

**Agenda for Special Called Meeting of the Board of Mayor and Alderman
Wednesday, November 10, 2021 – 5:30 p.m.
Tulahoma Municipal Building**

Special Meeting of the Board of Mayor and Aldermen **Page**

Call to Order by Mayor Ray Knowis	
Reading of the Call	1
Roll Call	
Invocation – Ald. Sernobia McGee	
Pledge of Allegiance to the Flag – Ald. Sernobia McGee	
Report from City Administrator and City Recorder	
Review of the Process for Issuing Retail Package Business Licenses	
Report from City Attorney	
Recommendation regarding Issuing Certificates of Compliance	

Agenda: **Page**

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| 1. Item No. 21-153 – Discussion of establishing a deadline for providing public notice, accepting applications, and granting authority to the City Attorney to conduct a public drawing as the approved method to select one applicant for issuance of a certificate of compliance when more than one valid application has been submitted to the Board of Mayor and Aldermen. | 4 |
| 2. Item No. 21-154 – Discussion of authorizing the City Administrator to draft an Ordinance to Amend Title 8 (Alcoholic Beverages) of the Tulahoma Municipal Code to provide for a method of selection of licenses due to future increases in population. | 5 |
| 3. Other Business | N/a |

Adjourn

Anyone requesting accommodations due to disabilities should contact Ms. Casta Brice, A.D.A. Coordinator, at 455-2648, before the meeting.

TO THE ALDERMEN OF THE CITY OF TULLAHOMA

You, and each of you, are hereby notified that the Board of Mayor and Aldermen and the Beer Board of the City of Tullahoma, Tennessee is called to meet in a special called session on Wednesday, November 10, 2021, at 5:30 pm at the Municipal Building for the purpose of considering the following:

1. AGENDA ITEM NO. 21-140 – AN ITEM TO DISCUSS THE LOCAL PROCESS FOR OBTAINING A RETAIL LIQUOR LICENSE.

2. AND FOR THE PURPOSE OF TRANSACTING ANY OTHER BUSINESS THAT MAY LAWFULLY COME BEFORE THE BOARD AND WAIVE ANY AND ALL IRREGULARITIES OF SAME.

Ray Knowis, Mayor

We, the undersigned Aldermen hereby acknowledge service of the above notice on Monday, November 10, 2021.

Mayor Pro-Tem Blanks

Alderman Amacher

Alderman Berry

Alderman Blackwell

Alderman Dunn

Alderman McGee

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Tullahoma News

Please publish one time on Wednesday, October 27, 2021

Public Notice Special Call Meeting

The Board of Mayor and Aldermen and the Beer Board of the City of Tullahoma, Tennessee will be called to meet in a special session on Wednesday, November 10, 2021, at 5:30 pm at the Tullahoma Municipal Building, 201 West Grundy Street, Tullahoma, Tennessee to consider the following:

1. AGENDA ITEM NO. 21-140 – AN ITEM TO DISCUSS THE LOCAL PROCESS FOR OBTAINING A RETAIL LIQUOR LICENSE .
2. AND FOR THE PURPOSE OF TRANSACTING ANY OTHER BUSINESS THAT MAY LAWFULLY COME BEFORE THE BOARD AND WAIVE ANY AND ALL IRREGULARITIES OF SAME.

BOARD OF MAYOR
AND ALDERMEN
CITY OF TULLAHOMA

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AGENDA ITEM NO. 21-153

DATE: November 10, 2021
TO: Board of Mayor and Aldermen
FROM: Jennifer Moody, City Administrator
SUBJECT: Retail Package Business Licenses

APPLICATION PROCESS

In recognition of the new census population being 20,339, the City is recommended to provide notice that the City will begin accepting applications for one (1) new retail package business license to be located within the city limits. The notice should be posted in a newspaper of general circulation in Tullahoma, such as the Tullahoma News, and will include a deadline for applications and state the method of selection if multiple valid applications are submitted.

Upon the Board's approval tonight, the following is a proposed timeline:

- Run Notice in the Wednesday, November 17th edition of the Tullahoma News that includes the deadline for applications and the date/time/location of a Public Drawing that will be conducted should multiple valid applications be submitted
- Accept Applications for 15-days with a deadline of Noon on Friday, December 3rd
- City Attorney to Conduct a Public Drawing with one (1) name to be drawn by an independent, third-party to be issued the one (1) certificate of compliance
- The selected applicant's application and background check will be placed on the agenda for the next regularly scheduled meeting of the Board of Mayor and Aldermen for final approval prior to issuance of the certificate of compliance

Upon receipt of the City's certificate of compliance, applicants would be eligible to apply to the State of Tennessee Alcohol Beverage Commission (ABC) for a state license. The State does not recognize nor enforce the City's Ordinance restricting the limit on the number of licenses issued; therefore, it is the responsibility of the governing body of the City to enforce its Ordinance by only allowing approval of one additional certificate of compliance.

