



# WASHOE COUNTY

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CM/ACM	<u>VS</u>
Finance	<u>DN</u>
DA	<u>NE</u>
Risk Mgt.	<u>N/A</u>
HR	<u>N/A</u>
Clerk	<u>JR</u>

## STAFF REPORT BOARD MEETING DATE: April 28, 2015

**DATE:** March 30, 2015

**TO:** Board of County Commissioners

**FROM:** Bob Webb, Planning Manager, Planning and Development Division  
Community Services Department, 328-3623, [bwebb@washoecounty.us](mailto:bwebb@washoecounty.us)

**THROUGH:** William H. Whitney, Division Director, Planning and Development  
Community Services Department, 328-3617, [bwhitney@washoecounty.us](mailto:bwhitney@washoecounty.us)

**SUBJECT:** Discussion and possible approval of a State of Nevada Importer and Wholesale Dealer of Wine, Liquor and Beer License for Devlon Moore, dba Crooked Wine Company, LLC, and if approved, authorize each Commissioner to sign the State of Nevada *Application for License for Importer and Wholesale Dealer of Wine, Liquor, and Beer* with direction for the County Clerk to attest the license application. (Commission District 3.)

### SUMMARY

Review and approve the application for a State of Nevada Importer and Wholesale Dealer of Wine, Liquor and Beer License submitted by Devlon Moore, dba Crooked Wine Company, LLC.

Pursuant to NRS 369.180, 369.190, and 369.200 and Washoe County Code (WCC) Sections 30.3331 and 30.3335, the Washoe County Commission (Board) shall approve or disapprove applications to engage in business as an importer and wholesaler of intoxicating liquors in Washoe County.

Washoe County Strategic Objective supported by this item: Economic development and diversification.

### PREVIOUS BOARD ACTION

The Board approved an application for a State of Nevada Importer and Wholesale Dealer of Wine, Liquor and Beer License for Devlon Moore, dba Cepage, LLC on June 12, 2007 to conduct business at 4690 Longley Lane #112 in Reno. Mr. Moore amended his State of Nevada license on August 6, 2014 to move his business operations to 395 East 4<sup>th</sup> Street in Reno.

## **BACKGROUND**

Devlon Moore, dba Crooked Wine Company, LLC, applied for a State of Nevada Importer and Wholesale Dealer of Wine, Liquor and Beer License on January 16, 2015. Mr. Moore paid the required \$50 administrative processing fee for the State license as established in the Master Liquor License Fee Schedule. Mr. Moore intends to distribute his intoxicating liquor to locations in the City of Reno and in unincorporated Washoe County. Mr. Moore has also applied for a separate Washoe County Importer/Wholesaler Intoxicating Liquor License. That separate County license requires a criminal history inquiry, which was submitted to the Washoe County Sheriff's Office on January 16, 2015. The results of that inquiry have not been received from the Federal Bureau of Investigation as of the date of this staff report. Generally staff utilizes the results of the criminal history inquiry required for the County Importer/Wholesaler license to assist in determining moral character required by NRS for the State license; however, due to the length of time that inquiry process is taking, staff does not want to further delay Mr. Moore's State License application.

A County criminal history inquiry is not required for the Board to act upon the State Importer and Wholesale Dealer license. Rather than continuing to delay the approval of Mr. Moore's State license application pending the results of the County's criminal history inquiry, staff is processing the State license application before the Board. Mr. Moore received a favorable County criminal history inquiry in 2007 for his Cepage, LLC license application. Staff believes that this current, on-going criminal history inquiry will also be favorable. However, County business license staff will not issue Mr. Moore's Washoe County Importer/Wholesaler Intoxicating Liquor License until favorable inquiry results are received from the Washoe County Sheriff's Office.

Mr. Moore intends to operate his business from a warehouse location at 395 East 4<sup>th</sup> Street in Reno (current business location for his Cepage, LLC business). Washoe County Code Compliance staff visited the office location on March 31, 2015, and verified that the location appears suitable to house an importer/wholesaler business.

Mr. Moore has received all necessary approvals from the City of Reno to operate his importer/wholesaler business at 395 East 4<sup>th</sup> Street. The City of Reno will not issue their business and liquor licenses until after the State of Nevada's license has been approved and issued. The City of Reno's planning staff reviewed the location of the proposed business and determined that the existing City of Reno zoning of MU/DRRC/WELLS supports this type of business use (a warehouse use is allowed, no special use permit is required, and 24 hour operations are allowed by right).

