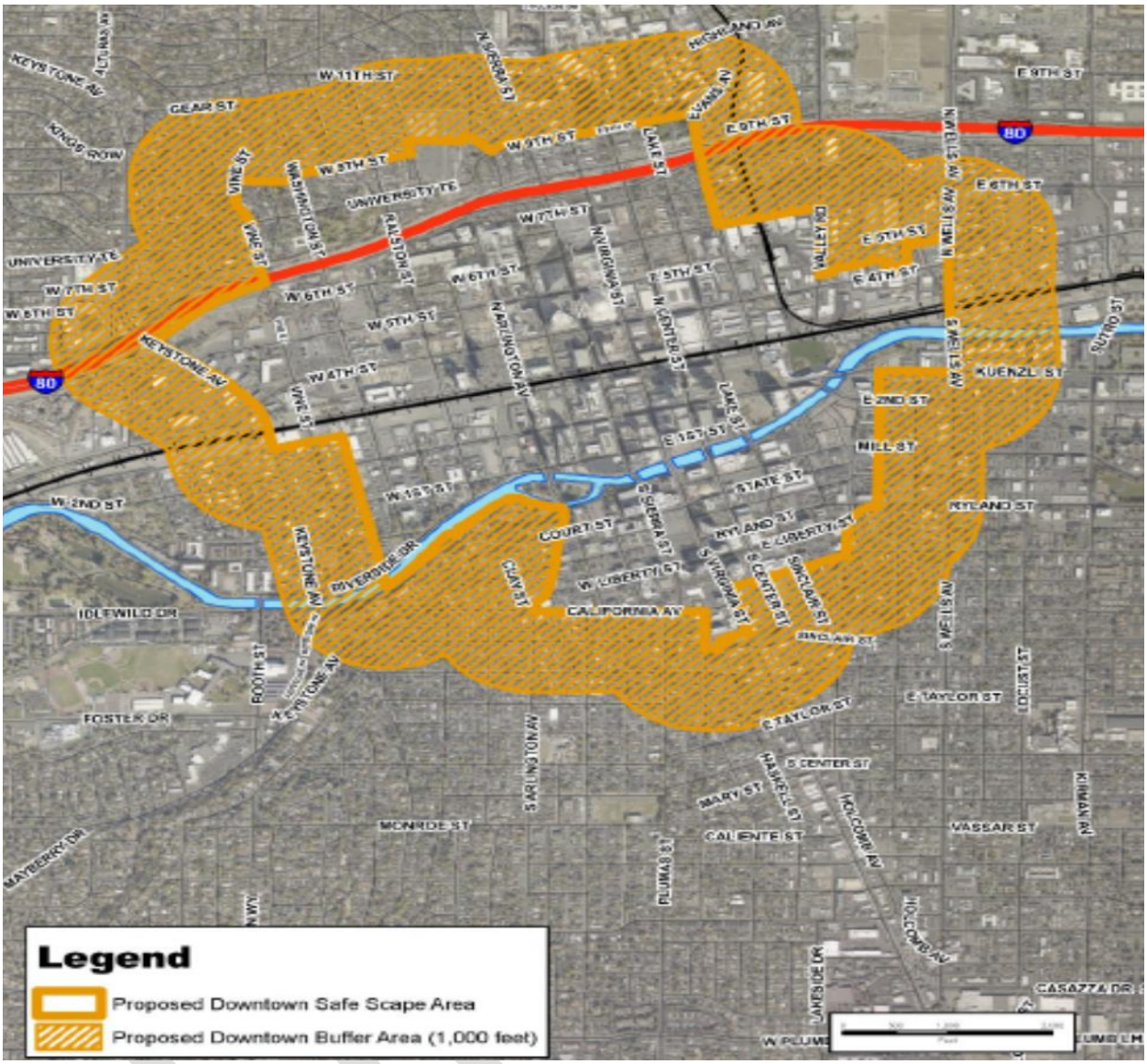

Legend
Proposed Downtown Safe Scape Area
Proposed Downtown Buffer Area (1,000 feet)
W 11TH ST
GEAR ST
KINGS ROW
W 9TH ST
E 9TH ST
E 6TH ST
E 5TH ST
E 4TH ST
W 7TH ST
W 6TH ST
W 5TH ST
W 4TH ST
E 2ND ST
KUENZL ST
MILL ST
STATE ST
KYLAND ST
W 2ND ST
COURT ST
W LIBERTY ST
E LIBERTY ST
CALIFORNIA AV
IDLEWILD DR
FOSTER DR
E TAYLOR ST
MONROE ST
CALIENTE ST
VASSAR ST
MAYBERRY DR
CASA ZIA DR
VINE ST
WASHINGTON ST
RALSTON ST
UNIVERSITY TE
KEYSTONE AV
RIVERSIDE DR
BOOTH ST
ARLINGTON AV
LAKE ST
VIRGINIA ST
E CENTER ST
S CENTER ST
MARY ST
HARRELL ST
HOLCOMB AV
KIMAN AV
PLUMB ST
LAKESIDE DR
W PLUME
80

