

Finance & Administration Committee Meeting
October 15, 2019
4:00 p.m.

1. Purchase of Additional Industrial Property - Mayor Hanson/Mark Herbison
2. Request for Alley Way to be Combined – Lessie Fisher
3. Discussion on Collection Agencies – Lessie Fisher
4. Discussion on Beer Ordinance – Lessie Fisher
5. Moratorium /Design Review Committee Discussion – Attorney Witherington

PROJECT JH
Sample PILOT Agreement
\$113 Million Real/\$158 Million Personal Investment

Tax Saving for Real Property

| Tax Year | Appraised Value | AppV*40% Assessed Value | TAX RATE | AssV/100*TR Taxes Computed | IN-LIEU PERCENT | IN-LIEU Taxes Due |
|----------|-----------------|-------------------------|----------|----------------------------|-----------------|--------------------|
| 2020 | 113,000,000 | 45,200,000 | 2.42 | 1,093,840 | 10.00% | 109,384 |
| 2021 | 113,000,000 | 45,200,000 | 2.42 | 1,093,840 | 20.00% | 218,768 |
| 2022 | 113,000,000 | 45,200,000 | 2.42 | 1,093,840 | 30.00% | 328,152 |
| 2023 | 113,000,000 | 45,200,000 | 2.42 | 1,093,840 | 40.00% | 437,536 |
| 2024 | 113,000,000 | 45,200,000 | 2.42 | 1,093,840 | 50.00% | 546,920 |
| 2025 | 113,000,000 | 45,200,000 | 2.42 | 1,093,840 | 60.00% | 656,304 |
| 2026 | 113,000,000 | 45,200,000 | 2.42 | 1,093,840 | 70.00% | 765,688 |
| 2027 | 113,000,000 | 45,200,000 | 2.42 | 1,093,840 | 80.00% | 875,072 |
| 2028 | 113,000,000 | 45,200,000 | 2.42 | 1,093,840 | 90.00% | 984,456 |
| 2029 | 113,000,000 | 45,200,000 | 2.42 | 1,093,840 | 100.00% | 1,093,840 |
| | | | | \$10,938,400 | | \$6,016,120 |

Tax Saving for Personal Property

| Tax Year | Appraised Value | AppV*30% Assessed Value | TAX RATE | AssV/100*TR Taxes Computed | IN-LIEU PERCENT | IN-LIEU Taxes Due | TOTAL COUNTY |
|----------|-----------------|-------------------------|----------|----------------------------|-----------------|--------------------|--------------------|
| 2020 | 139,040,000 | 41,712,000 | 2.42 | 1,009,430 | 10.00% | 100,943 | 210,327 |
| 2021 | 118,500,000 | 35,550,000 | 2.42 | 860,310 | 20.00% | 172,062 | 390,830 |
| 2022 | 99,540,000 | 29,862,000 | 2.42 | 722,660 | 30.00% | 216,798 | 544,950 |
| 2023 | 79,000,000 | 23,700,000 | 2.42 | 573,540 | 40.00% | 229,416 | 666,952 |
| 2024 | 60,040,000 | 18,012,000 | 2.42 | 435,890 | 50.00% | 217,945 | 764,865 |
| 2025 | 39,500,000 | 11,850,000 | 2.42 | 286,770 | 60.00% | 172,062 | 828,366 |
| 2026 | 31,600,000 | 9,480,000 | 2.42 | 229,416 | 70.00% | 160,591 | 926,279 |
| 2027 | 31,600,000 | 9,480,000 | 2.42 | 229,416 | 80.00% | 183,533 | 1,058,605 |
| 2028 | 31,600,000 | 9,480,000 | 2.42 | 229,416 | 90.00% | 206,474 | 1,190,930 |
| 2029 | 31,600,000 | 9,480,000 | 2.42 | 229,416 | 100.00% | 229,416 | 1,323,256 |
| | | | | \$4,806,265 | | \$1,889,241 | \$7,905,361 |
| | | | | | | | 50.21% |