Since the business is not physically located within the unincorporated County, pursuant to WCC Section 30.3333(2)(e)(4), the applicant is not required to obtain either a Washoe County business license or a Washoe County intoxicating liquor license. An FBI/State criminal history background inquiry is also not required of the applicant based on WCC Section 30.3333(4). However, pursuant to WCC Section 30.3333(2)(f), the applicant must disclose information pertaining to criminal convictions and moral character as required by NRS 369.190.

NRS 369.190(3) and WCC Section 30.160(1)(b)(1) specify that the Board “require satisfactory evidence that the applicant is a person of good moral character” when reviewing and approving a State of Nevada Importer and Wholesale Dealer license application. Mr. Moore completed the required *Liquor License Personal History* form on January 16, 2015 and replied in the negative to any criminal convictions in the past 10 years or to any revocations of either a liquor license or work permit. He also completed the *Child Support Compliance Statement/Exemption Form* on January 16, 2015 and stated that he is not subject to a court order for the support of a child.

Based on the information provided on these two forms, staff has determined that the applicant is of “good moral character” and is suitable to hold the State of Nevada Importer and Wholesale Dealer license under the provisions of State Law and County Code. Copies of both sets of forms contain personal information, so are not included in this staff report but are available to the Board upon request.

### **FISCAL IMPACT**

As noted earlier, the applicant paid the required \$50 administrative processing fee (deposited in Washoe County liquor license revenues account number C105402-421200). After receipt of a favorable criminal history inquiry report, business license will issue the applicant a Washoe County Importer/Wholesaler Intoxicating Liquor License. The quarterly fee for that license is \$300, which equates to projected annual revenue of \$1,200 from the importer/wholesaler business (also deposited into account number C105402-421200).

### **RECOMMENDATION**

It is recommended that the Board discuss and approve a State of Nevada Importer and Wholesale Dealer of Wine, Liquor and Beer License for Devlon Moore, dba Crooked Wine Company, LLC, and if approved, authorize each Commissioner to sign the State of Nevada *Application for License for Importer and Wholesale Dealer of Wine, Liquor, and Beer* with direction for the County Clerk to attest the license application.

### **POSSIBLE MOTION**

Should the Board agree with staff’s recommendation, a possible motion would be: “Move to approve a State of Nevada Importer and Wholesale Dealer of Wine, Liquor and Beer License for Devlon Moore, dba Crooked Wine Company, LLC, and to authorize each Commissioner to sign the State of Nevada *Application for License for Importer and Wholesale Dealer of Wine, Liquor, and Beer* with direction for the County Clerk to attest the license application.”

Attachments: A. Importer and Wholesale Dealer of Wine, Liquor and Beer License application  
B. Supporting NRS and Washoe County Code regulations

xc: Devlon Moore, dba Crooked Wine Company, LLC, 4500 Plumas Street, Reno, NV 89509 (devmo15@yahoo.com)  
Nancy Ravert, Nevada Department of Taxation, 1550 E. College Parkway, Carson City, NV 89706 (nravert@tax.state.nv.us)  
Amber Drlik, Accounting Assistant, Reno Business License Division, City of Reno, PO Box 1900, Reno, NV 89505 (drlika@reno.gov)

Attachment A. Importer and Wholesale Dealer of Wine, Liquor and Beer License application

The Board of County Commissioners must forward the approved and signed application to the Department of Taxation (NRS 369.200).

Form LTD 6 05-14

LICENSE APPLICATION FOR IMPORTER AND WHOLESALE DEALER OF WINE, LIQUOR AND BEER

January 20, 2015

Honorable Board of County Commissioners:

Washoe County, Reno Nevada (City or Town)

In accordance with the provisions of NRS, Chapter 369, as amended, the undersigned hereby applies for a license for: Importer and Wholesaler of Wine, Beer and Spirits

(Type of license(s) - see page 3)

In the State of Nevada, for the fiscal year ending June 30, 2015 a remittance covering the license fees from the 1st day of January 2015 to the 30th day of June, 2015 is enclosed (not less than one quarter of a year).

