

B.9 Staff Report (For Possible Action): Approval of a Nevada State Liquor Wholesaler License Application for NV Distributors LLC, Alex McGinley, 405 Western Road, Suite 56 and if approved, authorize the Mayor to sign the Nevada State Liquor License Application.

STAFF REPORT

Date: September 19, 2024

To: Mayor and City Council

Through: Jackie Bryant, Interim City Manager

Subject: Staff Report (For Possible Action): Approval of a Nevada State Liquor Wholesaler License Application for NV Distributors LLC, Alex McGinley, 405 Western Road, Suite 56 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 is an application (R163545Q-APP-2024) by NV Distributors LLC, located at 405 Western Road, Suite 56, for a change of address to their existing Nevada State Liquor Wholesaler license. 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 applicant is of good moral character in order to approve. Staff recommends that Council find satisfactory evidence that the applicant, Alex McGinley, is of good moral character and approve the state license application for NV Distributors LLC “NV Distributors” and authorize the Mayor to sign the application.

Alignment with Strategic Plan:

Economic and Community Development

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 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, 2023, NV Distributors LLC was approved by Council to move to 405 Western Road, Suite 56; however, a state application was never filed. Staff was contacted by the Department of Taxation regarding this matter which prompted this application.

Discussion:

On August 27, 2024, staff received a state license application from NV Distributors (Exhibit A) to move from 3515 Airway Drive, Suite 210 to 405 Western Road, Suite 56. NRS 369.190(3) and 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 verification on August 27, 2024, and recommended approval of the application. Based on 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 Council find satisfactory evidence that the applicant, Alex McGinley, is of good moral character and approve the Nevada State Liquor Wholesale License application for NV Distributors to move to 405 Western Road, Suite 56 and authorize the Mayor to sign the application.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

Exhibit A - NV Distributors LLC State Application

Exhibit B - Notice of Waiver - Alex McGinley



NEVADA STATE LIQUOR LICENSE APPLICATION

The Board of County Commissioners or Incorporated Cities Governing Body Members must forward the approved and signed Form LTD 06 application to the Nevada Department of Taxation (NRS 369.200). Please note Per NRS 369.220 (3) the Nevada State Liquor License is nontransferable. **The Department of Taxation's Nevada Business Registration form must be completed and attached to the application.**

1	Application is being submitted for <input type="checkbox"/> New Business <input checked="" type="checkbox"/> Location Change <input type="checkbox"/> Additional Location		Taxpayer ID: 1038133009
	2 Application is for: <input checked="" type="checkbox"/> Importer/Wholesaler Liquor License <input type="checkbox"/> Manufacturer Liquor License		
3	Importer/Wholesaler License Type (Check all that apply): <input type="checkbox"/> Importer and Wholesaler of Wine, Beer and Spirits <input type="checkbox"/> Importer and Wholesaler of Beer <input checked="" type="checkbox"/> Wholesaler of Wine, Beer and Spirits <input type="checkbox"/> Wholesaler of Beer		
	4 Manufacturer License Type (Check all that apply): <input type="checkbox"/> Brew Pub <input type="checkbox"/> Brewer <input type="checkbox"/> Craft Distillery <input type="checkbox"/> Estate Distillery <input type="checkbox"/> Instructional Wine Facility <input type="checkbox"/> Winemaker <input type="checkbox"/> Rectifier		
5	Business Type: <input type="checkbox"/> Corporation <input checked="" type="checkbox"/> LLC <input type="checkbox"/> Partnership <input type="checkbox"/> Individual <input type="checkbox"/> Other:		
6	Date Incorporated/Organized: 02/14/2018	State where Incorporated/Organized:	
7	Anticipated Start Date of Location:	Federal Tax ID: 82-4507128	
8	Name of Business: NV Distributors, LLC		Phone Number: (775) 750-4033
9	DBA, if any:		Fax Number: N/A
10	Business Address: 405 Western Road Unit 56, Reno, Nevada 89506		
11	Location of Operation: 405 Western Road Unit 56, Reno, Nevada 89506		
12	Mailing Address: 405 Western Road Unit 56, Reno, Nevada 89506		
13	Email Address: Amcginley@NVDistributors.com		
14	List All Owners, Officers, Members, Partners, etc. Attach Additional Sheets if Needed.		
	Name: Alex McGinley		Title: Principal
	Residence Address: 4340 Nathan Stephen Court, Reno, Nevada 89503		% Owned: 100
	Name:		Title:
	Residence Address:		% Owned:
	Name:		Title:
	Residence Address:		% Owned:
	Name:		Title:
	Residence Address:		% Owned:

