NEW LAW OPENS DOOR FOR ORLANDO RESTAURANT LIQUOR LICENSES



By <u>Valerie Haber, Attorney</u> GrayRobinson's Nationwide Alcohol Industry Team GRAY ROBINSON ATTORNEYS AT LAW

With the passage of House Bill 1447 on March 8th, the Florida Legislature paved the way for smaller Orlando restaurants to obtain full liquor licenses. Approved by a Senate vote of 38-0, the bill reduces the square footage and seating requirements for restaurants in the Orlando "Downtown Restaurant Area" to qualify for a type "4COP SFS" full liquor license. The "Downtown Restaurant Area consists of an area bounded by Ferncreek Avenue to the east, Westmoreland Drive to the west, Colonial Drive to the north, and Gore Street to the south.

General Law for 4COP SFS Full Liquor Licenses for Restaurants:

Under general law, restaurants can qualify for a type 4COP SFS full liquor license if they meet three general requirements:

- 1. It has at least 2,500 square feet of service area;
- 2. It is equipped to serve meals to 150 people at one time; and
- 3. It derives at least 51 percent of its gross food and beverage revenue from the sale of food and non-alcoholic beverages.

The square foot and seating requirements are difficult for smaller restaurants to meet, which often prevents those restaurants from getting a full liquor license. Smaller restaurants have two alternatives. The first option is that the restaurant can apply for a type 2COP beer and wine license (and forego liquor/spirits sales). Florida law does not restrict the number of beer and wine licenses the Florida Division of Alcoholic Beverages and Tobacco ("ABT") can issue. However, full liquor licenses, known colloquially as "quota" license, are limited to one license per 7,500 residents per county, with a minimum of three (3) licenses per county with approved alcohol beverage sales. Thus, the only other option for a restaurant not meeting the 4COP SFS requirements is to purchase a "quota" full liquor licenses on the open market. Quota licenses are much more costly to acquire than a type 4COP SFS license.

New Law for Restaurants in Orlando's Downtown Restaurant Area:

House Bill 1447 authorized the ABT to issue 4COP SFS licenses to smaller restaurants in Orlando's Downtown Restaurant Area. To qualify for this license, the new law merely requires that the restaurant:

- Fall within the Downtown Restaurant Area;
- Occupy at least **1,800 square feet** of contiguous space;
- Be equipped to serve meals to at least **80 people** at one time; and
- Derive at least **51%** of its gross food and beverage revenue from the sale of food and non-alcoholic beverages during the first 60-day operating period and each 12-month operating thereafter.

Note that the ABT yearly license fee for a type 4COP SFS license in Orlando is \$1820.

Before signing a lease or purchasing a property for your restaurant use, it is advisable to retain experienced Florida alcohol beverage law legal counsel familiar with the nuanced zoning and alcohol beverage considerations unique to Orlando restaurants. Please do not hesitate to contact GrayRobinson's Alcohol Beverage Law industry team with any questions you may have.

About the Author

Valerie L. Haber is a <u>Florida liquor license and alcohol beverage law attorney</u> in the firm's Alcohol Law and Food Law Practice Groups. She concentrates her practice on advising all three tiers of the alcohol beverage industry including wineries, breweries, and distilled spirits suppliers, distributors, and retailers. Valerie's practice includes counsel relating to federal, state, and local laws governing the sale, distribution, importation, manufacturing, and marketing of alcoholic beverages, including beer, wine, and spirits. Valerie works closely with national retailers, including restaurants, supermarkets, movie theater chains, and other on- and off-premise businesses, through all phases of development and licensing, including land use and zoning diligence and approvals. She also has experience drafting management and promotional contracts for alcohol industry members, including hotels and golf courses, and regularly advises clients on the legal risks associated with promotional activities. Valerie also assists clients with local liquor licensing, including restaurant, hotel and occupational licensing.