The following information is also set forth:

Federal EIN: 47-2582754

(1) Name of firm: Crooked Wine Company, LLC

(2) Doing business as:

Located at: 395 E 4th Street, Reno NV 89512 (Physical Address)

Mailing address: 4500 Plumas Street, Reno NV 89509 Phone: 775-342-3879

(3) The applicant is:

(a) A corporation? Yes [X] No [ ] Organized under the laws of what state? NV When? January 15, 2015

Qualified to do business in Nevada? Yes [X] No [ ] When? Choose Month 15, 2015

Names and addresses of following officers:

President: Deylon Moore 4500 Plumas St Reno, NV 89509

Vice President:

Secretary:

Treasurer:

Manager(s):

Resident Agent:

(b) A partnership? Yes [ ] No [X] Is agreement recorded? Yes [ ] No [X]

Where?

Names and addresses and official position, if any, of partners

(c) Operating under a fictitious firm name? Yes  No  Is statement recorded? Yes  No

Where? .....

Names, addresses and official positions, if any, of all persons interested in the business:

.....  
.....  
.....

(d) An individual? Yes  No

(e) Has any individual who is interested, financially or otherwise, in the applicant's business, ever been convicted of a violation of Federal or any state liquor laws? Yes  No

If so, furnish:

Name	Address Where convicted	When
.....	.....	Choose Mo. 20
.....	.....	Choose Mo. 20
.....	.....	Choose Mo. 20

(f) Is any person listed on this import/wholesale application engaged in the business of manufacturing, blending or bottling of alcoholic beverages or retailing of alcoholic beverages? (see attached copy of NRS 597.210) Yes  No

If so, what percent, name and location of business:

(g) Are all persons listed on this import/wholesale application aware of transactions between wholesalers, retail liquor stores; limitation on extension of credit to retailers listed on attached copies of NRS 369.485? Yes  No

(4) References:

Name	Address
Ty Martin	2090 Phillips St Reno, NV 89509
Ryan Cole	3170 West Plumb Lane Reno, NV 89509
Justin Owen	306 E 4th St Reno, NV 89512
Dawn Robbins	9001 Timothy Ln Reno NV 89511

(5) Has applicant a county license? Yes  No  A city or town license? Yes  No

(6) At all times each importer shall keep on hand at a fixed place of business in Nevada, liquor of a wholesale value of at least \$1,000.00, pursuant to NRS 369.400.

Enter name and title of person signing form:

Signed [Signature]  
Title Owner

Remarks and recommendations by the County Commissioners:

.....  
.....  
.....  
.....  
.....  
.....

The application of .....  
is hereby (approved) (disapproved) this..... day of ..... 20 .....

Board of County Commissioners:

Chairman: .....  
Member: .....  
Member: .....  
Member: .....  
Member: .....

ATTEST:

....., County Clerk

SCHEDULE OF LICENSE FEES

The following is a schedule of fees to be charged for licenses:

Importer of wine, beer and spirits .....	\$500.00
Importer of beer .....	150.00
Wholesaler of wine, beer and spirits .....	250.00
Wholesaler of beer .....	75.00

NRS 369.310 License fees: Due dates; payment of proportionate part.

1. All license fees are due and payable on July 1 of each year. If not paid by July 15 of each year the license shall be canceled.
2. If any license is issued at any time during the year other than by July 15, the fee shall be for that proportionate part of the year that the licenser will be in effect, which in any event shall be for not less than one quarter of a year.
3. No license shall be dated other than on the first day of the month in which it is granted.

Supporting Nevada Revised Statutes  
Importer and Wholesale Dealer Licenses

**NRS 369.030 “Importer” defined.** As used in this chapter, “importer” means any person who, in the case of liquors which are brewed, fermented or produced outside the State, is first in possession thereof within the State after completion of the act of importation.

**NRS 369.130 “Wholesale dealer” and “wholesaler” defined.** As used in this chapter, “wholesale dealer” or “wholesaler” means a person licensed to sell liquor as it is originally packaged to retail liquor stores or to another licensed wholesaler, but not to sell to the consumer or general public.

