

CITY OF SMYRNA

COMMUNITY DEVELOPMENT

MEMORANDUM

To: Mayor and Council

From: Russell Martin, AICP, Director of Community Development

Date: December 31, 2024

CC: Joe Bennett – City Administrator

RE: Code Amendments – Alcohol Ordinance – Package Store Tastings

BACKGROUND

The Community Development Department has received several requests from alcohol manufactures for the ability to provide tastings at package stores in accordance with state law. The City's Alcoholic Beverage Ordinance prohibits any consumption of alcoholic beverages on the premises of a package store location. Georgia state law allows for tastings at package stores provided the municipality allows it as part of their local ordinance. The proposed code amendment would modify Smyrna's code to allow alcoholic beverage tastings at licensed package stores in accordance with state law.

ANALYSIS

Community Development have received requests from alcoholic beverage manufactures to update the City's Alcoholic Beverage Ordinance to allow package store tastings as permitted by state law. The tastings would provide manufactures the opportunity to showcase their products at local package stores.

The code amendment would allow sales representatives, manufacturers and wholesalers to hold tastings at local package stores. State Law O.C.G.A. § 3-3-26 and O.C.G.A. Tit. 3, Ch. 15 provide the minimum requirements for these tastings should the local government permit them through their local ordinance.

Community Development reviewed the alcoholic beverage ordinances of several local municipalities, including, Sandy Springs, Alpharetta, Woodstock, Marietta and Cobb County. The municipalities address alcohol tastings in different ways. Some municipalities address it through ancillary tastings, some in verbatim to state code and prohibit tastings out right.

Further, the Community Development Department and the City Attorney have reviewed the State's Code with regard to alcoholic beverage tastings at package stores. To allow for tastings at package stores, the city would be required to make amendments to several sections of Chapter 6 the Alcoholic Beverage Ordinance.

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Community Development is proposing the following amendments to the City's Alcoholic Beverage Ordinance:

The following are proposed code amendments to Chapter 6 of the City's Code of Ordinances and are presented in draft legislative format (underlined items should be added and items with strikethroughs should be removed):

Repeal Section 6-75 to Chapter 6 – Alcoholic Beverage Ordinance to remove any inconsistency with other tasting requirements.

Sec. 6-74. Educational tastings of wine or malt beverages.

- (a) ~~As used in this section, the term "educational tasting license" shall be limited to a person possessing a current license from the city for the sale of wine or malt beverages by the package and in grocery store locations whose total interior floor area, inclusive of storage area, exceeds 25,000 square feet.~~
- (b) ~~All eligible licensees may petition the city for an educational tasting permit provided it meets all other requirements of the city's alcoholic beverage ordinance and presently maintains a valid license from the city for the sale of wine or malt beverages by the package. An educational tasting permit shall allow the permittee to offer and sell wine or malt beverage samples in connection with an instructional or educational promotion. An educational tasting permit is intended to allow such activity on a limited basis and shall not be part of the core operations of such establishment or on a daily basis.~~
- (c) ~~No tastings shall be conducted on the premises of any place of business licensed to sell distilled spirits, unless associated with a distillery, as defined by the state and as referenced in section 6-75 of this article.~~
- (d) ~~Any tasting occurring on the premises of a business possessing a license to sell wine or malt beverages by the package shall be limited to an area that is separated from the retail area of the premises by walls or other partitions that prohibit pedestrian traffic through the tasting area.~~
- (e) ~~All annual permit renewals shall be made in the same manner and during same time periods as other alcoholic beverage license renewals. All renewals are subject to audit prior to being renewed to ensure compliance with this section.~~
- (f) ~~The educational tasting permit shall be subject to any requirements in this chapter pertaining to enforcement and revocation proceedings and shall be automatically revoked if the alcoholic beverage package license is revoked.~~

Repeal Section 6-75 to Chapter 6 – Alcoholic Beverage Ordinance because it references a state law that has been repealed.

Sec. 6-75. - Educational tastings of distilled spirits within a distillery.