Figure 1

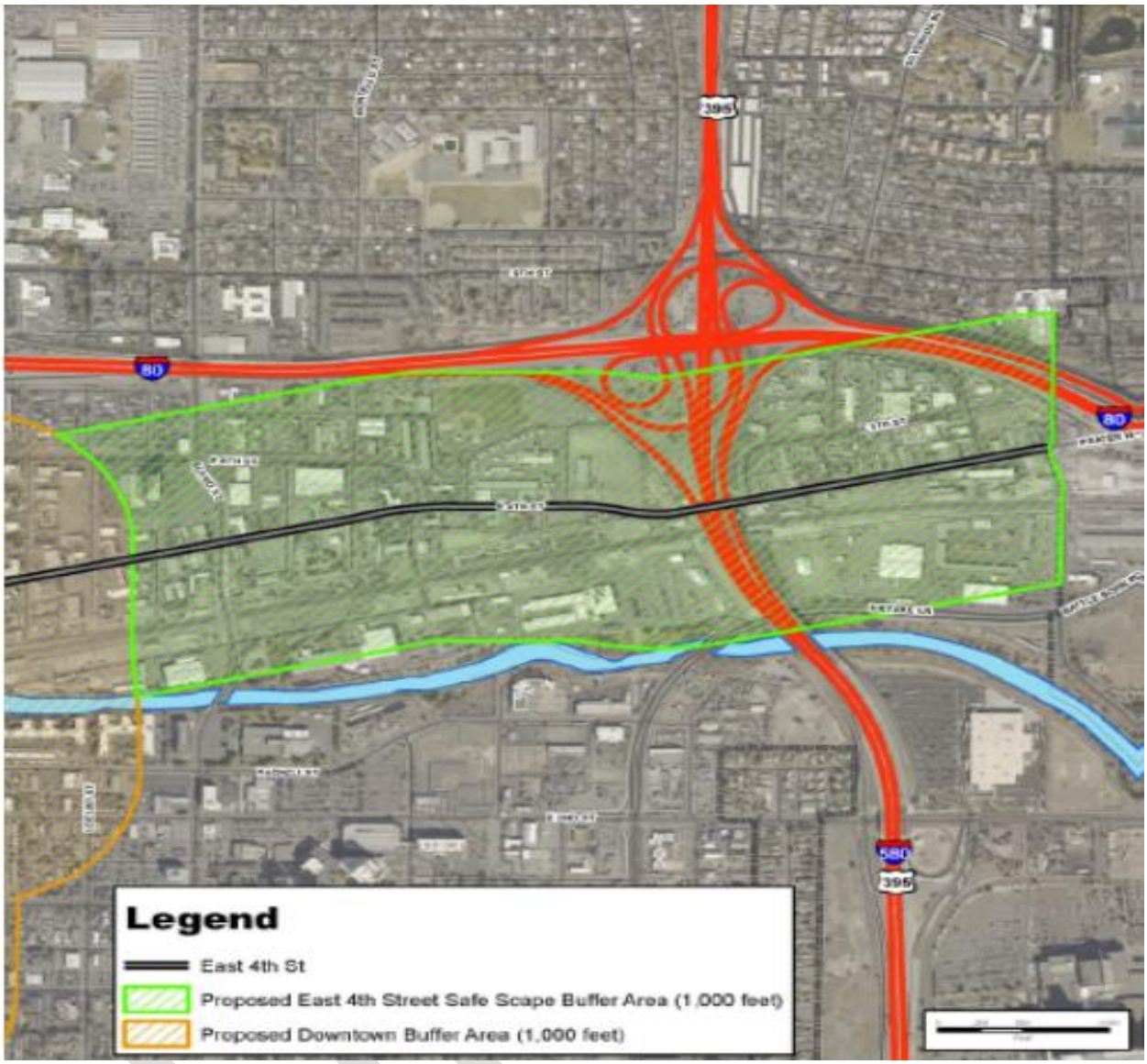


Figure 2

(b) **Operating Hours and Conditions.**

(1) Hours of Operation. A business subject to this chapter shall operate during the hours allowed per the designated zoning regulations and requirements unless otherwise conditioned.