**NRS 369.180 Required licenses; scope of licenses for instructional wine-making facilities and craft distilleries.**

1. In addition to the limitations imposed by NRS 597.210 and 597.220, a person shall not:

(a) Import liquors into this State unless the person first secures an importer's license or permit from this State.

(b) Engage in business as a wholesale dealer of wines and liquors in this State unless the person first secures a wholesale wine and liquor dealer's license from this State.

(c) Engage in business as a wholesale dealer of beer in this State unless the person first secures a wholesale beer dealer's license from this State.

(d) Operate a winery in this State or export wine from this State unless the person first secures a wine-maker's license from this State.

(e) Operate an instructional wine-making facility in this State unless the person first secures a license for the instructional wine-making facility from this State.

(f) Operate a brewery in this State unless the person first secures a brewer's license from this State.

(g) Operate a brew pub in this State unless the person first secures a brew pub's license from this State.

(h) Operate a craft distillery in this State unless the person first secures a craft distiller's license from this State.

2. A person who holds a license for an instructional wine-making facility:

(a) May engage in any activity authorized by NRS 597.245.

(b) May not engage in any other activity for which a license is required pursuant to this chapter, unless the person holds the appropriate license for that activity.

3. A person who holds a license for a craft distillery:

(a) May engage in any activity authorized by NRS 597.235.

(b) May not engage in any other activity for which a license is required pursuant to this chapter, unless the person holds the appropriate license for that activity.

4. As used in this section:

(a) “Brew pub” has the meaning ascribed to it in NRS 597.200.

(b) “Brewery” means an establishment which manufactures malt beverages but does not sell those malt beverages at retail.

(c) “Craft distillery” has the meaning ascribed to it in NRS 597.200.

(d) “Malt beverage” has the meaning ascribed to it in NRS 597.200.



**NRS 369.181 Definitions.** As used in NRS 369.180, unless the context otherwise requires:

1. "Alcoholic beverage" means any spirituous, vinous or malt liquor which contains 1 percent or more ethyl alcohol by volume.
2. "Engage in" includes participation in a business as an owner or partner, or through a subsidiary, affiliate, ownership equity or in any other manner.

**NRS 369.190 Application for license.**

1. An application for any of the licenses described in NRS 369.180 must be made to the board of county commissioners of the county in which the applicant maintains his or her principal place of business.
2. Each application must:
  - (a) Be made on such form as the Department prescribes.
  - (b) Include the name and address of the applicant. If the applicant is:
    - (1) A partnership, the application must include the names and addresses of all partners.
    - (2) A corporation, association or other organization, the application must include the names and addresses of the president, vice president, secretary and managing officer or officers.
    - (3) A person carrying on or transacting business in this state under an assumed or fictitious name, the person making the application must attach to the application:
      - (I) A certified copy of the certificate required by NRS 602.010 or any renewal certificate required by NRS 602.035.
      - (II) A certificate signed by an officer of the corporation or by each person interested in, or conducting or carrying on such business, or intending so to do, and acknowledged before a person authorized to take acknowledgments of conveyances of real property, indicating the name of the authorized representative whose signature may be required on the license under the provisions of this chapter.
  - (c) Specify the location, by street and number, of the premises for which the license is sought.
  - (d) Be accompanied by the annual license fee required for the particular license for which application is made.
3. The board of county commissioners shall examine all applications filed with it, and shall require satisfactory evidence that the applicant is a person of good moral character.

**NRS 369.200 Approval or disapproval of application by county commissioners; issuance of license; new hearing.**

1. The board of county commissioners shall approve or disapprove applications. If an application is disapproved by the board of county commissioners, the board forthwith shall return the license fee accompanying the application to the applicant. If the board of county commissioners approves an application, the board shall forward it to the Department, together with the board's written approval thereof and the license fee accompanying the application.
2. Upon receipt thereof the Department shall review the application and approval, and, if no further objections are presented or known, shall issue the appropriate license to the applicant.
3. In its discretion, the Department may grant an applicant whose application has been disapproved a new hearing before the Department if it shall be made to appear to the Department that the decision of the board of county commissioners was arbitrary, unreasonable or unjust.

