ALCOHOL LICENSE APPLICATION FEE COMPARISON & RECOMMENDATIONS Restaurant with Alcohol Service and Manufacturing Brewery Licenses

Application Fees	State of Utah DABS	Sandy City Current	Sandy City Proposed	West Valley City	Draper City	Cottonwood Heights City	Salt Lake City
Non-Refundable Application fee	R \$330 M \$300	N/A	N/A	N/A	N/A	N/A	N/A
Requires a separate fee for each type of alcohol license	Yes	Yes	No	Yes	Yes	Yes	Yes
Alcohol License(s) R = Restaurant M = Manufacturing Brewery	R \$2,200 M \$3,800	R \$219 (annually) M \$219 (annually) \$52 for each Local Consent (one time)	\$219 (annually) \$52 for each Local Consent (one time)	R \$500 M \$500	R \$300 M \$300	R \$914 M \$443	R \$301 M \$57
Business License Employee fee Other fee(s)	N/A	\$170 Business Lic. \$350 Restaurant Fee (Alcohol-Disprop.) \$20 per employee	\$170 Business Lic. \$350 Restaurant Fee (Alcohol-Disprop.) \$20 Per Employee	\$110 per Lic \$10 per empl + \$1,000 annual (for any carry out)	\$75 per Lic \$7 per empl	\$170 per Lic no empl fee	\$187 per Lic \$27 per empl
Bonding Other Misc fee	\$10,000 Surety Bond per license	\$2000 cash bond \$150-\$500 cash bond (sell to minors)	Eliminate Cash Bond Requirements	\$75 Annual Fire \$50 1x Zoning review	N/A	N/A	N/A

Notes and Recommendations:

- 1. Alcohol Licensing: <u>Recommend</u> reducing alcohol license fees by charging only one \$219 fee for the site (vs. \$219 per license). As an example, a brewpub would be charged \$219 annually (vs. \$438 annually) for a restaurant license and manufacturing brewery license.
- 2. Cash Bond: <u>*Recommend*</u> reducing costs and improving efficiency by eliminating the \$2,000 cash bond requirement. The city has never had to use this bond in over 20 years, and among the cities surveyed, Sandy is the only city that requires a cash bond. Additionally, DABS requires their own \$10,000 surety bond per license, which is a large financial commitment for applicants.
- 3. Cash Bond (sales to minors): <u>Recommend</u> reducing costs and improving efficiency by eliminating the \$150-\$500 cash bond requirement for alcohol sales to minors. The Police Department currently uses their own process for enforcement and this bond has never been used in approximately 20 years.
- 4. Local Consent: DABS requires all cities to submit a "Local Consent" form to the state for each type of alcohol license that the city authorizes. Sandy charges a \$52 one-time fee for each local consent form that is required by and submitted to the state agency.
- 5. **Restaurant Fee:** Sandy requires a \$350 (disproportionate) licensing fee for restaurants that sell alcohol. This fee is based on Sandy's Fee Schedule Study that evaluated the average number of police calls for service. If brewpubs are eventually allowed beyond the Cairns District and the city finds an increase in the number of police calls for service, another study can be initiated to determine if any changes to the fee schedule are needed.
- 6. **Restaurant Food Sales Requirement:** The Utah Department of Alcoholic Beverage Services (<u>DABS</u>) allows restaurants to serve alcohol for consumption on the premises with a restaurant license for 1) beer only, 2) limited service for heavy beer and wine, or 3) full service for liquor, heavy beer and wine. This type of license requires each restaurant to maintain at least 70% of its total restaurant business from the sale of food, ensuring that the restaurant is engaged primarily in serving meals to the public.