



CITY OF DAHLONEGA  
City Council Special Called Meeting - Staff  
Discussion with Interested Parties/Public  
regarding Distilled Spirits Ordinances Agenda

May 10, 2022, 1:30 PM

Gary McCullough Chambers, Dahlonaga City Hall

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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.

Vision - To be an open, honest, and responsive city, balancing preservation, and growth, and delivering quality services fairly and equitably by being good stewards of Dahlonaga's resources.

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CALL TO ORDER AND WELCOME

APPROVAL OF AGENDA

NEW BUSINESS

1. The City of Dahlonaga will be hosting an interested party meeting open to the public at City Hall. The meeting will be held in Council Chambers and is open to anyone who wishes to learn about the proposed ordinances or ask questions.

ADJOURNMENT



# City Council Agenda Memo

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**DATE:** 05/04/2022  
**TITLE:** General Discussion of Frequently Asked Questions Regarding Distilled Spirits Package Stores  
**PRESENTED BY:** Doug Parks, City Attorney

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**AGENDA ITEM DESCRIPTION:** General discussion of frequently asked questions regarding distilled spirits package stores.

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**HISTORY/PAST ACTION:** The Council has passed a first reading of the licensing requirements for distilled spirits package stores. This meeting is for the benefit of the general public to review the frequently asked questions regarding licensing. Questions not addressed by the FAQ's will also be entertained. Based upon input at this meeting adjustments may be recommended for changes to the regulations.

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**FINANCIAL IMPACT:**

Not applicable.

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**RECOMMENDATION:**

Not applicable.

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**SUGGESTED MOTIONS:**

Not applicable.

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**ATTACHMENTS:**

Current draft of FAQ's.

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## **LICENSURE OF RETAIL DISTILLED SPIRITS PACKAGE STORES IN DAHLONEGA**

The City of Dahlonega offers a significant array of alcohol licenses to the community. This is because each type of sale brings with it some distinct regulations. Licenses in Dahlonega are known by classes and letter combinations. A soon to be added new license is “Class L: Retail Distilled Spirits Package.” The Class L license like all others is issued for the calendar year and requires initial and renewal applications.

Those interested in obtaining a Class L license will be provided an application form by the City Clerk once the new regulations become law. In anticipation of applying the prospective applicant should begin his or her preparation by reviewing the series of questions. Questions 1 through 7 deal directly with fees and core qualifications of the person or entity. Questions 8 through 14 deal with procedure. And Questions 15 through 25 deal with operational and other regulations applicable to this type of license.

**(1) Question:** What is the application fee for Class L, retail distilled spirits package?

**Answer:** The non-refundable and non-transferrable administrative application fee will be \$500.00 together with a deposit in the amount of the license base fee.

**(2) Question:** What will the base fee for Class L, retail distilled spirits package be?

**Answer:** The base fee for Class, L, retail distilled spirits package will be \$5,000.00 annually. This fee is non-transferrable and non-refundable. If you file an application, you will also provide in addition to the application fee a deposit of \$5,000.00 as your base license fee. If your application is not selected for licensure that deposit will be returned.

**(3) Question:** Can I add retail sales of packaged malt beverages and/or retail sales of packaged wine to my Class L, retail distilled spirits package license?

**Answer:** Yes, to add a retail sales of packaged malt beverage license the fee will be an additional \$1,200.00 annually. Additionally, to add a retail sales of packaged wine license the fee will be an additional \$1,200.00 annually. For example: to sell distilled spirits, malt beverages and wine the fee would be the distilled spirits base fee (\$5,000.00) + the packaged malt beverage base fee (\$1,200.00) + the packaged wine base fee (\$1,200.00) = \$7,400.00 annually.

**(4) Question:** What will I need to provide on my application?

**Answer:** Each applicant shall provide the following: (1) a copy of a deed showing the applicant to be the owner of the premises for which the license is sought or a copy of a deed, contract for purchase or lease of the premises sought to be used by the applicant for the business, (2) criminal background history of each person listed on the application, (3) proof of U.S. Citizenship or alien status, (4) ten-year driver history, (5) identification of the licensee's representative who will be the person upon whom notices or service of papers shall be served, and (5) the licensed representative identified shall submit to the City an affidavit certifying that he/she is at least 21 years of age and a manager of the business.

**(5) Question:** What would disqualify someone from obtaining a distilled spirits package store license?

**Answer:** When contrary to the public interest and welfare, no distilled spirits package store license shall be issued for (1) Any person who has been convicted under any federal or state law of any felony within ten (10) years immediately preceding the filing of application for such license; or (2) Any person convicted under any federal, state or local law of a misdemeanor involving alcoholic beverages, gambling or tax law violations, if such conviction tends to indicate that the applicant will not maintain the operation for which he is seeking a license in conformity with federal, state or local laws, rules and regulations.

**(6) Question:** Can someone own more than one package store licensed in Dahlonga?

**Answer:** No, no person shall be or have a beneficial interest in the holder of more than one distilled spirits package store license within the City regardless of the degree of the interest. Beneficial interest includes ownership interest, whether legal, equitable or other, in or control over the holder of the distilled spirits package store license.

**(7) Question:** Can a person, group or entity with similar members have an interest in more than one package store?

**Answer:** No, no person, group or entity with similar members, including family members, can have an interest in more than one license for the package sale of distilled spirits issued.

