

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 160593, AS AMENDED

Amending Chapter 10, Code of Ordinances, by repealing Sections 10-102, eligibility and requirements for sales by drink license, and 10-111, eligibility for package sales license, and enacting in lieu thereof new sections of like number and subject matter which will allow an applicant or managing officer of a grocery store to apply for and receive a retail sales-by-drink license, and, defines the specific businesses listed in both sections.

WHEREAS, there has been an increase in the number of grocery stores that are selling liquor by the drink throughout the United States; and

WHEREAS, there are grocery stores in Kansas City, Missouri that have expressed interest in having a retail sales by drink license; and

WHEREAS, Missouri state statutes already allow grocery stores to hold a retail sales by drink license which also allows for the sale of liquor by the package; and

WHEREAS, Missouri state regulations only allow for one retail license to be issued for a single premises unless the building is partitioned in a manner that the partitions shall run from the front of the building to the rear of the building and from the ceiling to the floor and be permanently affixed in a manner as to make two (2) separate and distinct premises where there must be a separate entrance in front of each of the premises, and, each of the premises has a different street address to indicate the businesses are run separately and distinct from each other, and, each business maintained on the premises must be manned and serviced by an entirely separate and distinct group of employees where there are no buzzers, bells or other wiring or speaking system connecting one (1) business with the other; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That Chapter 10, Code of Ordinances of the City of Kansas City, Missouri, is hereby amended by repealing Sections 10-102, Eligibility and requirements for sales by drink license, and 10-111, eligibility for package sales license, and enacting in lieu thereof new sections of like number and subject matter to read as follows:

**Sec. 10-102. Eligibility and requirements for sales by drink license.**

(a) A full sales-by-drink license authorizes the licensee to sell all kinds of alcoholic beverages by the drink for consumption on the licensed premises and to sell alcoholic beverages in the original package on the licensed premises. Each license shall be further classified into one of the sales-by-drink classifications set forth in this chapter.

(b) Unless otherwise stated in this section, a sales-by-drink license may only be issued to a licensee or applicant when liquor-by-drink sales or projected sales are over 60 percent of all liquor sales. No sales-by-drink license authorized under sections 10-102, 10-103, 10-104, 10-105, 10-106, 10-107, 10-108, 10-109 and 10-110 of this chapter shall be issued to any of the following businesses:

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- (1) Drugstore which as used in this section is defined as a retail store centrally featuring a pharmacy that dispenses prescription medication and sells over-the-counter medications as well as other miscellaneous items which includes but is not limited to products such as candy, cosmetics, cleaning supplies, light refreshments, magazines and paperback books.
- (2) Cigar and tobacco store which as used in this section is defined as a retail store of tobacco products which primarily specializes in selling various forms of tobacco and tobacco accessory products which includes but is not limited to pipes, lighters, matches, pipe cleaners, and pipe tampers.
- (3) Grocery store where the building is less than 15,000 square feet. Any grocery store that has a sales-by-drink license is not required to have liquor-by-drink sales or projected sales over 60 percent of all liquor sales. A grocery store which as used in this section is defined as a retail store that primarily sells food.
- (4) Convenience-grocery store which as used in this section is defined as a small retail business that primarily stocks a range of everyday items which includes but is not limited to groceries, snack foods, confectionery, toiletries, soft drinks, tobacco products, magazines and newspapers.
- (5) General merchandising store which as used in this section is defined as a retail business that sells a number of lines of merchandise which may include but is not limited to dry goods, apparel and accessories, furniture and home furnishings, small wares, hardware, toys, automotive products and food.
- (6) Confectionery store which as used in this section is defined as a retail business that primarily sells bakers and sugar confections which includes but is not limited to sweets, candies, candied nuts, chocolates, chewing gum, pastillage, sweet pastries, cakes and other baked goods.
- (7) Liquor store which as used in this section is defined as a retail business that primarily sells pre-packaged alcoholic beverages.
- (8) Any convenience grocery store that sells gasoline, a gasoline service station or motor vehicle repair garage.

(c) A caterer with a full sales-by-drink license authorizes the caterer to sell all kinds of alcoholic beverages by the drink for consumption away from the licensed premises at other premises approved by the director. Each license shall be further classified into one of the sales-by-drink classifications set forth in this chapter.

(d) A wine manufacturer may apply for a full sales-by-drink license which authorizes the licensee to sell all kinds of alcoholic beverages by the drink for consumption on the premises where sold, if the premises so licensed is in close proximity to the winery. The licensed premises pursuant to this subsection shall also be exempt

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from the provisions of section 10-211 provided that the licensed premises are located in or upon the premises of a manufacturing facility and the manufacturing facility produces no less than 10,000 barrels of any kind of alcohol per annum. Each license shall be further classified into one of the sales-by-drink classifications set forth in this chapter.