RECOMMENDATION

The Board is recommended to authorize the City Attorney to conduct a Public Hearing to select one (1) applicant from among multiple, valid applications submitted for issuance of one (1) certificate of compliance for a retail package business license.

AGENDA ITEM NO. 21-154

DATE: November 10, 2021
TO: Board of Mayor and Aldermen
FROM: Jennifer Moody, City Administrator
SUBJECT: Retail Package Business Licenses

BACKGROUND

The City of Tullahoma's Municipal Code limits the number of retail license granted to no more than one license for every 4,000 residents; the exact language is as follows in Title 8: Alcoholic Beverages, Chapter 2: Intoxicating Liquors:

<p>8-209. <u>Limitation of number of retail licenses granted.</u> Not more than one license shall be issued for each four thousand (4,000) persons or fraction thereof within the corporate limits of the city, according to the last federal or official supplementary census. (1988 Code, §2-209)</p>
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To date, four (4) retail licenses have been granted within the City of Tullahoma. According to the latest official census, the City of Tullahoma has reached a population of 20,339 and therefore, shall issue one additional license.

PROPOSED AMENDMENT TO MUNICIPAL CODE

State law, ABC regulations, and Tullahoma Municipal Code provide only that one license shall be issued in the event that the city population increases by an increment of 4,000, without providing a process or guidance on how to select only one or a few valid applicants when multiple, valid applications submitted. Additionally, in Tullahoma's specific case, the number of permitted liquor stores has remained unchanged for approximately 30 years (since the 1990 census when the City exceeded 16,000 in population) making it difficult to rely upon past precedent. In August 2021, upon release of the new official census population, the City did not specifically publish notice of the new census population explaining how it would create an opportunity for one new retail package business license. However, going forward, the desire is to ensure that notice of such occurrence will be made in the future. Further, the City may use a review process that simply considers the applications in the order that they are submitted, but after much debate, the Board appears to prefer a method that would establish a deadline for all applications to be submitted, have all background checks completed, and then, conduct a public drawing to select only the number of valid applicants that complies with the municipal code restricting the total number of retail package stores.

The Board is recommended to consider the following language to be added to Municipal Code Section 8-209 for the purposes of discussion.

8-209. Limitation of number of retail licenses granted. Not more than one license shall be issued for each four thousand (4,000) persons or fraction thereof within the corporate limits of the city, according to the last federal or official supplementary census. *The City shall provide public notice of the results of the federal or official supplementary census in a newspaper of general circulation in Tullahoma, Tennessee. The notice shall include a deadline for applications for certificates of compliance. This notice shall also include the method of selection if multiple valid applications are submitted for a limited number of licenses.*

Then, after discussion of this proposed language, the Board is asked to consider making a motion to authorize the City Administrator to take the Board's desired process and draft an Ordinance Amendment that will be presented for Board approval at their next regularly scheduled meeting.

RECOMMENDATION

The Board is recommended to authorize the City Administrator to draft an amendment, to Title 8 of the Municipal Code, as so described under discussion by the Board of Mayor and Aldermen.

ATTACHMENTS

Chapters 1 and 2 of Title 8 of the Tullahoma Municipal Code

TITLE 8

ALCOHOLIC BEVERAGES¹

CHAPTER

1. IN GENERAL.
2. INTOXICATING LIQUORS.
3. BEER.

CHAPTER 1

IN GENERAL

SECTION

- 8-101. Privilege taxes for sale of alcoholic beverages at retail.
- 8-102. Prohibition against permitting any alcoholic beverages in public places where minors are present.

8-101. Privilege taxes for sale of alcoholic beverages at retail.

There is hereby levied against all retail establishments selling at retail in this state alcoholic beverages for consumption on the premises a privilege tax pursuant to the provisions of Tennessee Code Annotated, § 57-4-301, the provisions of which are incorporated herein by reference as though same were fully set forth herein, the privilege taxes provided for therein being levied at the same amounts by the City of Tullahoma. This section shall apply to private clubs as well as hotels and motels and all other types of establishments and/or facilities enumerated in said statute. (1988 Code, § 2-101)

¹Charter references: §§ 10(13) and 28.

Municipal code reference

Prohibiting public consumption, etc., of alcoholic beverages:
§§ 11-101.

