



CITY OF DAHLONEGA

Council Work Session Minutes

February 21, 2022, 4:00 PM

Gary McCullough Council Chambers, Dahlonega City Hall

In compliance with the Americans with Disabilities Act, those requiring accommodation for Council meetings should notify the City Clerk's Office at least 24 hours prior to the meeting at 706-864-6133.

PRESENT

Mayor JoAnne Taylor
Councilmember Ron Larson
Councilmember Roman Gaddis
Councilmember Johnny Ariemma
Councilmember Ryan Reagin
Councilmember Ross Shirley

OPEN MEETING

Mayor Taylor called the meeting to order at 4:00 pm
Mayor Taylor called for the Main Street report.

BOARDS & COMMITTEES:

1. Main Street – January 2022
Ariel Alexander, Main Street/DDA Interim Main Street Manager
Manager Alexander indicated there was no additional information to the report. Special Projects for the next month are the annual plan and budget tasks.
Councilmember Ariemma indicated he would like two historical plaques, the 1888 House and our Hotel. Manager Alexander stated she would begin the process for this request.

TOURISM: Sam McDuffie, Tourism Director
Not present at this meeting

Mayor Taylor reminded everyone that the department reports are distributed electronically to the Council and available to the public through our website for review.

DEPARTMENT REPORTS:

2. Community Development – January 2022, Jameson Kinley, Planning and Zoning Administrator
Councilmember Larson thanked Administrator Kinley for the report details and requested cumulative month comparison in the future reports. Administrator Kinley agreed to this request. Councilmember Gaddis agreed. Councilmember Shirley asked if there were categories that included home demolitions. Administrator Kinley advised there was not.

Councilmember Ariemma expressed concern for the traffic at Morrison Moore and Pinetree Way intersection with the new elementary school construction. He advised that the intersection is already congested; how will we design a flow to get the cars out?

City Manager Schmid advised there were two projects with this issue. Pinetree Way is being widened, but improvements to Morrison Moore Parkway are suspended; This was not a City decision during a GDOT meeting with the City, County, and DOT.

3. Finance and Administration Department – January 2022, Allison Martin, Finance Director
Councilmember Ariemma requested clarification on our Low-Income Housing Assistance Plan.
4. Dahlonga Police Department – January 2022, George Albert, Chief of Police
Councilmember Larson requested Chief Albert track the details of his report in the same manner requested of Administrator Kinley as we advance. Chief Albert agreed to that request.
5. Public Works—January 2022, Mark Buchanan, PW Director/City Engineer
6. Water & Wastewater Treatment Department Report January 2022, John Jarrard, Water/Wastewater Treatment Director

ITEMS FOR DISCUSSION:

7. Trade Name Registration - DDA/Main Street Program to Downtown Dahlonga, Mary Csukas, DDA/Main Street Program Director

Mayor Taylor announced this item and indicated Council required no action.

Councilmember Gaddis confirmed this was still an authority and still governed the same. Director Csukas explained that the name change provides one umbrella for Main Street programs and Downtown Development Authority. Councilmember Larson expressed concern to ensure the focus will be not just on downtown but also on the other areas of the City. Mayor Taylor explained that the Downtown Development Authority is just downtown Dahlonga and the Lumpkin County authority has responsibility outside the downtown area. City Manager Schmid clarified that the Downtown Development Authority has an approved map that exceeds the B-3 and C-3 districts and extends from Radar Ridge to the Pinetree site.

Director Csukas added Jessica Reynolds, Director GDCA, expressed the name change to simplify our program. We are still involved in the activities that happen in the City. Councilmember Larson expressed concern with support outside the downtown area.

8. Amendment of Personnel Management System Policies

Allison Martin, Finance Director

Mayor Taylor called Director Martin to discuss this topic.

Director Martin expressed thanks to the City Manager and City Attorney for their comments and review of the documents. She reviewed the changes highlighted in the packet. She listened to comments and will use the industry best practices for what needed to be improved, safe driving by city employees, medical and health processes, contagious illness policy, and the weapons policy for the police department.

Councilmember Reagin thanked Director Martin for raising the boot reimbursement limit for those employees required to wear boots to \$150.

