

MAYOR'S OFFICE GUIDELINE RECOMMENDATIONS FOR ALCOHOL BEVERAGE LICENSE APPLICATIONS

Intent: It is the responsibility of the Alcohol License Review Committee (ALRC) to screen applications for alcohol beverage licenses. If an application for an alcohol beverage license is denied, the reasons for doing so must be enumerated. In general, an application may be denied if it is determined that granting the license would be contrary to the health, safety, and welfare of the community. The state allows municipalities to restrict the issuance of alcohol beverage licenses, under certain circumstances and not in conflict with state law. There are a variety of factors that may be considered when reviewing an application for an alcohol beverage license; any of which may provide a reason for the non-issuance of a license. These recommendations from the Office of the Mayor are intended to be general principles in which the ALRC could use in considering the impact that each alcohol beverage license may have on the community. The Office of the Mayor adopts this set of recommendations to provide the ALRC guidelines for which to use in deciding whether to grant an alcohol beverage license application; and to provide a vision of appropriate uses of alcohol beverage licenses in the City of Madison.

NOTE: This document does not supersede current ordinances. For example, the Alcohol License Density Plan Area has specific ordinances that restrict the type of alcohol beverage licenses that can be granted within the area. At any time the Alcohol License Review Committee or the Common Council could choose to grant an alcohol beverage license that does not follow the criteria set forth in this document.

GUIDELINES

There are two basic categories of alcohol beverage licenses. One is specifically for off-site consumption (**Class A**= grocery store, liquor store, etc.). The other is intended for on-site consumption (**Class B/C**= bars, restaurants, etc.). For purposes of clarity, there are two

different sets of criteria, one for each category of alcohol beverage licenses.

Class A Alcohol Beverage License Guidelines

Class A alcohol beverage licenses are for carry-out consumption only. These licenses are intended for retail establishments that do not have any on-site consumption. There are two types of Class A licenses; "Class A Beer" and "Class A Liquor" (this includes wine).

- 1A.** An alcohol beverage license may not be granted if it can be reasonably determined there is a saturation, or density of "Class A" alcohol beverage licenses within the immediate area.¹
- 2A.** A "Class A Beer" license can be granted to a bona fide full-service grocery store, but may not be granted a full "Class A Liquor" license. Wine sales are allowable (this can be done by granting a "Class A Liquor" license and restricting sales to wine only)².
- 3A.** A "Class A" alcohol beverage license should generally not be granted to any establishment which also sells motor vehicle fuels³. Current ordinance holds: No new "Class A" license or "Class B" license authorizing the retail sale of intoxicating liquors shall be issued to any establishment which also sells motor vehicle fuels, unless the licensee agrees to the license condition that the establishment will limit sales of intoxicating liquors to wine [MGO 38.07(15)].
- 4A.** A "Class A" alcohol beverage license may not be granted to any establishment that contains a pharmacy as the principal business.⁴
- 5A.** A "Class A Liquor" license should generally not be granted to large combination department stores. A large combination department store is defined as a department store that contains a component of each of the following: supermarket, clothing, pharmacy, electronics, toys/games, home/garden, automotive.

¹ Cohen, et al. Evidence of a structural effect for alcohol outlet density: A multilevel analysis. *Alcohol Clin.* 2000 Feb;24(2):188-95.

² Wolfson, et al. Alcohol outlet policies and practices concerning sales to underage sales. School of Public Health, University of Minnesota. *Addiction*: 91(4): 589-602; 1996.

³ Point-of-Purchase Alcohol Marketing and Promotion by Store Type. Center for Disease Control: *MMWR Weekly*. April 2003; 52(14);310-313.

⁴ National Institute on Alcohol Abuse and Alcoholism. *Alcohol-Medication Interactions*: No. 27 PH 355; Jan 1995.

Class B and C Alcohol Beverage License Guidelines

Class B alcohol beverage licenses allow on-site consumption. There are three categories of alcohol beverage licenses for on-site consumption purposes: “Class B Beer”, “Class B Combination” (beer, wine, and liquor), and “Class C Wine”.

1B. To acquire a “Class B” or “C” alcohol beverage license, the business operation must be significantly related to the sale of food, drink, and/or meets the definition of a restaurant or entertainment venue, as provided below.

2B. If an establishment is representing itself as a bona-fide restaurant, it must meet the following criteria.

- The establishment must meet the definition of a restaurant as provided in MGO 38.02: Sale of alcohol beverages account for 50% or less of gross receipts.
- The establishment must provide full food service during all times of operation.

3B. If an establishment wishes to obtain a “Class B” alcohol beverage license and represents itself as an entertainment venue, a determination will be made based on the following.

- The entertainment is one of or is substantially related to one or more of the following:
 - Movies
 - Live sports, comedy, or theatrical performances
 - Bowling
 - Electronic gaming
- And/or meets all of the following criteria:
 - The focus of the establishment is on the entertainment based on the capital, labor, and floor space dedicated to the activity.
 - The name, identity, appearance, and advertising of the establishment are devoted to that activity and cannot target minors.
 - The entertainment is available for a majority of the hours of operation.

4B. An establishment may be granted a “Class B” or “C” alcohol beverage license if it is a bona fide hotel.

Requirements for Agents (under State Statute 125.04)

A. No license may be issued to those persons who have been habitual law offenders or those convicted of a felony that is substantially related to the sale of alcohol.

B. An alcohol beverage license agent must have resided in the state of Wisconsin for at least 90 days prior to the date of filing the application.

C. Agents must have completed a beverage server training course within two years of filing for the application unless they have held an alcohol beverage license within that same period.

D. The agent must have attained legal drinking age.

E. An agent must be involved in the day-to-day operation of the establishment.