State law reference

Tennessee Code Annotated, title 57.

8-102. Prohibition against permitting any alcoholic beverages in public places where minors are present.¹ (1) It shall be unlawful for any owner, operator, and/or lessee of any type of business establishment open to the public to permit and/or allow the consumption of alcoholic beverages on the premises of such establishment and/or to permit and/or allow persons to bring thereto alcoholic beverages in open containers of any type whatsoever if/and when minors are upon said premises, except as is hereinafter provided.

(2) Excepted from the provisions of this section shall be those business establishments which are primarily operated as restaurants and have beer permits, or are operated as restaurants, as restaurants are hereinafter defined in conjunction with other legitimate business enterprises such as bowling alleys, etc. For the purpose of this section, "restaurant" is defined as follows: Any establishment, place or location, whether permanent, temporary, seasonal or itinerant, where the public is offered to be regularly served, and/or is served, food, including, but not limited to, foods and vegetables and/or beverages not in an original package or container, which establishment, etc., has on its premises facilities for the preparation of said food products so served, i.e., contains adequate and sanitary kitchen and dining room equipment usually incidental to food service operations and a sufficient number and kind of employees to prepare, cook and serve suitable food for its guests and which establishment is engaged in the sale and service of food of the type described above. The term "restaurant" shall not include grocery stores which may, incidentally, make infrequent sales of food for consumption on the premises, or any establishment where food is dispensed only through vending machines, or where pre-prepared foods are only warmed and/or sold to customers. These exceptions apply only to establishments with beer permits.

(3) Further excepted from the provisions of this section shall be private clubs and/or organizations; provided, however, that minors shall not be allowed in portions of the premises occupied by any private club or organization devoted exclusively to the sale and consumption of alcoholic beverages of every kind and character, including beer and/or alcoholic beverages as are defined in this chapter.

(4) The provisions of this section shall be subject to the general penalty provisions of the Code of Ordinances of the City of Tullahoma, Tennessee. (1988 Code, § 2-104)

¹Municipal code references

Prohibiting public consumption, etc., of alcoholic beverages: § 11-101.
Visible open containers on streets, etc., prohibited: § 8-223.

CHAPTER 2

INTOXICATING LIQUORS

SECTION

- 8-201. Definitions.
- 8-202. Chapter not applicable to beer.
- 8-203. Adoption of state law.
- 8-204. Adoption of state regulations.
- 8-205. Compliance with state law and regulations.
- 8-206. Applications; certificates of good moral character.
- 8-207. License for retail package business authorized and required; filing application; issuance; fees.
- 8-208. Location restrictions on retailers.
- 8-209. Limitation of number of retail licenses granted.
- 8-210. Bonds of retailers.
- 8-211. Restrictions on license holders and their employees.
- 8-212. License to be displayed.
- 8-213. Transfer of licenses prohibited; term of licenses; use of agents.
- 8-214. New license after revocation.
- 8-215. Expiration and renewal of licenses.
- 8-216. Federal license, effect of.
- 8-217. Inspection fee.
- 8-218. Regulations for purchase and sale of intoxicating liquors.
- 8-219. Retailers not to solicit orders or make deliveries off their premises.
- 8-220. Regulation of retailers.
- 8-221. Failure to pay license or inspection fee, etc.
- 8-222. City recorder and/or board of mayor and aldermen may examine premises, books, papers, etc., of dealers.
- 8-223. Visible open containers on streets, etc., prohibited.
- 8-224. Possession, etc., by minor.
- 8-225. Violations.

8-201. Definitions. Whenever used in this chapter, unless the context requires otherwise, the following terms shall have the respective meanings ascribed to them:

- (1) "Alcoholic beverage or beverage." Includes alcohol, spirits, liquor, wine, and every liquid containing alcohol, spirits, wine and capable of being consumed by a human being, other than patented medicine, beer, or wine, where the latter two (2) contain an alcoholic content of five (5) percent by weight, or less.
- (2) "Federal license." Shall "not" mean tax receipt or permit.
- (3) "Gallon or gallons." A wine gallon or wine gallons, of one hundred and twenty-eight (128) ounces.

