The Safeway grocery store at Hamilton in Novato narrowly avoided having its liquor license revoked after a second violation of selling alcohol to minors this year and the fifth violation since 2010, according to state Alcoholic Beverage Control officials.
Instead, the store at 5720 Nave Drive had its license suspended for 60 days on Thursday — that means no booze for sale for the Thanksgiving holiday.

The suspension is part of a stipulation of waiver the store entered into with the state, which ABC supervising agent Matt Hydar likened to a plea agreement. Should the store be caught selling alcohol to a minor again within the next three years, its license will be permanently revoked.

“It’s kind of like their double secret probation,” Hydar said. “There are no other options after this and we will revoke their license outright if there is another violation of sales to minors.”

In a statement, Safeway spokeswoman Wendy Gutshall said Safeway takes these violations “very seriously and we are committed to keeping alcohol out of the hands of anyone under the legal drinking age.”

“We are retraining store employees about our procedures and increasing employee compliance training,” Gutshall wrote. “In addition, we are conducting ongoing undercover inspections by a third-party security provider as well as Safeway personnel.

“We value our Novato customers and apologize for the inconvenience,” she wrote. “We look forward to continue serving them.”

The violations occurred as part of a sting operation by the Novato Police Department. The operation, funded by Alcoholic Beverage Control grants, uses decoys age 19 or younger who attempt to purchase alcohol from local stores, according to Novato police Sgt. Chris Andres.
Under state law, the state could have revoked Safeway’s general liquor license outright after the most recent violation, in August, because it was the third violation to occur within the past three years, Hydar said. If the license is revoked, the premises would not be able to apply for another license for a year regardless of its owner, he said.

The store has had five violations of selling to minors since 2010, Hydar said. In both 2010 and 2014, Safeway paid a $3,000 fine for the violations as part of a payment in lieu of license suspension. The store had another accusation filed against it in 2016 that resulted in a $20,000 fine to avoid a 25-day suspension, Hydar said.

The Novato Police Department filed another claim with the state against the store on Jan. 14, 2018. Hydar said information on the fine amount was not available through electronic records, but based on his 17 years of experience with the agency he said it was likely the store paid another $20,000 fine.

Another claim was filed against the store by Novato police on Aug. 21, which resulted in the license suspension.

Tony Carrancho, the supervising agent of Alcoholic Beverage Control’s Santa Rosa office, said incidents in which stores sell to minors three times or more within a 36-month period are unusual in Marin County.

“These are not that common,” Carrancho said. “But it does happen.”

Michael Scippa, communications director for the San Rafael-based Alcohol Justice organization, said preventing alcohol sales to minors requires a multi-pronged approach. This includes boosting the number of state enforcement agents, raising the state’s alcohol excise tax to reduce the incentive of alcohol purchases and implementing more local control to restrict the concentration of alcohol licenses in communities.

Statewide, Alcoholic Beverage Control has approximately 175 agents, but the number of enforcement agents in the field hovers around 120, Hydar said. Scippa said there are about 90,000 alcohol licenses throughout the state, though Hydar said not all are for alcohol sales.

Hydar said ABC encourages communities to adopt local restrictions on alcohol licenses, in part because of the concentration of licenses compared with the number of agents available to enforce regulations.

The agency’s grants to police departments like Novato’s are another measure the agency is using to combat sales to minors, Hydar said. Carrancho said similar grants have been administered to the San Rafael and Central Marin police departments.

The state’s alcohol excise tax has not been raised since 1992, Scippa said. Alcohol Justice has advocated for a tax increase, which Scippa said could be used to provide funding to hire more enforcement agents and to create or enhance alcohol prevention programs for middle schools.

However, Scippa said the alcohol lobby in Sacramento is powerful and has made it “virtually impossible” to push an increase through.

As for local control, Scippa said there are already three to four times the number of alcohol licenses in San Rafael’s Canal district than its population would be allotted under state policy. That’s because while
the number of alcohol licenses allowed in a ZIP code is restricted by population, businesses and individuals can still purchase licenses from other license holders outside those ZIP codes and use them in regions as long as they obtain approval from their local government, according to Hydar and Scippa.

Despite some of his criticisms, Scippa said the state is moving in the right direction with legislation such as Assembly Bill 1221, which will require alcohol servers to pass a responsible beverage control training program starting in 2021.

Scippa said he is grateful for the state’s decision to suspend the Hamilton Safeway’s license.

“It probably should have happened a few years ago,” Scippa said. “I would hope this sends a strong message to license holders in other businesses throughout the county that someone is watching, and sooner or later if they are circumventing the law there will be consequences.”