#### CITY CLERK'S OFFICE MEMORANDUM #8-2023

DATE:	June 12, 2023
TO:	Honorable Mayor Meredith Leighty and City Council Members
THROUGH:	Heather Geyer, City Manager
FROM:	Johanna Small, City Clerk Lisa Andrews, Sr. Deputy City Clerk – Licensing Administrator
SUBJECT:	CB-2009 – Fermented Malt Beverage and Wine Licenses and Tasting Permits

### PURPOSE

To consider CB-2009, an ordinance on first reading amending the Municipal Code to include the new fermented malt beverage and wine license and to allow those licensed retailers to apply for tasting permits.

### BACKGROUND

On Nov. 8, 2022, Colorado voters approved Proposition 125, the Wine Sales in Grocery and Convenience Stores Initiative. Accordingly, Colorado Liquor and Beer Codes were amended as follows:

- C.R.S. § 44-3-103(18.5) establishes a new fermented malt beverage and wine retailer license to allow grocery stores, convenience stores, and other businesses already licensed to sell beer to also sell wine for consumption off-premises. All existing fermented malt beverage licenses were automatically converted to the new fermented malt beverage and wine license on March 1, 2023.
- C.R.S. § 44-3-301(10) allows fermented malt beverage and wine licensees to apply for tasting permits.

The passage of Proposition 125 requires amendments be made to Article 2 of Chapter 18 of the Municipal Code to maintain consistency with Colorado Liquor and Beer Codes. CB-2009 would change "fermented malt beverage" to "fermented malt beverage and wine" to reflect the new class of license. CB-2009 also adds fermented malt beverage and wine retailers to the list of licensees eligible to apply for tastings permits.

The draft ordinance was presented to the Liquor Licensing Authority at their May 18, 2023 meeting. The Authority approved Resolution #23-2, making a recommendation for Council adoption of the draft ordinance as written.

### **BUDGET/TIME IMPLICATIONS**

If CB-2009 is approved on first reading, a public hearing and second reading of the proposed ordinance will be scheduled for the July 10, 2023 regular Council meeting.

### STAFF RECOMMENDATION

Staff recommends approval of CB-2009 on first reading.

### STAFF REFERENCE

If Council Members have any questions, please contact Johanna Small, City Clerk, at jsmall@northglenn.org or 303.450.8757.

### ATTACHMENT

1. Northglenn Liquor Licensing Authority Resolution #23-2

NORTHGLENN LIQUOR LICENSING AUTHORITY

**RESOLUTION NO.** 

23-2 Series 2023

A RESOLUTION RECOMMENDING CERTAIN PROPOSED CHANGES TO ARTICLE 2 OF CHAPTER 18 OF THE NORTHGLENN MUNICIPAL CODE REGARDING THE NEW FERMENTED MALT BEVERAGE AND WINE LICENSE CLASS AND TO PERMIT TASTINGS AT FERMENTED MALT BEVERAGE AND WINE RETAILERS

BE IT RESOLVED BY THE LIQUOR LICENSING AUTHORITY OF THE CITY OF NORTHGLENN, THAT:

<u>Section 1</u>. The Northglenn Municipal Code amendments proposed attached hereto as Exhibit A, which would amend Article 2 of Chapter 18 of the Northglenn Municipal Code, are hereby endorsed by the Liquor Licensing Authority and forwarded to the City Council for its consideration with a recommendation of approval.

DATED, at Northglenn, Colorado, this 18<sup>th</sup> day of May 2023.

Liveri ICHAEL OLIVIE

Chairperson

ATTEST: ISA ANDREWS, CMC

Deputy City Clerk

APPROVED AS TO FORM:

HILARY M. GRAHAM Attorney to the Authority

### SPONSORED BY: MAYOR LEIGHTY

COUNCILMEMBER'S BILL

ORDINANCE NO.

No.

Series of 2023

Series of 2023

A BILL FOR AN ORDINANCE AMENDING ARTICLE 2 OF CHAPTER 18 OF THE NORTHGLENN MUNICIPAL CODE REGARDING THE NEW FERMENTED MALT BEVERAGE AND WINE LICENSE CLASS AND TO PERMIT TASTINGS AT FERMENTED MALT BEVERAGE AND WINE RETAILERS

WHEREAS, on March 1, 2023, Proposition 125 created a new fermented malt beverage and wine license class and provided for the automatic conversion of existing fermented malt beverage licenses to the same;

**WHEREAS**, C.R.S. § 44-3-301(10) previously authorized a local licensing authority to receive and approve applications for tastings by a retail liquor store or a liquor-licensed drugstore, or to prohibit tastings altogether;

**WHEREAS**, Proposition 125 also amended the above-mentioned statutory section to add fermented malt beverage and wine retailers to the list of licensees that are permitted to conduct tastings; and

**WHEREAS**, the City now desires to amend applicable sections of Article 2 of Chapter 18 of the Northglenn Municipal Code to update the license class title and to include fermented malt beverage and wine retailers as licensees that may apply for tastings.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. Section 18-2-2, subsection (c) of the Northglenn Municipal Code is amended to read as follows:

Section 18-2-2. Licensing Authority.

\* \* \*

(c) The Authority shall have and is vested with the authority to grant or refuse licenses for the sale at retail of malt, vinous or spirituous liquors and fermented malt beverages, as provided by law, to conduct investigations as are required by law, to allow "tastings," as that term is defined in C.R.S § 44-3-103(56), at licensed retail liquor stores, and liquor-licensed drug stores AND FERMENTED MALT BEVERAGE AND WINE RETAILERS, subject to the requirements and limitations contained in C.R.S. § 44-3-301, to issue takeout and delivery permits, and to suspend or revoke such licenses for cause in the manner provided by law. Such Authority shall have all the powers of the local liquor licensing authority as set forth in Articles 3 and 4 of Title 44, C.R.S.