- (4) "License." The license issued herein.
- (5) "Licensee." Any person to whom such license has been issued.
- (6) "Manufacture." Distilling, rectifying or operating a winery.
- (7) "Manufacturer." A distiller, vintner, and rectifier.
- (8) "Pint." One-eighth (1/8) of a wine gallon.
- (9) "Quart." One-fourth (1/4) of a wine gallon.
- (10) "Retail sale or sale at retail." A sale to a consumer or to any person for any purpose other than for resale.
- (11) "Retailer." Any person who sells at retail any beverage for the sale of which a license is required under the provisions herein.
- (12) "Wholesale sale or sale at wholesale." A sale to any person for purposes of resale.
- (13) "Wholesaler." Any person who sells at wholesale any beverage for the sale of which a license is required under the provisions of Tennessee Code Annotated, §§ 57-3-101 through 57-3-110.
- (14) "Wine." The product of the normal alcoholic fermentation of the juice of fresh, sound, ripe grapes, with the usual cellar treatment and necessary additions to correct defects due to climate, saccharine, and seasonal conditions, including champagne, sparkling and fortified wine of an alcoholic content not to exceed twenty-one (21) per cent by volume. No other product shall be called "wine" unless designated by appropriate prefixes descriptive of the fruit or other product from which the same was predominately produced, or an artificial or imitation wine. (1988 Code, § 2-201)

8-202. Chapter not applicable to beer. No provision of this chapter shall be considered or construed as in any way modifying, changing or restricting the rules and regulations governing the sale, storage, transportation, etc., or tax upon beer or other liquids with an alcoholic content of five (5) per cent or less. (1988 Code, § 2-202)

8-203. Adoption of state law. The general provisions in the state law relating to intoxicating liquors as contained in Tennessee Code Annotated, title 57, are hereby adopted as a part of this chapter and incorporated herein fully by reference. (1988 Code, § 2-203)

8-204. Adoption of state regulations. The various regulations promulgated from time to time by the alcoholic beverage commission and department of revenue of the state regarding the sale of alcoholic beverages as herein defined are hereby adopted as a part of this chapter and incorporated herein fully by reference. (1988 Code, § 2-204)

8-205. Compliance with state law and regulations. It shall be unlawful to engage in the business of selling, storing, transporting, or distributing, or to purchase or possess alcoholic beverages within the corporate

limits of this municipality except as provided by Tennessee Code Annotated, title 57, and by rules and regulations promulgated thereunder, as provided in this chapter and as provided by the rules of the alcoholic beverage commission of the state. (1988 Code, § 2-205)

8-206. Applications; certificates of good moral character. Every applicant for a license shall submit in duplicate to the board of mayor and aldermen a copy of his application to the alcoholic beverage commission, along with a copy of any supplemental or additional forms required by said commission, and shall request a certificate signed by a majority of the board of mayor and aldermen certifying that the applicants, who are to be in actual charge of said business, and/or are owners of same, are of good moral character and are personally known to a majority of the board of mayor and aldermen, and if a corporation, that the executive officers, all directors, all stockholders and those in control are of good moral character and personally known to a majority of the board of mayor and aldermen, or that the board of mayor and aldermen has made careful investigation of the applicant's general character and from such investigation it is found to be good, and that in the opinion of the majority of the board of mayor and aldermen the applicant will refrain from a violation of the applicable statutes of the state governing sale of intoxicating liquors. A majority of the board of mayor and aldermen may request any applicants hereunder to appear personally before the board and to furnish any additional information desired by the board. (1988 Code, § 2-206)

8-207. License for retail package business authorized and required; filing application; issuance; fees. (1) For the retail sale of alcoholic beverages a license may be issued as herein provided. It shall be unlawful for anyone to sell alcoholic beverages within the corporate limits of the city without said retail license as provided herein, and a violation of the provisions of this section shall be treated under the general penalty provisions for this code.

(2) Any person desiring to sell alcoholic beverages to patrons or customers, in sealed packages only, and not for consumption on the premises, shall make application to the board of mayor and aldermen for a retailer's license. The application shall be in writing on forms prescribed and furnished by the board of mayor and aldermen.

(3) Subject to the issuance of a retail license by the alcoholic beverage commission of the state, a majority of the board of mayor and aldermen may issue such retailer's license. Such retailer's license shall not be issued unless and until the applicant therefor shall pay to the city recorder a license fee to two hundred fifty dollars (\$250.00); and no license shall be issued except to individuals or partnerships or corporations, said individuals, or the members and/or stockholders of which partnership or corporation have been, for at least two (2) years, citizens of the city. (1988 Code, § 2-207)