**(8) Question:** How many licenses for the package sale of distilled spirits will be issued?

**Answer:** No license for the retail sale of distilled spirits by the package shall be issued over the number of two during the first licensing period. However, one additional license may be issued once the population of the city exceeds 13,500. Additional licenses may be issued in the future for each 3,500 person increase over 13,500.

**(9) Question:** What if the number of permitted licenses falls below the permitted number?

**Answer:** If the number of permitted licenses falls below the permitted number, then the city shall accept application for and issue such additional licenses for the retail sale of distilled spirits by the package so as to bring the total number of active licenses to the total number then permitted.

**(10) Question:** What will happen during the first licensing period?

**Answer:** The first licensing period will be divided into two licensing cycles. One license will be issued pursuant to each cycle. The City Council, by separate resolutions or ordinances, identify the dates of the first and second independent licensing cycles. During each cycle, if the city receives more conforming application than allotted licenses to be issued, then the selection of the successful application for that cycle shall be conducted by a lottery system overseen by an independent third party firm. Application will then be drawn by lottery until all application are ranked by the number in which they were drawn. After this process takes place, the application drawn from the lottery system will then be presented to the City Council for action on the approval of the license to be issued for that cycle.

**(11) Question:** What if the first application drawn and approved via the lottery system fails or defaults?

**Answer:** If the first application drawn from the lottery system fails or defaults, the applications ranked beneath the first drawn will be held in reserve and notified in their ranking order should a default occur in the ability of the application first drawn to meet the requirements of the regulations during that cycle.

**(12) Question:** Will the applications in the reserve from the first cycle of the lottery system carry over to the second cycle?

**Answer:** No, applications from the first licensing cycle are exclusive to that cycle and do not in any way carry forward to the second licensing cycle.

**(13) Question:** When will the City begin accepting applications?

**Answer:** Applications for the initial issuance of licensees will not be accepted until the effective date of Ordinance 2022-02. The effective date of the ordinance shall coincide with the commencement date of the first cycle of the initial licensing period identified by council resolution. The first licensing cycle is expected to commence on or about May 18th.

**(14) Question:** How long will the City be accepting applications?

**Answer:** The City will be accepting applications for a period of sixty calendar days.

**(15) Question:** Once selected, how long does the license holder have to open for business?

**Answer:** Once a license holder is selected, they have eight months after the issuance of said license to open for business. Failure to open will serve as an automatic forfeiture and cancellation of said license unless an extension of the time is granted by the City Manager or the Manager's designee before the expiration of the eight-month period for good cause shown. Also, please note that no refund of the license fee will be given in the event of such forfeiture.

**(16) Question:** In what zoning districts are package stores allowed?

**Answer:** The package store must be located within the B-1 or B-2 zoning district. No locations other than in those two districts will be approved.

**(17) Question:** Are there any other limitations as to the location of a package store?

**Answer:** Yes, no premises shall be licensed for the sale of distilled spirits by the package:

- (a) which is located within 1500 feet of any other business licensed to sell distilled spirits by the package as outlined by OCGA 3-4-47(a).
- (b) which is located within 300 feet of any church building, alcoholic treatment center as defined by OCGA 3-3-21(a)(1)(c), or a housing authority property as defined in OCGA 3-3-2(e)(1) and (2).
- (c) which is located within 600 feet of any school building, educational building, school grounds, or college campus.

(d) which is located within 300 feet of a detached single family dwelling unit located within one of the City's residential zoning districts;

(e) All distances shall be measured by the most direct route of travel on the ground, from front door to front door.

**(18) Question:** Can a distilled spirits package store use lighted or portable signage outside of the building?

**Answer:** No licensee for the package sale of distilled spirits shall be permitted to utilize a lighted and/or portable sign outside the building. In addition all city sign regulations shall apply.

**(19) Question:** What are the hours of operation for Class L, retail distilled spirits package?

**Answer:** It will be unlawful for Class, L, retail distilled spirits package dealer in the City to sell distilled spirits except between the hours of 8:00 a.m. and 11:45 p.m. Monday morning through Saturday night.

**(20) Question:** Will Sunday sales be permitted for Class L, retail distilled spirits package?

**Answer:** No, Sunday sales are not permitted at this time.

**(21) Question:** What can be sold at a package store other than distilled spirits?

**Answer:** Beer and wine (when properly licensed), beverages containing no alcohol commonly used to dilute distilled spirits, cigars, packaged ice, ice chests, individual can and bottle coolers, paper, Styrofoam, plastic cups, gift bags, gift certificates for use exclusively at the licensed establishment, single-serve snack items and bar supplies.

**(22) Question:** Will amusement machines, electronic game machines or gaming devices be permitted within a Class L retail establishment?



**Answer:** No, amusement machines, electronic game machines and gaming devices will not be permitted within a Class L retail establishment.

**(23) Question:** How big does a Class L licensed premises need to be?

**Answer:** A Class L licensed premises needs to have at least 2500 square feet of showroom space. Spaces such as offices, mechanical rooms, janitorial rooms, breakrooms and bathrooms do not count towards the minimum square footage requirement.

**(24) Question:** What will the minimum inventory requirements for a Class L licensed premises be?

**Answer:** For a Class L licensed premises the minimum inventory requirement will be \$500,000.00 in distilled spirits available for sale. Monthly reporting of inventory is required by the licensee.

**(25) Question:** Will distilled spirits be offered by the package by means of drive-through?

**Answer:** No, packaged distilled spirits will not be offered through any means that allows the customer to remain in their motor vehicle.