Section 2. Section 18-2-3, subsection (a) of the Northglenn Municipal Code is amended to read as follows:

# Section 18-2-3. Manager Registration.

(a) Each licensee holding a fermented malt beverage AND WINE off-premises, club, tavern, or lodging and entertainment facility license shall manage such premises himself or herself or employ a separate and distinct manager on the premises and shall report the name of such manager to the Licensing Authority. Such licensee shall report any change in managers to the Licensing Authority within thirty (30) days after any change, hire or transfer any manager to the licensee's premises.

Section 3. Section 18-2-8.5, subsection (c)(1) of the Northglenn Municipal Code is amended to read as follows:

Section 18-2-8.5(c). <u>Takeout and Delivery Permits</u>.

(1) The Licensing Authority may issue takeout and delivery permits for the following types of licenses in compliance with C.R.S. §44-3-911, as amended: beer and wine, hotel and restaurant, tavern, brew pub, club, vintner's restaurant, distillery pub, lodging and entertainment facility, fermented malt beverage AND WINE on- or off-premises retailers, and manufacturers and wholesalers with an approved sales room.

INTRODUCED, READ, AND ORDERED POSTED this \_\_\_\_ day of \_\_\_\_\_, 2023.

ATTEST:

MEREDITH LEIGHTY Mayor

JOHANNA SMALL, CMC City Clerk

PASSED ON SECOND AND FINAL READING this \_\_\_\_\_ day of \_\_\_\_\_\_, 2023.

ATTEST:

MEREDITH LEIGHTY Mayor

JOHANNA SMALL, CMC City Clerk

APPROVED AS TO FORM:

# SPONSORED BY: <u>MAYOR LEIGHTY</u>

COUNCIL MEMBER'S BILL

ORDINANCE NO.

No. <u>CB-2009</u> Series of 2023

Series of 2023

A BILL FOR AN ORDINANCE AMENDING ARTICLE 2 OF CHAPTER 18 OF THE NORTHGLENN MUNICIPAL CODE REGARDING THE NEW FERMENTED MALT BEVERAGE AND WINE LICENSE CLASS AND TO PERMIT TASTINGS AT FERMENTED MALT BEVERAGE AND WINE RETAILERS

WHEREAS, on March 1, 2023, Proposition 125 created a new fermented malt beverage and wine license class and provided for the automatic conversion of existing fermented malt beverage licenses to the same;

WHEREAS, C.R.S. § 44-3-301(10) previously authorized a local licensing authority to receive and approve applications for tastings by a retail liquor store or a liquor-licensed drugstore, or to prohibit tastings altogether;

WHEREAS, Proposition 125 also amended the above-mentioned statutory section to add fermented malt beverage and wine retailers to the list of licensees that are permitted to conduct tastings; and

WHEREAS, the City now desires to amend applicable sections of Article 2 of Chapter 18 of the Northglenn Municipal Code to update the license class title and to include fermented malt beverage and wine retailers as licensees that may apply for tastings.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. Section 18-2-2, subsection (c) of the Northglenn Municipal Code is amended to read as follows:

Section 18-2-2. Licensing Authority.

\* \* \*

(c) The Authority shall have and is vested with the authority to grant or refuse licenses for the sale at retail of malt, vinous or spirituous liquors and fermented malt beverages, as provided by law, to conduct investigations as are required by law, to allow "tastings," as that term is defined in C.R.S § 44-3-103(56), at licensed retail liquor stores, and liquor-licensed drug stores AND FERMENTED MALT BEVERAGE AND WINE RETAILERS, subject to the requirements and limitations contained in C.R.S. § 44-3-301, to issue takeout and delivery permits, and to suspend or revoke such licenses for cause in the manner provided by law. Such Authority shall have all the powers of the local liquor licensing authority as set forth in Articles 3 and 4 of Title 44, C.R.S. Section 2. Section 18-2-3, subsection (a) of the Northglenn Municipal Code is amended to read as follows:

### Section 18-2-3. Manager Registration.

(a) Each licensee holding a fermented malt beverage AND WINE off-premises, club, tavern, or lodging and entertainment facility license shall manage such premises himself or herself or employ a separate and distinct manager on the premises and shall report the name of such manager to the Licensing Authority. Such licensee shall report any change in managers to the Licensing Authority within thirty (30) days after any change, hire or transfer any manager to the licensee's premises.

Section 3. Section 18-2-8.5, subsection (c)(1) of the Northglenn Municipal Code is amended to read as follows:

Section 18-2-8.5(c). <u>Takeout and Delivery Permits</u>.

(1) The Licensing Authority may issue takeout and delivery permits for the following types of licenses in compliance with C.R.S. §44-3-911, as amended: beer and wine, hotel and restaurant, tavern, brew pub, club, vintner's restaurant, distillery pub, lodging and entertainment facility, fermented malt beverage AND WINE on- or off-premises retailers, and manufacturers and wholesalers with an approved sales room.

INTRODUCED, READ, AND ORDERED POSTED this \_\_\_\_ day of \_\_\_\_\_, 2023.

SHANNON LUKEMAN-HIROMASA Mayor Pro Tem

ATTEST:

JOHANNA SMALL, CMC City Clerk

PASSED ON SECOND AND FINAL READING this \_\_\_\_ day of \_\_\_\_\_, 2023.

MEREDITH LEIGHTY Mayor ATTEST:

JOHANNA SMALL, CMC City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN City Attorney