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- (a) ~~As used in this section, the term educational tasting license shall be limited to a person possessing a current license from the city for the manufacture of distilled spirits.~~
- (b) ~~Tastings shall be conducted in a manner consistent with O.C.G.A. title 3, ch. 4, relating to distilled spirits.~~

Add Section 6-86 to Chapter 6 – Alcoholic Beverage Ordinance to add the pouring license requirements for special event facilities

Sec. 4-79. Tasting events at package stores.

- (a) Licensed retail package liquor stores may conduct tastings in accordance with O.C.G.A. § 3-3-26 and O.C.G.A. Tit. 3, Ch. 15 (O.C.G.A. § 3-15-1 et seq.).
- (b) Permit required.
 - (1) A malt beverage tasting permit for purposes of this section shall be limited to a holder of a current license for the sale of malt beverages by the package.
 - (2) A wine tasting permit for purposes of this section shall be limited to a holder of a current license for the sale of wine by the package.
 - (3) A distilled spirits tasting permit for purposes of this section shall be limited to a holder of a current license for the sale of distilled spirits by the package.
- (c) A representative or salesperson of a manufacturer or wholesaler may open a package of alcoholic beverages on the premises of a retail package liquor store or other retail dealer for the purpose of providing samples of such alcoholic beverage product to a retail dealer or its employees for consumption on the licensed premises.
- (d) All tastings must occur in an office, storage room, or other area of the licensed premises of the retail dealer that is closed to the public.
- (e) All samples must be provided and consumed in the presence of a representative or salesperson of the manufacturer or wholesaler.
- (f) Such representative or salesperson of the manufacturer or wholesaler must remove from the licensed premises any packages he or she brought onto such licensed premises in order to provide samples of alcoholic beverage products.
- (g) For purposes of this section, the term "sample" means a small amount of any malt beverage, wine, or distilled spirits.
- (h) A retail package liquor store shall be authorized to conduct up to 52 tasting events per calendar year, subject to the following terms and conditions:
 - (1) A tasting event shall only take place on the licensed premises and only at times at which such alcoholic beverages may be lawfully sold on such licensed premises;
 - (2) Only one tasting event per day may be held on the licensed premises and such tasting event shall not exceed four hours;

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- (3) Only one type of alcoholic beverage may be served at a tasting event, either malt beverages, wine, or distilled spirits; provided, however, that more than one brand of such type of alcoholic beverage may be offered so long as not more than four packages are open at any one time;
- (4) If the tasting event is for malt beverages, a consumer shall not be served more than eight ounces of malt beverages during such tasting event. If the tasting event is for wine, a consumer shall not be served more than five ounces of wine during such tasting event. If the tasting event is for distilled spirits, a consumer shall not be served more than 1½ ounces of distilled spirits during such tasting event;
- (5) Only alcoholic beverages that the licensee is licensed to sell on the licensed premises may be offered as part of a tasting event, and such alcoholic beverages shall be part of the licensee's inventory;
- (6) Only food that is lawful to sell on the licensed premises may be served as part of a tasting event. Such food shall be offered at no cost to the consumer;
- (7) Any operator or employee of the licensee may refuse to provide any brand, type, or quantity of alcoholic beverage to any consumer;
- (8) Prior to holding a tasting event, the licensee shall notify the Community Development Department by email through the Department's system of record or online portal system;
- (9) Any broken package containing alcoholic beverages on the licensed premises that is not licensed for retail sales for consumption on the premises shall be kept locked in a secure room or cabinet by the operator of the licensed premises except when in use during a tasting event;
- (10) Representatives and salespersons of manufacturers or wholesalers may attend a tasting event; provided, however, that such representatives and salespersons shall not host the tasting event, pour any alcoholic beverage, or provide anything of value to any consumer or to the licensee or an employee of a licensee.

STAFF RECOMMENDATION

Community Development recommends approval of the proposed text amendments to the City's Alcoholic Beverage Ordinance.