(e) A licensee holding a current full original package sales license or an applicant who is eligible under section 10-211(2) of this chapter to receive a full original package sales license may apply for a sales-by-drink specialty license which will authorize the licensee to sell alcoholic beverages in the original package and light wine by the drink for consumption on the premises as long as the following criteria are met:

- (1) The licensee must follow all sections of the ordinance that apply to a sales by drink licensed premises as outlined in this chapter; and
- (2) The licensee must meet the consent requirement as outlined in section 10-214 of this chapter; and
- (3) The only type of alcoholic beverages the licensee is permitted to sell or serve is light wine by the drink in a serving size not to exceed five ounces; and
- (4) The licensee will not allow any form of entertainment on the premises as outlined in section 10-332 of this chapter; and
- (5) The licensee will be prohibited from licensing any exterior part of the premises; and

A licensee that holds a sales-by-drink specialty license will be treated as a retail sales-by package license holder under section 10-211(2), for density purposes, of this chapter.

(f) A manufacturer or microbrewery, as defined in this chapter, may apply for a sales-by-drink license which authorizes the licensee to sell only those alcoholic beverages by the drink or by the package that are manufactured on the licensed premises and will not be required to meet a minimum percentage of liquor-by-drink sales or projected sales as required in subsection (b) of this section. Each license shall be further classified into one of the sales-by-drink classifications set forth in this chapter.

**Sec. 10-111. Eligibility for package sales license.**

(a) No license authorizing the licensee to sell alcoholic beverages in the original package under sections 10-112 and 10-113 of this chapter, authorized by RSMo 311.200, shall be issued except to an applicant who sells alcoholic beverages in the original package in connection with the operation of one or more of the following businesses exclusively:

- (1) Drugstore which as used in this section is defined as a retail store centrally featuring a pharmacy that dispenses prescription medication and sells

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over-the-counter medications as well as other miscellaneous items which includes but is not limited to products such as candy, cosmetics, cleaning supplies, light refreshments, magazines and paperback books.

- (2) Cigar and tobacco store which as used in this section is defined as a retail store of tobacco products which primarily specializes in selling various forms of tobacco and tobacco accessory products which includes but is not limited to pipes, lighters, matches, pipe cleaners, and pipe tampers.
- (3) Grocery store which as used in this section is defined as a retail store that primarily sells food.
- (4) Convenience-grocery store which as used in this section is defined as a small retail business that primarily stocks a range of everyday items which includes but is not limited to groceries, snack foods, confectionery, toiletries, soft drinks, tobacco products, magazines and newspapers.
- (5) General merchandising store which as used in this section is defined as a retail business that sells a number of lines of merchandise which may include but is not limited to dry goods, apparel and accessories, furniture and home furnishings, small wares, hardware, toys, automotive products and food.
- (6) Confectionery store which as used in this section is defined as a retail business that primarily sells bakers and sugar confections which includes but is not limited to sweets, candies, candied nuts, chocolates, chewing gum, pastillage, sweet pastries, cakes and other baked goods.
- (7) Delicatessen store which as used in this section is defined as a retail business that sells foods already prepared or requiring little preparation for serving which includes but is not limited to cooked meats, bread, cheese and salads.
- (8) Liquor store which as used in this section is defined as a retail business that primarily sells pre-packaged alcoholic beverages.

(b) Package sales licenses shall not be issued to any applicant who operates a gasoline service station, motor vehicle repair garage, motor-propelled vehicle racetrack or any place required to be licensed under the provisions of chapter 12 unless the applicant conforms to each of the following minimum requirements:

- (1) The business shall contain no less than 1,200 square feet of sales display area, exclusive of storage rooms and walk-in refrigeration coolers;
- (2) The business shall keep and maintain a stock of no less than 750 separate and distinguishable products for sale, exclusive of alcoholic beverages, tobacco products, automotive parts and supplies, and gasoline; and

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- (3) The business shall keep and maintain a stock of goods having a value, according to invoices, of at least \$7,500.00, exclusive of alcoholic beverages, tobacco products, automotive parts and supplies, and gasoline.

(c) Other than those licensees or applicants for a package sales license pursuant to subsection (b) of this section, every licensee and applicant shall keep and maintain in its store a stock of goods having a value, according to invoices, of at least \$1,000.00, exclusive of fixtures and alcoholic beverages, to be eligible for a package sales license.

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Approved as to form and legality:

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Kathy Adams  
Assistant City Attorney