9. FY2021 Fourth Quarter Budget Amendment, Allison Martin, Finance Director

Director Martin is awaiting financial statements from auditors, and there may be one line item to be adjusted; any adjustment will affect our Reappropriations Budget.

10. FY2022 Reappropriations Budget Amendment, Allison Martin, Finance Director

Director Martin explained that once we finalize the Auditors' financial statement, we can tie our numbers down and deliver it electronically to the Council for review. We will recommend and bring forward the retention software for the Clerk's Office and the 2022 elections final invoices.

11. Memorandums Regarding Distilled Spirits Package Stores, Doug Parks, City Attorney

Mayor Taylor announced our next topic, Distilled Spirits Package Store Ordinance.

She invited City Attorney Parks to address Council.

City Attorney Parks indicated this is a complex ordinance with multiple decision points; the Mayor will go through each of these items with you.

Mayor Taylor stated that the first item would be the maximum number of licenses and sequencing of licensing periods.

Discussion ensued regarding methodology to issue licenses either as lottery or auction or cycles.

- Councilmember Larson questioned if it assumes you are issuing more than one license and ask explicitly if one license would be issued. City Attorney Parks indicated this was for one license; this system was suggested because of the hardship put on potential licensees competing for the same property.
- Councilmember Ariemma indicated he was okay with splitting up the licenses and expressed concern with competition based on the square footage requirements, as building inventory may be sparse. He is okay with the 6-month timeframe.
- Councilmember Shirley expressed concern with the bidding operation ties to the licensing.
- Councilmember Reagin stated he felt a little competition was good for the process.
- Councilmember Larson expressed the option for a third license tied to population size.
- Councilmember Gaddis clarified that we would not have a third license unless our population rose.

Mayor Taylor reviewed the expression of the question and indicated she felt that what she was hearing was that Council mostly was agreeable to the two cycles. Council affirmed in various forms.

Council and City Attorney discussed the process and indicated there was no voting today, but the Council needed information to draft the Ordinance. The Ordinance might have a first and second reading, as the first reading may need clarification.

Next, Mayor Taylor detailed building size, inventory, and square footage limitation options. She detailed specifics for the public.

- Councilmember Ariemma referenced the optional language on page 3 of the memo and asked for Councilmember Gaddis' opinion as he had prior experience with this subject.
- Councilmember Gaddis explained that with \$250,000 in inventory, you could have a small space. He indicated that he felt Councilmember Ariemma's point was a

question of what would be available. Councilmember Gaddis offered that is not our issue; if we want a higher-level store, we craft an ordinance to have a higher quality store with a minimum of \$750K in inventory. You can have a small space and have that level of stock. If we put it out there and it is too restrictive, we can change it later.

- Councilmember Shirley stated he had been discussing size and inventory with store owners, and there is a wide range of opportunities, but this is a heavily regulated industry. To note, he favors being on the lower side of inventory and square footage and having a good variety.
- Councilmember Reagin indicated he would like to echo Councilmember Shirley's stand. He felt most voters wanted this option; he did not want to take a long timeline to make it available. He felt 2000 sq ft was reasonable, but a \$1M inventory might be much and added that only a few buildings are move-in ready in the City of Dahlenega.
- Councilmember Larson stated he took the middle ground. Initially saying 3000 sq ft, he can see lowering to 2000 sq ft. This option also considers 500 sq ft for storage and 500 sq ft for wines. We do not want to make it impossible for people to open a store. He felt \$500K would be okay.
- Councilmember Gaddis indicated he agreed with those square footage and inventory starting points.

Mayor Taylor asked City Attorney Parks if there might be a discount from distributors. When speaking with one distributor's legal personnel, he explained that the larger sq ft allows the dealer to obtain the discounts necessary to make it profitable. Investing in the more extensive square footage will also have more significant profitability.

Mayor Taylor opened discussion for what zoning districts would have a package store.