15	If Partnership, is the agreement recorded? <input type="checkbox"/> Yes <input type="checkbox"/> No	In what county and city is it recorded in?
16	Operating under a Fictitious Firm Name? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Supply a certified copy of the certificate to the Department)	In what county and city is it recorded in?
17	Has applicant applied for a local County or City license? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	If so, where? City of Reno
18	Has applicant secured all necessary Federal permits? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	TTB Permit Number (Supply a copy of permit): 2023-WHL-00318-A
19	Is the location of operations shared with any other business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please provide the following:	
	Business Name:	Type of Operations:
	Business Name:	Type of Operations:
	Business Name:	Type of Operations:
20	Does any person listed on this application engage in manufacturing, importing, wholesaling or retailing alcoholic beverages through another company? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If yes, please provide the following:	
	Person's Name: Alex McGinley	% Owned: 100
	Business Name: NV Distributors, LLC	Type of Operations: Wholesaling
	Person's Name:	% Owned:
	Business Name:	Type of Operations:
21	Have any individuals with interest, financial or otherwise, in the applicant's business, ever been convicted of a violation of Federal or any state liquor laws? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If so, provide the following:	
	Name: Alex McGinley	When: 08/05/2024
	Explain: There was an issue with our address change that occurred from 2022. I was under the impression that all licenses had been updated but that was incorrect. This is still ongoing and I am not completely sure what all the details are.	
22	APPLICANT'S AFFIRMATION: By signing I certify that, to the best of my knowledge under penalty of perjury, the information contained herein is correct and acknowledge that pursuant to Nevada Revised Statutes (NRS) 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing to the Nevada Department of Taxation. In addition, if I am granted a liquor license, I understand that I am expected to comply with all liquor laws, including, but not limited to NRS 369 and 597, Nevada Administration Code, and all Federal laws. Noncompliance can result in fines, suspension or revocation of my license, and criminal prosecution. By signing this document, it is acknowledged you are not permitted to conduct business until you have obtained a State of Nevada Department of Taxation liquor license.	
	Name of responsible party: Alex McGinley	Title: Principal
	Signature: 	Date: 08/27/2024
APPLICATION SUBMITTAL LOCATIONS		
If the location of business operations is in one of the following cities: Boulder City, Caliente, Carlin, Carson City, Elko, Ely, Fallon, Fernley, Henderson, Las Vegas, Lovelock, Mesquite, North Las Vegas, Reno, Sparks, Wells, West Wendover, Winnemucca or Yerington. Submit page 1, 2, 3 and 5 to that Incorporated City's Governing Board for review and a completed Department of Taxation's Nevada Business Registration Form.		

DESCRIPTION OF NEVADA BUSINESS OPERATIONS

Business Name:

Importer/Wholesaler of Liquor

Provide a detailed description of your business practice in Nevada

Wholesale Alcohol Distribution in Nevada. We partner with Distilleries, Wineries, and Breweries from in the state of Nevada, and out of the state to distribute their products to bars, restaurants, and stores. We purchase products from suppliers at a discount and mark them up. We are focused on distributing products from small, independent suppliers. We build strong relationships with accounts through honesty and integrity and offer them products that large distribution companies have no interest in due to volume constraints.

**Manufacturer (Brew Pub, Brewer, Craft Distillery, Estate Distillery,
Instructional Wine Facility, Winemaker, Rectifier)**

Describe, step by step, the nature of your business and procedure to produce liquor in Nevada

Provide additional attachments if needed.

APPLICANT'S AFFIRMATION: By signing I certify that, to the best of my knowledge under penalty of perjury, the information contained herein is correct and acknowledge that pursuant to Nevada Revised Statutes (NRS) 239.330, it is a category C felony to knowingly offer any false or forged instrument for filing to the Nevada Department of Taxation. In addition, if I am granted a liquor license, I understand that I am expected to comply with all liquor laws, including, but not limited to NRS 369 and 597, Nevada Administration Code, and all Federal laws. Noncompliance can result in fines, suspension or revocation of my license, and criminal prosecution. **By signing this document, it is acknowledged you are not permitted to conduct business until you have obtained a State of Nevada Department of Taxation liquor license.**

Title: Principal

Date: 08/27/2024

Name of responsible party: Alex McGinley

Signature: 

