

STAFF REPORT

Date: June 5, 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 Felicia Keith-Jones, High Mark Barrel House Inc dba High Mark Distillery and Barrel House located at 4690 Longley Lane, Suites 28 and 57 to expand into Suites 25, 26, 27, 29, 56, 58, 59, 60, and 127, 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 an existing Nevada state liquor manufacturer licensee to add additional space to their craft distillery operation at 4690 Longley Lane, Reno, Nevada. The business is requesting to expand from suites 28 and 57 into 25, 26, 27, 29, 56, 58, 59, 60, and 127. Nevada Revised Statutes (“NRS”) require 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 applicant is of good moral character in order to approve.

Staff recommends that Council find satisfactory evidence that the applicant, Felicia Keith-Jones, is of good moral character and approve the state license application for High Mark Barrel House Inc dba High Mark Distillery and Barrel House (“High Mark”) 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.

On March 8, 2024, staff was informed that High Mark was operating in unlicensed suites and was required to cease operating in such areas until a new state liquor manufacturer's license could be approved. Consequently, this application was filed to seek approval for expansion.

Discussion:

On April 9, 2024, staff received a state license application from High Mark to be licensed from additional suites within the complex they are currently licensed from (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 May 3, 2024, and recommended approval of the application. Based on the completion of the background investigation, staff has determined that the applicant is "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 that Council find satisfactory evidence that the applicant, Felicia Keith-Jones, is of good moral character and approve the Nevada State Liquor Manufacturer License for High Mark Barrel House Inc dba High Mark Distillery and Barrel House and authorize the Mayor to sign the application.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

Exhibit A - High Mark Barrel House Inc State Application
Notice of Waiver - Felicia Keith-Jones