

CITY OF STATESBORO

COUNCIL

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Jonathan McCollar, Mayor
Charles Penny, City Manager
Leah Harden, City Clerk
Cain Smith, City Attorney

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STATESBORO, GEORGIA 30459-0348

To: Charles Penny, City Manager and Leah Harden, City Clerk

From: Cain Smith, City Attorney

Date: February 21, 2022

RE: March 1, 2022 City Council Agenda Items

Policy Issue: *Second reading and consideration of proposed amendment to the Statesboro Code of Ordinances Chapter 6 Section 6-23 to regulate the licensure and operation of Package Stores*

Recommendation: N/A

Background: *City voters approved referendum to allow for issuance of licenses for package sales of distilled spirits on November 2, 2021. At November 16, 2021 meeting of Mayor and Council directive was made to present version of Section 6-23 reflecting state law at December 21, 2021 work session. Amendment of previously presented Section 6-23 regarding hours of operation, zoning districts, and use of collected tax proceeds was directed at the December work session for presentation at this meeting. These directed amendments are incorporated into attached ordinance amendment as well as consequent directives regarding products for sale, proximity requirements, and minimum square footage from the January 27, 2022 work session which was held following tabling of first reading on January 18, 2022. First reading of presented revision was approved 4-1 on February 1, 2022 with directive to remove distance between college campuses and package stores. Second reading on February 15, 2022 resulted in revision to amend college campus distance and remove minimum square footage requirement.*

Budget Impact: Unknown

Council Person and District: All

Attachments: Proposed version of Section 6-23

Georgia Municipal Association City of Excellence

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Ordinance 2022-01:

Sec. 6-23 - Retail package sale of distilled spirits for consumption off-premises.

Distilled spirits package sales shall only be permitted in Package Stores which are duly licensed by the city and state to sell distilled spirits by the package and which are devoted exclusively to the sale of alcoholic beverages in the original container for off-premises consumption. Such sales shall be subject to all state and federal laws and regulations as well as the provisions of this Section, which shall supersede any sections of the Statesboro Code of Ordinances to the contrary:

- (a) *Proximity requirements* Package Stores may not be located within 100 yards of any church building, alcoholic treatment center owned and operated by the state or any county or municipal government, or housing authority property; within 200 yards of any school building, educational building, or school grounds; within 100 yards of any existing building located upon a college campus as defined in O.C.G.A. §3-3-21(b); or within 1,000 yards of an existing Package Store.
- (b) *Hours of operation* Package Stores may be open to public and sell alcoholic beverages from 8:00 A.M. until 10:00 P.M. Monday through Saturday.
- (c) *Display, offer, or sale of products other than distilled spirits* Package Stores may only sell, display, or keep in stock such items permitted pursuant to G.A.C. Rule 560-2-3-.04, except for sales of lottery tickets and provision of check cashing services which shall not be permitted.
- (d) *Open container* Package Store licensee shall not permit and no person shall engage in the breaking of a package containing any alcoholic beverage or the drinking of any alcoholic beverage on the licensed Package Store premises.
- (e) *Building requirements* Ingress and egress shall be provided directly to and only to the exterior of the building in which the Package Store is located and not to any other enclosed part of the building in which it is located.
- (f) *Zoning districts:* Package Stores shall only be permitted in the following zoning districts: CR (Commercial Retail), CBD (Central Business District), and HOC (Highway Oriented Commercial).
- (g) *Use of excise tax proceeds* It shall be the stated policy goal of the City of Statesboro that a minimum of fifty percent (50%) of excise tax proceeds collected from Package Stores pursuant to Section 6-21 be allocated to social services contracts with qualified 501(c)(3) nonprofit organizations to provide beneficial youth and other social services to the City of Statesboro and its citizenry.
- (h) *Application Process* Applications for Package Stores shall be subject to staff review, public hearing, and consideration of issuance of a license before Mayor and Council in the manner prescribed in Sections 6-12 and 6-13. Application for a location reservation for a Package Store may be made prior to submission of proof of insurance and/or completion of a fire and safety inspection as required under Section 6-5 by tendering the standard application fee and submitting all other information required under Section 6-5. Consideration of issuance of location reservations shall be before Mayor and Council and include a public hearing. Issuance of a location reservation shall forestall consideration of other Package Store applicants within 1,000 yards of subject site. Location reservations shall be revoked after 180 days if applicant has not obtained all required City building permits and commenced substantial construction/ renovation on the subject property in such time. Location reservations shall further remain valid for 180 days from commencement of construction. In the event grantee fails to obtain a certificate of occupancy in such time the location reservation shall be revoked. City Manager or his/her designee, upon

written petition of location reservation grantee, may extend the location reservation for up to an additional 180 days upon grantee's showing of extenuating circumstances during construction. City Manager shall notify Mayor and Council in the event of such an extension. Consideration of final approval of Package Store licenses may be conducted by Mayor and Council by consent agenda without need for an additional public hearing.

(i) *Employment Regulations:* Package Store licensees shall be subject to all provisions contained in Section 6-10

(j) *Proof of Insurance*

1. *Proof of dram shop insurance.* Applicants seeking a Package Store license shall file with their application a certificate of liquor liability insurance (dram shop), in effect for the license period and issued by an insurer required to be licensed pursuant to state law, providing an annual aggregate policy limit for dram shop insurance of not less than \$1,000,000.00 per policy year with a minimum \$500,000.00 sublimit on assault and battery claims. A 30-day notice of cancellation in favor of the City of Statesboro must be endorsed to the policy and attached to the certificate.
2. *Proof of general liability insurance.* Applicants seeking a Package Store license shall file with their application a certificate of liability insurance, in effect for the license period and issued by an insurer required to be licensed pursuant to state law, providing at least \$1,000,000.00 in commercial general liability insurance coverage. A 30-day notice of cancellation in favor of the City of Statesboro must be endorsed to the policy and attached to the certificate.

Effective Date: April 1, 2022