(2) Height Marker. A height marker shall be placed at each exit to enable witnesses to a crime to estimate the height of the perpetrator.

(3) Storage. Outdoor storage of merchandise, boxes and other materials is prohibited.

(c) **Products offered for sale.**

(1) Fresh or frozen perishable foods. At least 10% of the retail floor space must be dedicated to fresh or frozen perishable foods. Accessory uses, as defined in Title 18, are exempt from providing a minimum area designated to fresh or frozen perishable foods if the use is accessory to a hotel with non-restricted gaming use, food processing facility, restaurant with alcohol service, bar, or pharmacy.

(2) The sale or distribution of the following shall be prohibited:

a. Wine in containers of less than 750 milliliters.

b. Beer, malt liquor, wine coolers, and similar alcoholic beverages in containers of less than 20 ounces not in original factory packages of four-packs or greater.

c. Distilled spirits in containers of less than 375 milliliters.

d. Paper or plastic cups in quantities less than their usual customary packaging.

(3) Businesses located in the Downtown Safe Scape Buffer Area shall comply with the provisions of RMC 5.07.130(c)(2) above between the hours of 8:00 a.m. and 5:00 p.m.

(d) **Surveillance.**

(1) Entry Detectors. A detector shall be placed at each entrance of the business open to the public to alert the sales clerk, other store personnel and customers of the entrance or exit of any customer or other person.

(2) ATMs and Vending Machines. All automated teller machines and vending machines shall be located inside the building, mounted securely to the floor and/or wall, located so as not to block required views of the cashier, within direct line of sight of the cashier, and not less than ten feet from the edge of any entrance or exit.

(e) **Video Surveillance Cameras.**

(1) Each business shall have video surveillance cameras that allow sales clerks or other employees to monitor interior and exterior activities. These cameras shall be recording at all times during which the business is open to the public. The data collected by the cameras shall be stored for at least 24 hours.

(2) Each business shall have a minimum of one sign in a conspicuous location stating that the premises is under active video surveillance.

(f) **Visibility.**

(1) The total area of opaque objects, including but not limited to items such as signs, displays, coolers, merchandise, automatic teller machines, and calling card vending machines, which are located on or within three horizontal feet of the window shall not exceed 25% of the area of any window or door glass. The City Manager, or designee, may allow a deviation from this requirement for existing buildings where structural, mechanical, or design constraints make compliance impracticable, provided visibility into the premises is maintained to the maximum extent feasible and the deviation does not compromise public safety.

(2) Existing glass coverage on the storefront (including glass doors and windows) and other exterior glass coverage adjacent to and generally parallel to a public street or other public right-of-way shall not be reduced or eliminated.

(g) **Window and Facade Security.**

(1) Metal security bars or grates on windows, when used on a side of a building facing a public right-of-way, shall be installed on the interior side of the window to maintain the visual character of the streetscape. The City Manager, or designee, may allow exterior placement when necessary to protect the premises due to repeated vandalism, structural or design constraints, or other conditions that make interior placement impracticable.

(2) The style and shape of windows must be consistent with the design of the facade, and with any design guidelines adopted by the City for the area in which the business is located.

(h) **Door Security.**

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(1) Metal accordion grate or grill-type doors, when located on the wall of a building facing a public right-of-way when such a building is subject to this section, shall be installed on the interior side of the building to maintain the visual character of the streetscape. The City Manager, or designee, may allow exterior placement when necessary due to repeated vandalism, structural or design constraints, or other conditions that make interior placement impracticable.

(2) Metal accordion grate or grill-type doors shall be equipped with metal guide tracks at top and bottom and secured with a cylinder lock or padlock. The bottom track shall be so designed that the door cannot be lifted from the track when the door is in a locked position.

(i) **Outdoor Merchandise.**

(1) Outdoor merchandise and outdoor displays and racks shall not be permitted between the front facade of the main building and the adjacent right-of-way.

(j) **Compliance Review.**

(1) Review Process. When a business subject to this chapter seeks a new license or renewal of an existing license, the City may conduct a review of the business for compliance with this section. The City may enter upon and review each business for compliance with the provisions (including all guidelines) of this section. This section does not preclude the City's ability to conduct unscheduled compliance checks related to this chapter.

(2) Annual Review. Upon renewal of the annual or quarterly business license affiliated with the package alcoholic beverage license, the Council may review the operational and compliance history of the business and may approve, deny, or condition the renewal as it considers appropriate. Conditions may include, but are not limited to, requiring a security employee or contractor during specified hours and/or modifying hours of operation.