8-208. Location restrictions on retailers. No license shall be granted for the operation of a retail store for the sale of alcoholic beverages when, in the opinion of the board of mayor and aldermen, expressed by a majority thereof, the carrying on of such business at the premises covered by the application for a license would be in too close proximity of a church, school, or public institution, or otherwise inimical to the public interest, considering guide lines for distance as is set out herein. A retailer's license issued under this chapter shall not be valid except at the premises recited in the application, and any change of location of said business shall be cause for immediate revocation of said license by the board of mayor and aldermen, unless the new location is approved in writing by the board of mayor and aldermen. No retail stores shall be located in any area other than those zoned as "business" and/or "industrial" by the city planning commission. No retail stores shall be in closer proximity to any school (public or private), any community center, any church or religious building, any public library, any hospital, any funeral parlor, or any public recreation area, than three hundred (300) feet measured from the major entrance of said retail store to the major entrance of said aforementioned institutions or facilities by way of the closest route between same over public streets, and not crossing any property lines. No retail store shall be located on either side of the same block as are located the major entrances of any other of the aforementioned institutions and facilities. A majority of the board of mayor and aldermen shall determine, in all cases, whether or not the location at which a license for a retail store is to be granted or is sought, is acceptable under this section. It may consider any relevant facts in regard thereto brought to its attention and may waive any requirements as set out herein, but only in cases of unusual hardship or circumstances. (1988 Code, § 2-208)

8-209. Limitation of number of retail licenses granted. Not more than one license shall be issued for each four thousand (4,000) persons or fraction thereof within the corporate limits of the city, according to the last federal or official supplementary census. (1988 Code, § 2-209)

8-210. Bonds of retailers. Bonds required herein shall be executed by a surety company, duly authorized and qualified to do business in the state. Bonds of retailers shall be not less than one thousand dollars (\$1,000). Said bonds shall be conditioned that the principal thereof shall pay any fine which may be assessed against such principal, or any taxes or fees due from him to the city. (1988 Code, § 2-210)

8-211. Restrictions on license holders and their employees.

(1) The license fee for every license hereunder shall be payable by the person making application for such license and to whom it is issued, and no other person shall pay for any license issued under this chapter. In addition to all other penalties, a violation of this section shall authorize and require the

revocation of the license, the fee for which was paid by another, and also the revocation of the license, if any, of the person so paying for the license of another.

(2) No retailer's license shall be issued to a person who is a holder of a public office, either appointive or elective, or who is a public employee, either national, state, city or county. It shall be unlawful for any such person to have any interest in such retail business, directly or indirectly, either proprietary or by means of any loan, mortgage, or lien, or to participate in the profits of any such business. The foregoing shall not apply to uncompensated appointees to municipal boards and commissions where the boards or commissions on which such appointees serve have no duty to vote for, overlook, or in any manner superintend the sale of alcoholic beverages.

(3) No retailer shall be a person who has been convicted of a felony involving moral turpitude within ten (10) years prior to the time he or the concern with which he is connected shall receive a license; provided, however, that this provision shall not apply to any person who has been so convicted, but whose rights of citizenship have been restored or judgment of infamy has been removed by a court of competent jurisdiction; and in the case of any such conviction occurring after a license has been issued and received, the license shall immediately be revoked, if such convicted felon be an individual licensee, and if not, the partnership, corporation or association with which he is connected shall immediately discharge him.

(4) No license shall under any condition be issued to any person who within ten (10) years preceding application for such license or permit shall have been convicted of any offense under the laws of the state or of any other state or of the United States prohibiting or regulating the sale, possession, transportation, storing, manufacturing, or otherwise handling intoxicating liquors or who has, during said period, been engaged in business alone or with others, in violation of any of said laws or rules and regulations promulgated pursuant thereto, or as they existed or may exist thereafter.

(5) No manufacturer, brewer, or wholesaler shall have any interest in the business or building containing licensed premises of any other person having a license hereunder, or in the fixtures of any such person.

(6) It shall be unlawful for any person to have ownership in, or participate, either directly or indirectly, in the profits of any retail business licensed hereunder, unless his interest in said business and the nature, extent, and character thereof shall appear on the application; or if the interest is acquired after the issuance of a license, unless it shall be fully disclosed to the board of mayor and aldermen and approved by a majority of the board. Where such interest is owned by such person on or before the application for any license, the burden shall be upon such person to see that this section is fully complied with, whether he, himself, signs or prepares the application, or whether the same is prepared by another; or if said interest is acquired after the

issuance of the license, the burden of said disclosure of the acquisition of such interest shall be upon the seller and the purchaser.

(7) No person shall be employed in the sale of alcoholic beverages except a citizen of the United States.

(8) No retailer, or any employee thereof, engaged in the sale of alcoholic beverages shall be a person under the age of eighteen (18) years, and it shall be unlawful for any retailer to employ any person under eighteen (18) years of age for the physical storage, sale, or distribution of alcoholic beverages, or to permit any such person under said age in such retailer's place of business to engage in the storage, sale, or distribution of alcoholic beverages.

