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MEMORANDUM

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P.O. Box 4100 ♦ FRISCO, COLORADO 80443

**TO: MAYOR AND TOWN COUNCIL**

**FROM: STACEY NELL, TOWN CLERK**

**RE: FIRST READING ORDINANCE 24-09: AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE TOWN OF FRISCO, COLORADO, BY AMENDING CHAPTER 53, CONCERNING ALCOHOLIC BEVERAGES, BY AMENDING SECTIONS 53-2, CONCERNING THE TOWN'S LIQUOR LICENSING AUTHORITY; 53-11, CONCERNING THE ISSUANCE OF LIQUOR LICENSES, AND 53-12, CONCERNING LICENSE RENEWALS, EACH TO MAKE THE TERMS OF THE LIQUOR LICENSES ISSUED BY THE TOWN CONSISTENT WITH THE 2-YEAR TERM FOR LIQUOR LICENSES RECENTLY ADOPTED BY THE STATE OF COLORADO**

**DATE: SEPTEMBER 10, 2024**

**Summary and Background:** Liquor Licensing in Colorado, from a legal perspective, is mainly a matter of statewide concern, where Federal and State Statutes and Regulations govern the majority of how alcohol is sold, served, and consumed. However, there is a duality of authority with liquor licensing, where Home Rule Municipalities identify certain aspects/situations where local control is desired and necessary. Liquor licensees must hold a valid liquor license from both the State and the Town, as one is not valid without the other. These licenses are currently renewed on annual basis at both the state and local level. The state is moving to an optional two-year renewal program, and the question before Council today is whether or not Frisco should also move to a two-year renewal program.

**Analysis:** During the most recent Legislative Session at the State Capitol, [Senate Bill 24-231](#) was passed by the legislature and signed into effect, with an effective date of August 7, 2024. The Senate Bill has multiple components, but the component in need of approval from Town Council today surrounds the opportunity to expand the renewal period of Town of Frisco liquor licenses from one year, to two years, to match the State Liquor Enforcement Division. Frisco liquor licensees will likely be opting into a two-year licensing time period with their State License. Council's decision today is to determine whether or not Frisco should match that time period with our locally-issued liquor licenses.

**Financial Impact:** If Council directs the Town Clerk to issue liquor licenses for two years, the impact to the Town of Frisco Budget will be reflected on the Revenue side. Especially for the first few years, every other year will show an increase, then a decrease in revenue from Liquor Licensing fees. This is due to liquor license payments being paid in two-year increments instead of annually. Below is a breakdown of what businesses pay annually to renew their liquor licenses in Frisco. This does not include fees collected from brand new, or transfer of ownership application fees. The most expensive liquor license renewal fee paid to the Town currently, is \$175.00 annually.

License Type	Quantity of Licenses	Current TOWN Renewal Fee (Annual)	Current State Renewal Fee (Annual)
Beer & Wine (City)	5	\$148.75	\$601.25
Lodging & Entertainment (City)	1	\$175.00	\$750.00
Tavern (City)	5	\$175.00	\$750.00
Hotel & Restaurant (City)	27	\$175.00	\$750.00
Liquor Store (City)	3	\$122.50	\$477.50
Fermented Malt Beverage & Wine (City)	8	\$103.75	\$346.25
Bed & Breakfast Permit (City)	2	\$103.75	\$253.75
Brew Pub (City)	1	\$175.00	\$900.00
Distillery Pub (City)	1	\$175.00	\$900.00

The Finance Department is aware of these budgetary impacts and will account for this change in the annual budgets moving forward, with assistance from the Town Clerk.

**Alignment with Strategic Plan:** The efficient administration of liquor licenses is a Quality Core Service that the Town Clerk is proud to facilitate for Frisco's business community. By doing so, the Town Supports a Thriving Economy in Frisco by ensuring businesses understand their responsibilities to maintain compliance with all applicable laws and regulations. By moving to an extended licensing time period, business' expiration dates of their liquor licenses will remain consistent between the State and Town, keeping things streamlined for businesses who hold liquor licenses in the community.

**Environmental Sustainability:** No anticipated significant Environmental Sustainability impacts.

**Staff Recommendation:** Moving to a two-year liquor licensing period does not remove the Town's ability at any time throughout the licensing period to cause a disciplinary hearing or impose disciplinary action on a Town-issued liquor license. Moving to a two-year liquor licensing period will alleviate a significant amount of detailed administrative efforts of the Town Clerk's office, and the Community Development Department's Building Inspection, Planning, and Code Enforcement Divisions. Moving to a two-year liquor licensing period also alleviates administrative work for our local businesses. Staff recommends that Council approve the Town Clerk to issue liquor licenses for a two-year licensing period and collect fees for the same period of time.

**Approved By:**

Leslie Edwards, Finance Manager  
Diane McBride, Deputy Town Manager  
Tom Fisher, Town Manager  
Thad Renaud, Town Attorney

**Attachments:**

Attachment 1 – Ordinance 24-10