

SUBJECT: Alcoholic Beverage Permits

DATE: November 15, 2022

In an effort to be business friendly here in Leon Valley, we have created this notice of submittal process to the Leon Valley Planning and Zoning Department.

This notice is provided to explain and clarify the procedures for obtaining the Certificate of the Office of the City Secretary on the Texas Alcoholic Beverage Commission's Prequalification as well as the procedures to request a variance from the Hours for Sale and Consumption.

The Planning and Zoning Department will perform a completeness review of all applications. The staff will not schedule a review by the Office of the City Secretary or for consideration by City Council unless all requirements are met and all necessary items have been received.

A new or renewing applicant for a license to sale, distribute, store alcoholic beverages must first obtain necessary forms from the Texas Alcoholic Beverage Commission (TABC) through the Alcohol Industry Management System (AIMS) found here Index (elicense365.com).

When the applicant has reviewed and prepared the TABC forms, it is then time to apply for a permit through the City of Leon Valley. First time applicants and those needing to apply for their annual renewal are able to submit the application through the City of Leon Valley's website <u>Government Permitting Software - Land Management and More (mygovernmentonline.org)</u>

a. Sales Near Churches, Public Schools, or Private Schools - §4.03.033

The City of Leon Valley prohibits any person to sell or engage in the business of selling alcoholic beverages within the City where the place of business is within three-hundred feet (300') of any church, public school, or private school.

As authorized by Texas Alcoholic Beverage Code Section 109.33(e), City Council may consider applications for variances to this prohibition against the sale of alcoholic beverages within three-hundred feet (300') of any church, public school, or private school **only** if City Council first conducts a public hearing on the matter and before the thirtieth (30th) day before the date of the public hearing notice is given by publication in the City's official newspaper and on the City's website, and after the conclusion of the public hearing at least three-fourths (3/4) of the total membership of City Council find all of the following:

- (1) The proposed sale of alcoholic beverages would constitute no more than thirty percent (30%) of the establishment's annual gross revenues.
- (2) Prior to the date of the public hearing an authorized representative of the affected church, public school, or private school has provided the city manager with

written confirmation that the affected church, public school, or private school has no objection to the granting of the variance.

- (3) The granting of the variance will not have a negative effect on the health, safety, or welfare of the public.
- (4) On or before March 15th of each year following the granting of a variance, and every March 15th thereafter, the owner of the establishment for which the variance was granted shall submit to the city secretary all necessary documentation to verify that during the preceding calendar year no more than thirty percent (30%) of the establishment's annual gross revenues were generated by the sale of alcoholic beverages; and
- (5) Violations of the conditions on the variance are punishable by criminal fine and any and all remedies available at law and or equity including but not limited to revocation of the variance.

Applications for Distance Variances are located at <u>Government Permitting Software - Land Management and More (mygovernmentonline.org)</u>

<u>Annual Reporting</u> In cases where the City Council has approved a variance for alcohol sales within three-hundred feet (300') of a school, the applicant shall provide an annual report to the Planning and Zoning Department with supporting documentation to verify that no more than thirty percent (30%) of the establishment's annual gross revenues are generated by the sale of alcoholic beverages in accordance with §4.03.033 (1). The report shall be filed with the property records.

b. Application for Late Hours Permits

The City of Leon Valley has adopted the "Standard Hours Area" provisions as established by Chapter 105 of the Texas Alcoholic Beverage Code.

All establishments in the City limits and in compliance with the conditions of the City late hours permit will have their application for extended hours approved by the city secretary. The late hours permit holder may thereafter legally offer alcohol for sale between midnight and 2:00 a.m. on any day as prescribed by Texas Alcoholic Beverage Code §§ 105.03 and 105.05.

Establishments seeking extended sale of alcohol hours must file an application for a permit with the Texas Alcoholic Beverage Commission and with the Office of the City Secretary.

<u>Applications for late hour permits</u> must be approved by the city secretary before an establishment can observe extended hours in the City.

An establishment seeking a permit from the City must pay a fee of one-half of the fee charged by the state for a mixed beverage late hours permit, except when said fee is waived according to the provisions of the Texas Alcoholic Beverage Code.

- (1) An application for a permit must include but may not be limited to the following provisions: name, title, address, and telephone number of the authorized representative of the applicant.
- (2) The application must include a sworn affidavit demonstrating that:
 - a. At lease fifty-one percent (51%) of the establishment's gross daily receipts will be non-alcoholic; and
 - The establishment will continue offering for sale food or its other nonalcoholic commodities or services for the duration of the extended alcohol service hours.
- (3) The city secretary shall decide on an application for a permit on or before the thirtieth day (30th) after the date the application was filed.

<u>Appeals Process</u>. An applicant or permittee whose application is denied, or permit is revoked by the city secretary, may appeal the city secretary's decision to the City Council.

<u>City Late Hours Permit</u>. The city secretary may not grant a permit unless the applicant has complied with the requirements of the application.

The Late Hours Permit is located at <u>Government Permitting Software - Land Management</u> and <u>More (mygovernmentonline.org)</u> Continued operation of late hours is conditioned on compliance with the statements in the affidavit for the entirety of the permit period.

- (1) The permit must show that the establishment may:
 - a. Legally offer alcohol for sale between midnight and 2:00 a.m. any day, as prescribed by Texas Alcoholic Beverage Code, §§105.03 and 105.05.
 - b. Conditioned on:
 - i. At least fifty-one percent (51%) of the establishment's gross daily receipts being non-alcohol; and
 - ii. The establishment continuing to offer the sale of food or its other non-alcohol commodities or services for the duration of the extended alcohol service hours; and
 - c. The time frame for which the permit is valid.
- (2) <u>Compliance procedure</u>. The permit holder shall fully cooperate with city officials, the Texas Alcoholic Beverage Commission, and local law enforcement in their efforts deemed reasonably necessary to ensure compliance with the conditions permit.
- (3) <u>Expiration</u>. The permit will expire one year from the date on which it is granted. The establishment must apply for the permit each year to maintain extended hours.
- (4) <u>Permit Revocation</u>. If a permit holder does not comply with City Code or applicable state law, a permit issued may be revoked for a period of six (6) months.

The City of Leon Valley Alcoholic Beverage Fee Receipt shall be displayed in a conspicuous place at all times on the licensed premises. Failure to do so shall constitute of a Class "C" misdemeanor punishable by a fine of not less than \$10.00 nor more than \$200.00.

This information has been prepared as a courtesy to aid customers who wish to establish alcohol sales. Authorization to conduct alcohol sales does not include live entertainment as defined in UDC Section 35-A101. Notwithstanding the guidance provided in this document, the regulations of the State of Texas and the City of Leon Valley shall apply in all cases. If you have any questions about this document, please call 210-684-1391 extension 216.