**NRS 597.200 Definitions.** As used in NRS 597.190 to 597.250, inclusive, unless the context otherwise requires:

1. "Alcoholic beverage" means any malt beverage or spirituous, vinous or malt liquor which contains 1 percent or more ethyl alcohol by volume.
2. "Brew pub" means an establishment which manufactures malt beverages and sells those malt beverages at retail pursuant to the provisions of NRS 597.230.
3. "Craft distillery" means an establishment which:
  - (a) Manufactures distilled spirits from agricultural raw materials through distillation; and
  - (b) Is authorized to sell those distilled spirits pursuant to the provisions of this chapter.
4. "Distillation" means the process of producing or purifying spirituous liquor by successive evaporation and condensation.
5. "Engage in" includes participation in a business as an owner or partner, or through a subsidiary, affiliate, ownership equity or in any other manner.
6. "Instructional wine-making facility" means an instructional wine-making facility operated pursuant to NRS 597.245.
7. "Legal age" means the age at which a person is legally permitted to purchase an alcoholic beverage pursuant to NRS 202.020.
8. "Malt beverage" means beer, ale, porter, stout and other similar fermented beverages of any name or description, brewed or produced from malt, wholly or in part.
9. "Supplier" has the meaning ascribed to it in NRS 597.140.
10. "Wine" has the meaning ascribed to it in NRS 369.140.

**NRS 597.210 Limitations on engaging in business of importing, wholesaling or retailing alcoholic beverages.**

1. Except as otherwise provided in subsection 2 and NRS 597.240, a person engaged in business as a supplier or engaged in the business of manufacturing, blending or bottling alcoholic beverages within or without this State shall not:
  - (a) Engage in the business of importing, wholesaling or retailing alcoholic beverages; or
  - (b) Operate or otherwise locate his or her business on the premises or property of another person engaged in the business of importing, wholesaling or retailing alcoholic beverages.
2. This section does not:
  - (a) Preclude any person engaged in the business of importing, wholesaling or retailing alcoholic beverages from owning less than 2 percent of the outstanding ownership equity in any organization which manufactures, blends or bottles alcoholic beverages.
  - (b) Prohibit a person engaged in the business of rectifying or bottling alcoholic beverages from importing neutral or distilled spirits in bulk only for the express purpose of rectification pursuant to NRS 369.415.
  - (c) Prohibit a person from operating a brew pub pursuant to NRS 597.230.
  - (d) Prohibit a person from operating an instructional wine-making facility pursuant to NRS 597.245.
  - (e) Prohibit a person from operating a craft distillery pursuant to NRS 597.235.

**NRS 597.220 Importer or wholesaler may not engage in business of retailing alcoholic beverages.**

1. Any person who is engaged in the business of importing or wholesaling alcoholic beverages in the State of Nevada shall not engage in the business of retailing alcoholic beverages in this state.

2. For the purposes of this section, a person who transfers or receives alcoholic beverages in the manner described in NRS 369.4865 must not be considered to be engaged in the business of wholesaling alcoholic beverages based solely upon those transfers.

Supporting Washoe County Code  
Importer/Wholesaler Intoxicating Liquor Licenses

**Washoe County Chapter 30**  
**Intoxicating Liquor and Gaming Licenses and Regulations**

30.160 Issuance of license by license division; denial for unsuitability; not renewing license; suspension; revocation.

1. The license division may grant or deny the application for an intoxicating liquor license or place conditions on a license to ensure compliance with this chapter and other applicable laws and regulations. A denial of a license must be based upon a finding by the license division that any applicant on any license or any licensee, whether an individual, partnership, or corporation, is unsuitable for the issuance of an intoxicating liquor license.

(a) Board issued liquor licenses. To better define the policy of the intoxicating liquor provisions of this chapter, the following persons are declared not to be suitable for the issuance of a liquor license:

