

STAFF REPORT

Date: April 10, 2024

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Approval of a Nevada State Liquor Manufacturer License Application for Ken Foster, Upshot Brewing Company located at 1041 South Virginia Street, Reno, Nevada, and if approved, authorize the Mayor to sign the Nevada State Liquor License Application.

From: Lance Ferrato, Director of Business Licensing

Department: Business Licensing

Summary:

This application is for a Nevada state liquor manufacturer license (“state license”) to operate as a brewpub at 1041 South Virginia Street, Reno, Nevada. Nevada Revised Statutes (“NRS”) requires Council to review applications submitted for state licenses that will operate within the City. Based upon a background investigation conducted by the Reno Police Department (“RPD”), Council must find satisfactory evidence that the applicants are of good moral character in order to approve.

Staff recommends Council find satisfactory evidence that the applicants Ken Foster, Christopher Galli, Adam Kincaid, and Mike Sotiriadis are of good moral character and approve the state license application for Upshot Brewing Company (“Upshot”) and authorize the Mayor to sign the application.

Previous Council Action:

There is no recent Council action relevant to this item.

Background:

Pursuant to NRS Chapter 369 entitled “Intoxicating Liquor: Licenses and Taxes,” certain persons and businesses engaged in the importation of liquor; wholesale dealers of beer, wine, and liquors; winemakers; instructional wine-making facilities; breweries; brew pubs; and craft distilleries are required to obtain a state license to engage in the activities listed involving intoxicating liquor. Prior to the revisions in Senate Bill (SB) 22 (2015 legislative session), state law required applications for state licenses to be submitted to the Board of County Commissioners in the county in which the applicant maintained their principal place of business.

SB 22 revised the provisions of NRS 369.190, governing the review and approval of the state license. The revisions in the bill now require an applicant whose principal place of business is located within an incorporated city to submit the state license application to the governing body

of the city instead of the Board of County Commissioners. The governing body shall approve or disapprove the application based on evidence that the applicants are of good moral character. The state license requirement is in addition to any licensing requirements in the municipal code of the local jurisdiction(s) in which the business is physically located.

Discussion:

On January 1, 2024, staff received a state license application from Upshot to be licensed as a manufacturer/brewpub (Exhibit A).

NRS 369.190(3) and Reno Municipal Code (RMC) sec. 5.07.055(c) specify that Council shall determine if there is “satisfactory evidence that the applicant is a person of good moral character” when reviewing and approving a state license application.

RPD completed the applicant’s background investigation on March 13, 2024, and recommended approval for the alcohol manufacturer’s license. Based on the completion of the background investigation, staff has determined that the applicants are “of good moral character” and suitable to hold the state license under the provisions of NRS and RMC.

Financial Implications:

No financial implications at this time.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada Law.

Recommendation:

Staff recommends Council find satisfactory evidence that the applicants Ken Foster, Christopher Galli, Adam Kincaid, and Mike Sotiriadis are of good moral character and approve the Nevada State Liquor Manufacturer License for Upshot Brewing Company and authorize the Mayor to sign the application.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

Exhibit A – Upshot Brewing Company LLC State Application
Notice of Waiver – Kenneth Foster
Notice of Waiver – Christopher Galli
Notice of Waiver – Adam Kincaid
Notice of Waiver – Mike Sotiriadis