(9) No retailer shall employ in the storage, sale, or distribution of alcoholic beverages, any person who, within ten (10) years prior to the date of his employment, shall have been convicted of a felony involving moral turpitude, and in case an employee should be convicted he shall immediately be discharged; provided, however, that this provision shall not apply to any person who has been so convicted, but whose rights of citizenship have been restored, or judgment in infamy has been removed by a court of competent jurisdiction.

(10) The issuance of a license does not vest a property right in the licensee, but is a privilege subject to revocation or suspension under this chapter.

(11) Misrepresentation of a material fact, or concealment of a material fact required to be shown in the application for a license shall be a violation of this chapter. (1988 Code, § 2-211)

8-212. License to be displayed. Persons granted a license to carry on the business or undertaking contemplated herein shall, before being qualified to do business, display and post, and keep displayed and posted, in the most conspicuous place in their premises, such license. (1988 Code, § 2-212)

8-213. Transfer of licenses prohibited; term of licenses; use of agents. The holder of a license may not sell, assign, or transfer such license to any other person, and said license shall be good and valid only for the calendar year in which the same was issued. Provided, however, licensees who are serving in the military forces of the United States in time of war may appoint an agent to operate under the license of the licensee during the absence of the licensee. In such instances, the license shall continue to be carried and renewed in the name of the owner. The agent of the licensee shall conform to all the requirements of a licensee. No person who is ineligible to obtain a license shall be eligible to serve as the agent of a licensee under this section. In any case where a licensee is an individual and the individual dies or becomes incapacitated during the term of the license, upon proper application to the board of mayor and aldermen and upon compliance with all regulations hereunder and all applicable laws of the state or regulations of the alcoholic beverage commission of the state, the widow or duly qualified and appointed

personal representative or guardian or conservator of said licensee may be issued a license for said retail establishment for the duration of the term of the original licensee's license. If a partnership, the surviving partner may do likewise, having said license issued to him as an individual. (1988 Code, § 2-213)

8-214. New license after revocation. Where a license is revoked, no new license shall be issued to permit the sale of alcoholic beverages on the same premises until after the expiration of one year from the date said revocation becomes final and effective.

If the premises are owned by a person not the licensee, the board may, in its discretion, waive the provision of the preceding paragraph or reduce the time within which no new license may be granted with respect to the same premises. (1988 Code, § 2-214)

8-215. Expiration and renewal of licenses. Licenses issued under this chapter shall expire at the end of the anniversary year one year after the license has been applied for and granted and the license fee paid; and subject to the provisions of this chapter may be renewed on each anniversary year thereafter by payment of the licensing fee set out in § 8-207. (1988 Code, § 2-215)

8-216. Federal license, effect of. The possession of any federal license to sell alcoholic beverages without the corresponding requisite state and city license shall in all cases be prima facie evidence that the holder of such federal license is selling alcoholic beverages in violation of the terms of this chapter. (1988 Code, § 2-216)

8-217. Inspection fee. There is hereby levied upon every liquor retailer, as defined in Tennessee Code Annotated, § 57-3-101, within the corporate limits of the city, an inspection fee of eight (8) per cent, said fee to be collected by the wholesaler as provided by general law. All fees subject to collection by authority of general law and under this chapter shall be levied and collected in the same manner as specified in the general law. (1988 Code, § 2-217)

8-218. Regulations for purchase and sale of intoxicating liquors.

(1) It shall be unlawful for any person in this city to buy any alcoholic beverages herein defined from any person who, to the knowledge of the buyer, does not hold the appropriate license under this chapter authorizing the sale of said beverages to him.

(2) No retailer shall purchase any alcoholic beverages from anyone other than a licensed wholesaler, nor shall any wholesaler sell alcoholic beverages to anyone other than a licensed retailer, or a licensed wholesaler, provided that such alcoholic beverages sold by one wholesaler to another

wholesaler shall be transported by common carrier or by vehicle owned or leased and operated by either the consignor wholesaler or the consignee wholesaler.

(3) No licensee shall sell intoxicating liquors at retail in connection with any other business or in the same store where any other business is carried on.