- Councilmember Gaddis indicated B-1 and B-2 would be most appropriate.
- Councilmember Larson agreed.
- Councilmember Ariemma preferred B-1, B-2, and CBD.
- Councilmember Reagin indicated he agreed with Councilmember Ariemma.
- Councilmember Gaddis added that if the CBD district is just on the Historic District's outskirts, he does not want to see package stores in that district. Changes in the CBD district must go through the HPC (Historic Preservation Committee). He indicated he could see Councilmember Ariemma's point but would rather it stay in B-1 or B-2.
- Councilmember Ariemma stated that excluding the CBD district may take away another real estate area for potential owners.
- Councilmember Larson indicated he agreed with Councilmember Gaddis, and the Council can adjust later if needed.
- Councilmember Shirley asked if we have a history of changing things. Councilmember Gaddis responded yes, the growler ordinance was modified three times and evolved to accommodate the store owner. He added that was one of the most complicated things the Council tackled; let us be more restrictive now and change it later is needed.
- Councilmember Shirley had discussed this topic with people; they had no interest in a package store on the square.

Mayor Taylor addressed City Attorney Parks, asking if the information supplied so far was enough for a draft ordinance; City Attorney Parks stated another work session is best to clarify topics.

Mayor Taylor announced the next subject was the hours of operation. The hours of operation proposed are Monday through Saturday 8:00 am - 11:45 pm and the question of Sunday sales.

- Councilmember Reagin stated that 80% of the people voted and wanted a package store, and he did not see the difference between purchasing a drink at an establishment or a liquor store. A store should stay open as much as the business owner would like.

Mayor Taylor clarified that 80% of people who voted were in favor, only 20% of the citizens voted, and added we need to consider the people who voted and the broader community.

- Councilmember Shirley stated he felt the same as Councilmember Reagin and shared that most people would expect Sunday hours of operation. If competition and the market dictate, he is open to this idea.
- Councilmember Ariemma indicated he was a compromiser, and we can make the adjustment later; he is not ready for Sunday sales.
- Councilmember Gaddis agrees with Councilmember Ariemma. He prefers not to have Sunday sales now; we can easily return to this topic again. The proposed operating hours of 8 am to 11:45 pm Monday through Saturday seem excessive.
- Councilmember Larson stated he was leaning toward closing on Sunday or being more conservative on Sunday sales.

Mayor Taylor discussed the next section, sellable items in a proposed package store:

- ✓ Beer or wine requires separate licenses.
- ✓ Beverages containing no alcohol; are commonly used to dilute distilled spirits.
- ✓ Food for off-premises consumption.
- ✓ Money order sales, check to cash.
- ✓ Lottery games or tickets.
- ✓ Cigarettes, cigars, chewing tobacco, alternative nicotine products, vapor products, snuff, cigarette papers, lighters, matches.
- ✓ Amusement machines, gaming devices.
- ✓ And other.

Mayor Taylor asked Council to discuss opinions in this area.

- Councilmember Gaddis believes caution if a higher-end package store is the desired result. Previous experience working in a package store earlier in his career showed a noticeable difference between stores that allowed and or promoted lottery tickets, cigarettes/tobacco, check to cash, and amusement machines, and one that prohibited these items. I think as a council we must decide what we want as a package store in Dahlonaga. The convenience stores have all those other things; we may want to limit to distilled spirits and have a higher-end package store.
- Councilmember Shirley appreciated Councilmember Gaddis's opinion and experience. He would like an opportunity for the licensee to be profitable and serve the community's needs. He felt there does not need to be money order sales, check to cash, and electronic games, but they have a right to anything else they choose to sell. I do not know if it is our role to dictate, as the market will dictate.

Mayor Taylor asked Councilmember Shirley to be more explicit about allowing. Councilmember Shirley indicated he would allow beer/wine licensed separately, mixers, food, no check-cashing/money order sales, okay to the lottery, and tobacco. He does not feel amusement machines are necessary.

- Councilmember Ariemma stated he agreed with Councilmember Shirley. He agrees with lottery tickets which are an easy sale. He is against gaming and tobacco.
- Councilmember Larson asked Councilmember Ariemma to clarify that he would not favor tobacco items. Councilmember Ariemma confirmed.
- Councilmember Reagin agreed with beer/wine and food items but disagrees with selling money orders/check to cash. He agrees with the lottery as it supports the HOPE Scholarship and the sale of cigars, especially with our number of weddings: lighters go hand and hand with cigars. He does not think amusement machines need to be there.
- Councilmember Larson stated he tends to be conservative and agrees with the first three items. He agrees with Councilmember Gaddis but also indicated he would vote in favor of the lottery, so we might as well do cigarettes and cigars but no money orders or checks cashing.