- (1) A person who has been convicted within the past ten (10) years of:
  - (i) A felony or other crime which under the laws of this state would amount to a felony.
  - (ii) Any crime of which fraud or intent to defraud was any element whether committed in this state or elsewhere.
  - (iii) Buying or receiving stolen property.
  - (iv) Unlawful entry of a building.
  - (v) A gross misdemeanor, or equivalent conviction in another state, or unlawful possession, use or distribution of controlled substances or dangerous drugs.
  - (vi) Illegal use, carrying, possession, or display of a pistol or other dangerous weapon.
- (2) A person who has indicated intemperate habits by his past conduct, including a conviction during the five years preceding the date of application which involved the operation of a motor vehicle while under the influence of intoxicating liquor or controlled substances or dangerous drugs.
- (3) A person under the age of 21 years.
- (4) A person who has failed to disclose, misstated or otherwise attempted to mislead the license division or the sheriff with respect to any material fact contained in any application for a license.
- (5) A person who has concealed or refused to disclose any material fact in any investigation or inquiry by the license division or the sheriff.
- (6) A person who has been identified as being a member or associate of organized crime, or as being of notorious and unsavory reputation.
- (7) A person who has been placed and remains in the constructive custody of any federal, state, county or city law enforcement authority.
- (8) A person who has had a liquor license or work permit revoked or committed any act which is a ground for the revocation of a liquor license or work permit or would have been a ground for revoking his liquor license or work permit within the last ten years.
- (9) A person who has willfully violated the provisions of NRS 369.630, as amended, pertaining to alcoholic beverage awareness programs more than 3 times in any 24-month period.
- (10) A person whom the license division determines is not a suitable person, having due consideration for the proper protection of the public health, safety, morals, good order and general welfare of the inhabitants of the county.

(b) Department liquor licenses. In reviewing a department application for a wholesaler or wholesale dealer, importer, brewpub, brewery, or instructional winemaking facility license, the commissioners shall approve or disapprove applications.

(1) The commissioners shall examine all applications filed with it, and shall require satisfactory evidence that the applicant is a person of good moral character. If the applicant does not have a current and valid county intoxicating liquor license, or is not concurrently applying for a new county intoxicating liquor license, the applicant shall submit a statement listing any prior criminal convictions within the past 10 years.

(2) If an application is disapproved by the commissioners, the license division shall promptly return the license fee accompanying the application to the applicant.

(3) If the commissioners approve an application, the license division shall forward it through the applicant to the department, together with the commissioner's written approval thereof and the license fee accompanying the application.

(c) Pursuant to NRS 244.350, the license division will not issue an intoxicating liquor license to a place where, in the judgment of the license division, the sale or disposition may tend to create or constitute a public nuisance, or where by the sale or disposition of liquor a disorderly house or place is maintained.

2. Upon submittal of a verbal or written complaint of any person, the license division shall investigate the action of any licensee under the intoxicating liquor provisions of this chapter, and shall submit a report to the board detailing its findings. The board may then, upon its own motion, recommend the temporary suspension or permanent revocation of a license in accordance this chapter. Further, any license issued pursuant to the provisions of this chapter or any amendment thereof may be suspended, revoked, or not renewed for good cause. Good cause for such suspension, revocation, or not renewing includes, but is not limited to:

(a) The existence of unsanitary conditions, noise, disturbances and other conditions at, near or on the premises which cause or tend to cause or create a public nuisance or which injuriously affect the public health, safety or welfare;

(b) The commission of, or permitting or causing the commission of, any act in the operation of the business which act is made unlawful or is prohibited by any applicable law, ordinance, rule or regulation of any city, the county, the state, or the Federal Government;

(c) Fraudulent practices or misrepresentations in the operation of the business, or concealment or misrepresentation of a material fact in procuring the license;

(d) Knowingly permitting the licensed premises to be frequented by or to become the meeting place, hangout or rendezvous for known prostitutes, vagrants, persons described as undesirables in liquor operations or those who are known to engage in the illegal use or distribution of controlled substances or dangerous drugs or in any other illegal occupation or business. Any licensee permitting such conditions on the licensed premises may be subject to provisional suspension of his intoxicating liquor license pending elimination of the indicated violation. Proceedings for revocation of an intoxicating liquor license shall be initiated if the licensee fails to eliminate a violation of this subsection by taking affirmative corrective action within 10 days after the date of written notice of the existence of any such condition or violation;

(e) Willful violation of the provisions of NRS 369.630, as amended, pertaining to alcoholic beverage awareness programs more than 3 times in any 24-month period;

(f) If the licensee receives three or more notices of violation or civil penalties pursuant to chapter 125 in any 24-month period;

(g) Violation of any of the terms or conditions of the license;

(h) If the licensee sells liquor to a wholesaler or retailer who is not a holder of a proper license or permit in conformance with this chapter at the time of sale;