

Special Liquor Licenses Approved for Orlando Main Street Small Restaurant Incentive Area

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On June 29, 2021, Governor DeSantis signed HB 1647 allowing smaller restaurants to be eligible for Special Food Service (4COP SFS) liquor licenses. Owners with businesses and properties that fall within the Orlando Main Street Small Restaurant Incentive Area now have the opportunity to re-evaluate their licenses and possibly add sales for on premises consumption of liquor if they do not currently have it.

Florida Beverage Law limits the number of licenses that may be issued allowing a business to sell any alcoholic beverage that includes liquor and spirits. There are many exceptions to this quota license limitation; specifically, businesses may be issued a Special Food Service license allowing a business to serve any alcoholic beverage of any alcohol content.

The bill creates an exception to s. 561.20(1), F.S., by requiring the Department of Business and Professional Regulation (DBPR) to issue special alcoholic beverage licenses to bona fide restaurants in the Orlando Main Street Small Restaurant Incentive Area that:

- Are licensed by the Division of Hotels and Restaurants,
- Have at least 1,800 square feet of contiguous space (as opposed to a general rule of 2,500 square feet),
- Are equipped to serve meals to at least 80 persons at one time (as opposed to the general rule of 150 customers), and
- Derive at least 51 percent of their gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period after licensure, and each 12-month operating period thereafter.

The license will be revoked if the licensee fails to meet the 51 percent food and nonalcoholic beverages gross revenue requirement. If a licensee gets their license revoked, denied, or if the licensee does not qualify, the licensee may not have any interest in a subsequent license application for 120 days after the date of the denial or revocation.

Orlando Main Street small restaurants located within Orlando's nine neighborhood commercial districts located throughout the city may be able to obtain less expensive liquor licenses, generate new revenue streams, and maintain their historic buildings. This is a great opportunity for restaurants to expand their alcoholic beverage service options and increase revenues from such sales without having to purchase a quota liquor license on the open market.

For questions on liquor licensing generally or the impact of these new regulations, contact shareholder Tara Tedrow at tara.tedrow@lowndes-law.com.

*Kyla Szubinski, a summer law clerk, assisted with this article.