

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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RESTAURANT LICENSING GUIDELINES

SUPPLEMENT TO RESTAURANT OPERATION PLAN

STATUTORY FRAMEWORK:

A.R.S. § 4-205.02:

- A) The director may issue a restaurant license to any restaurant in this state which is regularly open for the serving of food to guests for compensation, and has suitable kitchen facilities connected with the restaurant for keeping, cooking, and preparing foods required for ordinary meals.
- B) The director may revoke restaurant (series 12) and hotel/motel with restaurant (series 11) liquor license when the licensed establishment ceases to operate as a restaurant, provided by A.R.S. § 4-205.02, A.R.S. § 4-213.C, R19-1-310.
- C) For the purpose of this section:
 - 1) "Restaurant" means an establishment which derives a minimum of forty (40) percent of its gross revenue from the sale of food.
 - 2) "Gross Revenues" means the revenue derived from all sales of food and spirituous liquor on the licensed premises, regardless of whether the sales of the spirituous liquor are made under a restaurant liquor license or other license issued for the premises.

STATEMENT OF PURPOSE:

Rule 19-1-310 is provided to ensure uniform application of A.R.S. § 4-205.02 and inform applicants of restaurant (series 12) and hotel/motel with restaurant (series 11) liquor licenses.

R19-1-310. Criteria for Issuing Restaurant License

The following factors are to be considered by the Department in determining when a protest will be made against a restaurant license application. Any combination of four or more factors may result in a Department protest.

- 1) The number of cooks, food preparation personnel, waiters, or waitresses do not appear to be a sufficient number to prepare and provide the proposed restaurant services.
- 2) Restaurant equipment is not of sufficient grade or appropriate to the offered menu.
- 3) The proposed menu is not of the type and price likely to achieve 40% food sales.
- 4) There is the presence of a jukebox, live entertainment, or dance floor on the premises.
- 5) There is the presence of a number of bar games and equipment, such as pool tables, dart games, big-screen televisions, or arcade-type games.
- 6) Use of a term in the establishment's business name, signage, or promotional material which places emphasis on alcohol consumption. Terms such as bar, tavern, pub, spirits, club, lounge, cabaret, saloon, and other names which denote liquor sales will be considered as indication of non-restaurant format.
- 7) More than 60% of the public seating area consists of barstools, cocktail tables, and similar types of seating, indicating that such area is used primarily for alcohol consumption.
- 8) Dinnerware and smallware including dining utensils are not compatible with the offered menu.