(4) No retail store shall be located except on the ground floor and it shall have one main entrance opening on a public street and such place of business shall have no other entrance for use by the public except as hereinafter provided. When a retail store is located on the corner of two (2) public streets such retail store may maintain a door opening on each of the public streets. Any nonpublic outside doors to said retail stores shall be kept locked from the inside at all times, except when being used for loading or unloading of stock or supplies. Provided, however, that any sales room adjoining the lobby of a hotel or other public building may maintain an additional door into such lobby so long as same shall be open to the public; and provided further, that every retail store shall be provided with whatever entrances and exits may be required by existing or future municipal ordinances; and provided further, when the location of a retail liquor store is authorized to be located or operated within an established shopping center or shopping mall, and said liquor store cannot and does not have a main entrance or door opening onto a public street, but said main entrance or door would open or front on a shopping center parking area. Under such conditions and circumstances, the board in its discretion may approve the issuance of a liquor license to cover said location within the shopping center or shopping mall, irrespective of the fact that said main entrance or door does not or would not open onto a public street. All outside doors to the premises wherein a retail store is located shall be adequately lighted at all times during darkness.

(5) No holder of a license for the sale of alcoholic beverages for retail shall sell, deliver, or cause, permit, or procure to be sold or delivered, any alcoholic beverages on credit.

(6) No alcoholic beverages shall be sold for consumption on the premises of the seller, except as provided in §§ 8-101, 8-102, and 8-103.

(7) The sale and delivery of alcoholic beverages shall be confined to the premises of the licensee and curbside service is not permitted.

(8) To the fullest extent consistent with the nature of the establishment, full, free, and unobstructed vision shall be afforded from the street and public highway to the interior of the place of sale or dispensing of alcoholic beverages there sold or dispensed.

(9) No form of entertainment, including pin ball machines, music machines, or similar devices, shall be permitted to operate upon any premises from which alcoholic beverages are sold.

(10) No advertising by a licensee on signs, billboards or posters is permitted within the corporate limits of the city, except that signs either lighted or unlighted, or advertisements of any character, may be erected on the

premises whereupon is located the licensee's retail establishment, or may be attached to the building wherein said retail operations are conducted, or may be painted upon the windows of the building or the outside walls of the building wherein said retail establishment is located provided, however, that said signs shall not in any way interfere with the vision of vehicles traveling upon the streets upon which said retail establishments are located or constitute, in any other manner, a hazard or public nuisance. Provided, further, that any such advertisements or signs or posters erected shall comply with the state alcoholic beverage commission's local option liquor rules and regulations, §§ 1:40, 1:50, 2:40, 2:50, 5, 6, 7, 8 and any other applicable regulations and, as well, shall comply with and not violate any of the laws of the state regulating said advertising and erection of signs, billboards and/or posters. (1988 Code, § 2-218)

8-219. Retailers not to solicit orders or make deliveries off their premises. No holder of a license issued shall employ any canvasser or solicitor for the purpose of receiving an order from a consumer for any alcoholic beverages at the residence or places of business of such consumer, nor shall any such licensee receive or accept any such order which shall have been solicited or received at the residence or place of business of such consumer. This section shall not be construed so as to prohibit the solicitation by a state licensed wholesaler of an order from any licensed retailer at the licensed premises. (1988 Code, § 2-219)

8-220. Regulation of retailers. (1) No retailer shall directly or indirectly operate more than one place of business for the sale of alcoholic beverages, and the word "indirectly" shall include and mean any kind of interest in another place of business, by way of stock ownership, loan, partner's interest, or otherwise.

(2) No retailer shall sell, lend, or give away any alcoholic beverages to any person who is drunk, nor shall any retailer selling alcoholic beverages sell, lend, or give away such beverages to any person accompanied by a person who is drunk.

(3) No retailer shall sell, lend, or give away any alcoholic beverages to a person under twenty-one (21) years of age. It shall be the responsibility of the retailer, or his agents or employees, of ascertaining the age of any persons hereunder and, in the absence of false representations by any person under the age of twenty-one (21) years, reasonably relied upon by said retailer, his agent or employees, and any selling, lending, or giving away to persons under twenty-one (21) years of age shall be a violation of this section.

(4) (a) Sale for consumption on licensed premises. No licensee shall permit alcoholic beverages to be consumed on the licensed premises between the hours of 3:00 A.M. and 8:00 A.M. on Monday through Saturday and between the hours of 3:00 A.M. and 10:00 A.M. on Sunday.

(b) Sale for consumption off premises. Package sales. Hours of sale as prescribed by the State of Tennessee in Tennessee Code Annotated, § 57-3-406(e) and (f) and/or regulations of the Tennessee Alcoholic Beverage Commission as established from time to time shall apply.

(5) No retailer shall sell, lend, or give away any alcoholic beverages on Christmas, Thanksgiving, Labor Day, New Year's Day or the Fourth of July.