Mayor Taylor called for additional comments. As none were forthcoming, she moved to the next item.

The application fee for the proposed license is \$5,000, which is the maximum for the state.

- Councilmember Gaddis asked if the Council wanted to go with the proposed \$5000 fee or an option to bid? City Attorney Parks and Mayor Taylor clarified that the fee for the license is required.
- City Attorney Parks described the example city of Canton, which applied part of the bid amount to other things like building permits and entry costs.
- Councilmember Gaddis asked if it could be applied to the license fee and City Attorney Parks agreed. He also cautioned that Canton's method is the first entry in Georgia of this type. So far, there has been no challenge to it.

Mayor Taylor clarified that we are talking about two different things: the license fee and how you get eligible to get a license. Is it going to be via lottery or auction or another method?

- Councilmember Reagin stated he was concerned about being a pioneer like Canton and agreed with a license fee of \$5000.
- Councilmember Larson agreed with \$5000 for a license fee.
- Councilmember Ariemma agreed with the \$5000 license fee.
- Councilmember Gaddis agreed with the \$5000 license fee and added that the bidding option is intriguing. If we want to explore that, will it slow the process down? City Attorney Parks explained that it would be much more staff intensive. Councilmember Gaddis asked City Manager Schmid what the level of interest had been, and Manager Schmid explained it was strong, especially at the vote. Councilmember Larson asked for a clarification of interest. City Clerk Csukas explained that ten to fifteen people had called and asked about the process, but she was not keeping a list of names.
- Councilmember Larson and City Attorney Parks had a clarification discussion about the process of bidding, transferring licenses, and general process if the Council went the bidding route. While there was interest in adding revenue and

value to obtaining a license, Councilmember Larson said he did not feel the bidding process would be appropriate.

- Councilmember Ariemma added that he appreciated Councilmember Larson's comments.

Mayor Taylor asked for any other comments on whether we had a bid or lottery process.

- Councilmember Gaddis stated that either way, if we decide to explore the bidding option, what is the commitment of staff for that. Do we want to tie up the staff time? City Manager Schmid acknowledged that staff had full plates. He was concerned about being the second pioneer in the state with the process, and the uncertainty and complexity of the bidding process are problematic.

Mayor Taylor asked if there were any other comments. She added that the state-mandated other restrictions available online, such as distances from schools and churches.

Councilmember Ariemma asked if transferring a package store license is allowed to a new location. City Attorney Parks stated yes but reminded Council that each licensee needed to be 1500 from another licensee.

Mayor Taylor added restrictions that prohibit the City Council and the Mayor from owning these establishments are in place. She thanked everyone for bearing with us and appreciated everyone's candor.

Councilmember Larson asked what the plan was going forward, and Mayor Taylor asked City Attorney Parks if there would be another memorandum session. City Attorney Parks stated another session might apply.

Councilmember Gaddis suggested that at the Ordinance phase, there be two readings to allow for public comment. City Attorney Parks highly recommended that we adopt this rule of procedure, although not required by the Charter.

Councilmember Ariemma indicated he felt that everyone was in the general conscientious and, once compiled, was ready for a first reading. Councilmember Larson felt Council was in 98% agreement.

Mayor Taylor cautioned that this is a complex ordinance and new ground for Dahlonga.

Mayor Taylor called for comments.

COMMENTS – PLEASE LIMIT TO THREE MINUTES

Clerk Comments- no comments

City Manager Comments- no comments

City Attorney Comments- no comments

City Council Comments- no comments

Mayor Comments- no comments

ADJOURNMENT

Mayor Taylor called for a motion to adjourn at 5:30 pm.

Motion made by Councilmember Ariemma, Seconded by Councilmember Larson.

Voting Yea: Councilmember Larson, Councilmember Gaddis, Councilmember Ariemma, Councilmember Reagin, Councilmember Shirley