Tax Saving for Real Property

| Tax Year | Appraised Value | AppV*40% Assessed Value | TAX RATE | AssV/100*TR Taxes Computed | IN-LIEU PERCENT | IN-LIEU Taxes Due |
|--------------------|-----------------|-------------------------|----------|----------------------------|-----------------|--------------------|
| 2020 | 113,000,000 | 45,200,000 | 1.33 | 601,160 | 10.00% | 60,116 |
| 2021 | 113,000,000 | 45,200,000 | 1.33 | 601,160 | 20.00% | 120,232 |
| 2022 | 113,000,000 | 45,200,000 | 1.33 | 601,160 | 30.00% | 180,348 |
| 2023 | 113,000,000 | 45,200,000 | 1.33 | 601,160 | 40.00% | 240,464 |
| 2024 | 113,000,000 | 45,200,000 | 1.33 | 601,160 | 50.00% | 300,580 |
| 2025 | 113,000,000 | 45,200,000 | 1.33 | 601,160 | 60.00% | 360,696 |
| 2026 | 113,000,000 | 45,200,000 | 1.33 | 601,160 | 70.00% | 420,812 |
| 2027 | 113,000,000 | 45,200,000 | 1.33 | 601,160 | 80.00% | 480,928 |
| 2028 | 113,000,000 | 45,200,000 | 1.33 | 601,160 | 90.00% | 541,044 |
| 2029 | 113,000,000 | 45,200,000 | 1.33 | 601,160 | 100.00% | 601,160 |
| \$6,011,600 | | | | | | \$3,306,380 |

Tax Saving for Personal Property

| Tax Year | Appraised Value | AppV*30% Assessed Value | TAX RATE | AssV/100*TR Taxes Computed | IN-LIEU PERCENT | IN-LIEU Taxes Due |
|--------------------|-----------------|-------------------------|----------|----------------------------|-----------------|--------------------|
| 2020 | 139,040,000 | 41,712,000 | 1.33 | 554,770 | 10.00% | 55,477 |
| 2021 | 118,500,000 | 35,550,000 | 1.33 | 472,815 | 20.00% | 94,563 |
| 2022 | 99,540,000 | 29,862,000 | 1.33 | 397,165 | 30.00% | 119,149 |
| 2023 | 79,000,000 | 23,700,000 | 1.33 | 315,210 | 40.00% | 126,084 |
| 2024 | 60,040,000 | 18,012,000 | 1.33 | 239,560 | 50.00% | 119,780 |
| 2025 | 39,500,000 | 11,850,000 | 1.33 | 157,605 | 60.00% | 94,563 |
| 2026 | 31,600,000 | 9,480,000 | 1.33 | 126,084 | 70.00% | 88,259 |
| 2027 | 31,600,000 | 9,480,000 | 1.33 | 126,084 | 80.00% | 100,867 |
| 2028 | 31,600,000 | 9,480,000 | 1.33 | 126,084 | 90.00% | 113,476 |
| 2029 | 31,600,000 | 9,480,000 | 1.33 | 126,084 | 100.00% | 126,084 |
| \$2,641,460 | | | | | | \$1,038,302 |

| TOTAL CITY | IN-LIEU Taxes Due | TOTAL CITY |
|------------|--------------------|---------------|
| | \$4,344,682 | 50.21% |

Tina Dunn

From: Code Compliance
Sent: Friday, October 11, 2019 3:06 PM
To: Tina Dunn
Cc: Lessie Fisher
Subject: FW: Request Alley Way Be Combined
Attachments: 19-043 Map by Ronnie Hall.pdf

Hello Tina,

Please add to F&A agenda.