(3) Noncompliance. If a business is in noncompliance with the provisions of this section, it may serve as grounds for suspension or revocation of the business's license for the sale of package alcoholic beverages pursuant to RMC 4.04.190, with the following additional provisions:

a. A business shall comply with the provisions of this section in order to receive a renewed business license for the sale of package alcoholic beverages.

b. Two violations of RMC 5.07.130(c) within any 12-month period shall result in a mandatory 30-day suspension of the license for the sale of package alcoholic beverages.

c. Three violations of RMC 5.07.130(c) within any 12-month period shall result in a mandatory revocation of the license for the sale of package alcoholic beverages.

d. Any business license suspension or revocation under this chapter shall be subject to the appeal process provided in RMC Chapter 4.04.

e. If a business seeks renewal of an existing license but is denied renewal for failure to comply with the provisions of this section, then so long as the business voluntarily ceases selling package alcoholic beverages, it shall have six months to comply with the provisions of this section. If the business fails to comply with the provisions of this section within six months from the date it voluntarily ceases to sell package alcoholic beverages, such failure shall result in the mandatory revocation of the license for the sale of package alcoholic beverages.

(k) **Other Penalties.**

(1) Any person operating, maintaining, or using any premises that is subject to this section or who causes the same to be done in violation of this section shall be guilty of a misdemeanor and shall be punished as provided in Title 1 of the RMC. This provision is in addition to any other remedy allowed by law.

(l) **Nuisances.**

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(1) Any premises subject to this article that is operated, maintained, or used contrary to the provisions of this article is declared to be unlawful and a nuisance. The City has cause to commence action or proceedings to seek remedy in the manner prescribed by law. The City shall take such steps and apply to such courts for relief to abate such nuisance, and restrain and enjoin any person, firm, or corporation operating, maintaining, or using any such premises contrary to the provisions of this article.

Sec. 5.07.140. Maximum number of full alcohol package licenses in Downtown Safe Scape Area; exceptions.

(a) As of January 12, 2022, the City establishes 18 as the maximum number of full alcohol package licenses in the Downtown Safe Scape Area (See Figure 1).

(b) **Exception:** Notwithstanding subparagraph (a) above, so long as the applicant satisfies all other applicable sections of the Code and complies with requirements and conditions set forth in Reno Municipal Code, a grocery store as defined below may apply for and receive a full alcohol package license even if the business is located within the Downtown Safe Scape Area.

(1) For the purposes of this chapter, grocery store means a retail establishment primarily engaged in the sale of a full range of food products and household goods for off-premises consumption, including fresh produce, meat, seafood, dairy products, baked goods, frozen foods, packaged foods, beverages, and other grocery items. Grocery stores are intended to serve routine household shopping needs by offering a broad selection of staple food products and may include accessory uses such as a bakery, deli, pharmacy, floral department, or café. A grocery store is distinguished from a convenience store by offering a substantially wider variety and quantity of food products, including fresh and perishable items, and by providing a full-service shopping experience rather than a limited selection of convenience items. The establishment must routinely stock and offer for sale a broad selection of staple food products, with at least 95% of retail floor space dedicated to food products.

(2) The business must not be primarily a convenience store, specialty food store, or limited selection retailer.

(3) The applicant must submit documentation demonstrating compliance with the above criteria, including inventory lists, and floor plans, as part of the license application process. The licensee shall maintain compliance throughout the term of the license. Failure to comply may result in suspension or revocation of the license.

(4) The Council retains discretion to approve, approve with conditions, or deny any application for a package alcoholic beverage license under this exception. If an applicant does not strictly satisfy every criterion listed in paragraph (1), the council may nevertheless approve the application if it finds that the business substantially fulfills the purpose and objectives of the grocery store exception, provides a full-service shopping experience for routine household needs, and is not primarily a convenience store, specialty food store, or limited selection retailer. Any denial or conditional approval shall be based on relevant criteria, including any legal basis that is not arbitrary and capricious.

Sec. 5.07.150. Maximum number of full alcohol package licenses in the Wells Avenue Neighborhood Planning Area Overlay District; exceptions.

(a) As of January 12, 2022, the City establishes six as the maximum number of full alcohol package licenses in the Wells Avenue Neighborhood Planning ("WANP") Area Overlay District, as defined in RMC 18.02.603(g), as amended.

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Sec. 5.07.160. Inactive licenses.