(6) No retailer of alcoholic beverages shall keep or permit to be kept upon the licensed premises any alcoholic beverages in any unsealed bottles or other unsealed containers.

(7) No persons under the age of eighteen (18) years shall be permitted upon the premises of a retail store, and signs to that effect shall be posted in a conspicuous place by said retailer in said premises.

(8) Licensees are at all times responsible for the conduct of their business and are at all times directly responsible for any act or conduct of any employee or agent which is in violation of the Tennessee Code Annotated or rules of the alcoholic beverage commission of the state or of this code, whether or not the licensee be present at any such time. Any unlawful, unauthorized or prohibited act on the part of an agent or employee shall be construed as the act of the employer-licensee and the employer-licensee shall be proceeded against as though he were present and had an active part in such unlawful, unauthorized or prohibited act and as if having been at the employer's direction and with his knowledge. (1988 Code, § 2-220, as amended by Ord. #1454, Feb. 2016)

8-221. Failure to pay license or inspection fee, etc. Whenever any person licensed hereunder fails to account for or pay over to the city recorder any license fee or inspection fee, or defaults in any of the conditions of his bond, the city recorder shall report the same to the city attorney who shall immediately institute the necessary action for the recovery of any such license or inspection fee. (1988 Code, § 2-221)

8-222. City recorder and/or board of mayor and aldermen may examine premises, books, papers, etc., of dealers. The city recorder and/or board of mayor and aldermen is authorized to examine the premises, books, papers, and records of any dealer for the purpose of determining whether the provisions of this chapter are being complied with. Any refusal to permit the examination of any of such books, papers, and records, or the investigation and examination of such premises, shall constitute sufficient reason for the revocation of a license and/or the refusal to issue a license. (1988 Code, § 2-222)

8-223. Visible open containers on streets, etc., prohibited.¹ Visible possession of alcoholic beverage in an unsealed container upon any public street or within any governmental building shall be a violation of this section, except as may be permitted by the city. (1988 Code, § 2-223, as replaced by Ord. #1534, Feb. 2020 *Ch 10_6-22-20*)

8-224. Possession, etc., by minor. (1) It shall be unlawful for any person under the age of twenty-one (21) years to purchase or to attempt to purchase any alcoholic beverages as defined herein; or, except as authorized by state law, to enter a retail liquor establishment within the city; or for any person to purchase any such beverages for a person under twenty-one (21) years of age.

(2) It shall be unlawful for any person under the age of twenty-one (21) years to have in his or her possession, any alcoholic beverages as defined herein for any purpose except in connection with his or her employment as authorized by state law.

(3) Such person found guilty of violating any of the provisions of subsections (1) and (2) under the procedure for ascertaining other criminal violations in the city, shall, upon conviction, be fined not less than twenty-five dollars (\$25.00), nor more than fifty dollars (\$50.00). Provided, further, that any person under the age of eighteen (18) years who is arrested and charged with violating any of the provisions of subsections (1) and (2), said violations shall come within the jurisdiction of and be referred to the juvenile court of the county, and said juvenile court shall be requested to hear and dispose of the matter as in any other case coming before the juvenile court as may be authorized under the general statutes of the state relating to juvenile courts or any provision or special act applicable to the county.

(4) Any citizen who has reason to believe that a violation, as hereinbefore defined, has occurred, may appear before the city judge and make a complaint upon oath as provided in § 1-103, and the procedure for trying said violation shall be as provided in said section. It shall especially be a duty imposed upon retail liquor licensees, their agents and employees, to report any violations of subsections (1) and (2) herein to the proper authorities and to cooperate with said authorities to the fullest extent. (1988 Code, § 2-224)

8-225. Violations. Any violation of the terms of this chapter shall, except as otherwise provided herein, be treated, procedurally, as are all other violations of any ordinance of the city, as provided in title 3 and title 6, and shall be punishable as provided in § 1-107. In addition, in cases where a violation has

¹Municipal code references

Prohibiting public consumption, etc., of alcoholic beverages: § 11-101.
Prohibition against permitting any alcoholic beverages in public places where minors are present: § 8-102.

been found to have been committed by a retail licensee, his agents or employees, the board of mayor and aldermen, upon the investigation by such board, or any portion thereof, to whom investigatory powers are delegated, and upon proper notice being given to said violator in order to provide him with an opportunity to be heard on such matters, shall conduct a hearing. For the purpose of this section five (5) days' notice to said retailer shall be deemed proper notice. Upon completion of said hearing a transcript thereof shall be certified by the city judge and forwarded to the alcoholic beverage commission of the state with recommendations of the board as to disposition. (1988 Code, § 2-225)