

South Florida Alcohol and Liquor Licensing - A Snapshot

By Valerie L. Haber, Miami Alcohol Law and Food Law Attorney

Many clients come to GrayRobinson's Alcohol Law Group with the misconception that getting a beer and wine license, or liquor license in South Florida, (including the City of Miami, Miami Beach, Fort Lauderdale, Broward County or Palm Beach County,) will be a straightforward process. Before reaching out to us, these clients often find themselves stuck in a holding pattern with state or local agencies, which oftentimes have convoluted and burdensome requirements that must be met before a state alcohol license can be issued. Complicating matters further, local municipal requirements vary greatly. For example, the City of Miami Beach, which includes South Beach, requires that you obtain a Certificate of Use and Business Tax Receipt before you can apply for your state alcohol beverage license. The City of Miami, which includes downtown Miami, the Design District, Wynwood, Coconut Grove, and the Calle Ocho area, requires that multiple local inspections be performed before their zoning department will sign off on a state alcohol beverage application. Navigating these complexities can be tough, but completely manageable once you understand important aspects of the licensing process.

Florida Liquor License and Beer and Wine License Types:

As a starting point, if you are a new business in South Florida wanting to sell alcohol beverages, including beer, wine, or spirits, you need to determine what type of alcohol or liquor license is appropriate for your intended operations. There are multiple Florida alcohol license types available to you through the Florida Division of Alcoholic Beverages and Tobacco (the "DABT"), including:

- Beer and wine for on-premise consumption (2COP license): A "2COP" license allows the licensee to sell beer and wine for on-premise consumption. Many small restaurants, delis, sandwich shops, and cafés hold 2COP licenses. Package sales of beer and wine are allowed in sealed containers under this license type as well, so long as package sales are also allowed by local municipal ordinance. From a DABT perspective, there are no restrictions on the number of on-premise beer and wine licenses that can be issued.
 - o Fees for this license type vary based on county. In Miami-Dade, Broward, and Palm Beach Counties, for example, the yearly license fee is \$392.
- Beer and wine for off-premise consumption (2APS license): A "2APS" license allows the licensee to sell beer and wine for off-premise consumption only. This license type is typically used by convenience stores, supermarkets, and gas stations.
 - o In Miami-Dade, Broward and Palm Beach Counties, the yearly license fee is \$196.
- Restaurants selling beer, wine, and spirits (4COP-SRX license): Restaurants meeting certain criteria can qualify for a "4COP-SRX" license, which allows the licensee to sell beer, wine, and spirits for on-premise consumption in connection with a restaurant. There is no limit to the number of 4COP-SRX licenses that the DABT will issue, and the

license is not limited based on population, as is the case with a quota license (described below). To qualify for this license type in Miami-Dade County, a restaurant must have 4,000 square feet under permanent cover, 200 seats, and least 51 percent of its gross revenue must come from the sale of food and nonalcoholic beverages.

- To see restaurant license requirements in other counties, see: http://www.myfloridalicense.com/dbpr/abt/documents/GENLAWS 002.pdf.
- o In Miami-Dade, Broward and Palm Beach Counties, the yearly fee for this license is \$1,820.
- Beer, wine, and sprits for on-premise consumption or package sales in sealed containers (Quota 4COP license): This license type is typically held by bars, nightclubs, taverns, or other establishments that do not meet the 4COP-SRX restaurant license requirements. Unlike the licenses described above, the number of 4COP licenses is determined by a population-based quota system. A new quota license is created when a county's population increases by 7,500 residents. These licenses can either be purchased on the open market from an existing license holder, with prices varying based on the market factors of supply and demand, or won through a yearly lottery process.
- For a full list of DABT license types, see: http://www.myfloridalicense.com/dbpr/abt/licensing/ABTLicenses.pdf

The DABT Application Process:

The DABT application process requires extensive disclosures of the partners, officers, directors, and stockholders of the applicant entity, and other individuals with sufficient ownership interests. These same individuals are oftentimes required to be fingerprinted in connection with the application. The application must include a copy of the lease or other document showing the applicant's right to occupy the premises that will be licensed, as well as a detailed sketch of the space to be used to conduct business.

Local Municipal Zoning Sign-Off:

Additionally, the local municipality that has jurisdiction over the premises to be licensed must sign off on the DABT application. For example, for businesses located in Miami Beach or South Beach, the City of Miami Beach's zoning department must sign off on the DABT application. For businesses located in Coral Gables, the City of Coral Gables must sign the DABT application. This process varies by jurisdiction, but can oftentimes be quite complicated. Many local jurisdictions will require that you meet certain requirements before they will sign off on the Florida DABT alcohol license application. For example, if you are renovating or doing construction, you will need to apply for a building permit(s), and may need to finalize construction before you apply for the alcohol license. These requirements also often involve applying for (and paying for) a local business tax receipt, a certificate of use, or conducting various inspections. Other city fees may apply. For example, the City of Miami charges \$300 for its sign-off on the DABT application.

Health Agency Sign-Off:

Depending on the type of business you intend to operate, the DABT application may also need to be signed by other state or local health agencies. Businesses that serve food are regulated by the Division of Hotels & Restaurants, and must obtain approval from that agency. Businesses that do not serve food must contact the County Health Department or the Florida Department of Health. Food service establishments located in grocery and convenience stores, bakeries, or delicatessens must obtain approval from the Florida Department of Agriculture & Consumer Services. These agencies oftentimes require separate applications or approvals, including additional inspections.

Florida Department of Revenue Clearance

Florida Department of Revenue ("DOR") sign-off is required on all new DABT applications, which requires that you first register to pay sales tax and obtain a Certificate of Registration from the DOR.

The process described above is not all-inclusive; there are multiple other considerations that come into play when applying for a Florida liquor license or Florida beer and wine license. Given the complexities faced at the local municipal level, we recommend doing an exhaustive zoning and land use due diligence analysis before signing a lease or purchasing real property in connection with your proposed business. This will ensure the local municipality will allow an alcohol-related use in the subject zoning district. We have seen many businesses sign a lease and start construction on a space, only to later find out that they cannot sell alcohol at that particular location. Having walked this path with many clients over the years, we caution you to give yourself plenty of time (and patience) throughout the process. Please do not hesitate to contact GrayRobinson's Alcohol Law Group with any questions you may have along the way.

About the Author

Valerie L. Haber is a Miami alcohol beverage law and liquor license attorney and is an associate 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.