(a) A licensee may cease operations at the licensed establishment for up to 90 consecutive days without administrative approval. Unless an extension is granted under this section, the license becomes void and invalid at the end of the 90th consecutive day after operations cease. This subsection does not apply to the period immediately following the initial issuance of a license and before the licensed establishment first opens to the public.

(b) To remain closed beyond the period authorized by subsection (a), the licensee must submit a written request for an administrative extension before the end of the 90th consecutive day after operations cease. For good cause shown, the City Manager or designee may grant an extension in writing and may impose conditions reasonably related to the resumption of operations and compliance with this chapter. The written decision must state the duration of the extension.

(c) A request for a second or subsequent extension must be submitted before the current extension expires and must include a written plan stating the reason operations have not resumed, the steps being taken to resume operations, and the anticipated reopening date. The City Manager or designee may grant an additional extension only upon approval of the plan and a finding of continued good cause.

(d) A license becomes void and invalid at the end of an approved extension unless, before the extension expires, the licensed establishment resumes operations or the City Manager or designee grants an additional extension under subsection (c).

Sec. 5.07.170. Signage required.

The licensee of an establishment where alcohol is sold for consumption on the premises shall post a sign at all publicly-used exits of the establishment notifying patrons that it is unlawful to consume alcohol or to possess an open container of alcohol upon public property. The sign shall identify the ordinance that prohibits such consumption or possession (RMC 8.12.033, as amended), shall notify that a person violating such ordinance may be fined up to $1,000.00, may be punished by imprisonment in jail up to six months or may be both fined and imprisoned. The sign shall be posted so that it is clearly visible to patrons exiting the business.

Sec. 5.07.180. Disciplinary action procedures and penalties.

(a) Where a licensee licensed under this chapter, or any person selling alcohol under the licensee's authority, is found guilty of selling or delivering an alcoholic beverage to a minor (RMC 8.16.090, or equivalent state statute) or of allowing a minor to remain on the premises where alcoholic beverages are served (RMC 5.07.110, or equivalent state statute), hereafter referred to as an "alcohol violation", the City may elect at its discretion to issue an administrative citation in lieu of pursuing a show cause hearing under RMC Chapter 4.04. The administrative citation shall 1) fine the licensee in the applicable amount; or 2) require the licensee to purchase age verification equipment for cash registers as set forth in RMC 5.07.180(d).

(b) The City Manager or designee shall approve all age verification equipment devices. Within ten business days of mailing the administrative citation, the licensee shall seek approval and the City Manager or designee shall approve or deny the request in writing within five business days of receipt of the request or the request will be deemed denied. Denial of the request shall be subject to appeal to the administrative hearing officer as provided in RMC 4.04.160 regarding grievances.

(c) The licensee shall, within 30 calendar days after the administrative citation has been mailed to the licensee's address on file with the City, either 1) pay the fine or if required install approved age verification equipment devices; or 2) appeal the administrative citation pursuant to RMC 4.04.160 under the heading entitled fee dispute or other grievance. If the licensee fails to act timely as required herein, then the City may proceed with a show cause hearing and seek any remedy or penalty authorized by RMC Chapter 4.04 in addition to seeking enforcement of the administrative citation. Failure to act timely as required herein shall constitute additional good cause for suspension or revocation of the privileged license.

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(d) Administrative citation fines shall be in the following amounts:

(1) *First offense:* For the first alcohol violation occurring within any 12-month period, regardless of the date of conviction, the Business Licensing Department of the City may issue an administrative citation in the amount of $250.00.

(2) *Second offense:* For the second alcohol violation occurring within any 12-month period, regardless of the date of conviction, the Business Licensing Department of the City may issue an administrative citation in the amount of $500.00 or require the licensee to purchase age verification equipment for the cash register where the alcohol violation occurred or at the point of entry to the business.

(e) *Third offense:* For the third alcohol violation occurring within any 12-month period, regardless of the date of conviction, a rebuttable presumption shall arise that good cause exists for a 30-day suspension of the alcoholic beverage license; provided, where the licensed business holds multiple alcoholic beverage licenses, the suspension would only apply to the add-on alcohol beverage license for the bar location where the third alcohol violation occurred. The 30-day suspension may be imposed by the business license department by mailing a notice of the suspension to the licensee's address on file with the Business Licensing Department, along with copies of the three convictions. The 30-day suspension shall begin ten business days following the mailing of the notice of suspension, unless the licensee files an appeal to the administrative hearing officer in accordance with RMC 4.04.160 under the heading entitled fee dispute or other grievance. An appeal shall stay imposition of the suspension.

(f) Nothing in this section shall prevent the City from pursuing other penalties for an alcohol violation in lieu of or in addition to these penalties.

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