Thank you,

Phyllis Mayfield

Codes Technician
(901) 476-7191 ext. 146
pmayfield@covingtontn.com
www.covingtontn.com
200 W. Washington Ave.
Covington, TN 38019

From: ronnie hall <ronniejudy1234@hotmail.com>
Sent: Thursday, October 3, 2019 11:54 AM
To: Code Compliance <codecompliance@covingtontn.com>
Cc: ronnie hall <ronniejudy1234@hotmail.com>
Subject: Request Alley Way Be Combined

Good morning, Ms. Fisher,

I am requesting that the alley way next to 421 Zion St, Covington, TN be combined or split between the three land owners. I have attached a copy of the map showing the alley between 421/425 Zion St and 418 Habitat Cove. The alley is not usable with over weed and landscape.

Sincerely,
Ronnie & Judy Hall
210-749-8149
210-863-9922

NOTES:

1. BEARINGS SHOWN REFERENCED TO THE SOUTH LINE OF LOT 2, NELSON-ZION ST. MINOR SUBDIVISION, PLAT BOOK H, PAGE 505, REGISTER'S OFFICE, TIPTON COUNTY, TENNESSEE. DISTANCES SHOWN ARE HORIZONTAL GROUND DISTANCES.
2. SUBJECT PROPERTIES SHOWN BEING IDENTIFIED AS PARCELS 028.00 AND 029.01 AS SHOWN ON TIPTON COUNTY TAX MAP 0250, RECORD BOOK 1809, PAGE 814-820, REGISTER'S OFFICE, TIPTON COUNTY, TENNESSEE.
3. THESE PROPERTIES ARE SUBJECT TO ALL APPLICABLE EASEMENTS, RIGHT-OF-WAYS, AND RESTRICTIONS OF RECORD, SHOWN OR UNSHOWN ON PLAT OF SURVEY.
4. SUBJECT PROPERTIES SHOWN BEING IDENTIFIED AS PARCELS 028.00 AND 029.01 AS SHOWN ON TIPTON COUNTY TAX MAP 0250, GROUP F.
5. THIS SURVEY WAS PERFORMED WITHOUT BENEFIT OF A TITLE REPORT.
6. ALL IMPROVEMENTS SHOWN HEREON ARE EXISTING.
7. THIS PROPERTY IS CURRENTLY ZONED R-3 CITY/HIGH DENSITY RESIDENTIAL DISTRICT PER THE CITY OF COMINGTON MUNICIPAL ZONING MAP. MINIMUM SETBACKS ARE AS FOLLOWS: FRONT 20', SIDE 10', REAR 15'. CONTACT APPROPRIATE AGENCIES FOR FURTHER RESTRICTIONS WHICH MAY APPLY.
8. SURVEYOR'S LIABILITY FOR THIS DOCUMENT SHALL BE LIMITED TO THE ORIGINAL PURCHASER AND DOES NOT EXTEND TO ANY UNNAMED PERSON OR ENTITY WITHOUT AN EXPRESSED RE-CERTIFICATION BY THE SURVEYOR WHOSE NAME APPEARS UPON THIS SURVEY.

CERTIFICATION:

I, STEVEN R. COINT, REGISTERED LAND SURVEYOR, DO HEREBY CERTIFY THAT THIS SURVEY WAS PERFORMED IN ACCORDANCE WITH THE MINIMUM STANDARDS OF PRACTICE AND IT IS MY OPINION THAT THIS SURVEY MEETS OR EXCEEDS THE MINIMUM STANDARDS OF PRACTICE AND CATEGORY I SURVEY AND THE RATIO OF PRECISION OF THE UNADJUSTED SURVEY IS GREATER THAN 1:10,000 AS SHOWN HEREON.

STEVEN R. COINT
IN REG. 2428

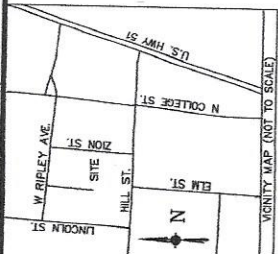
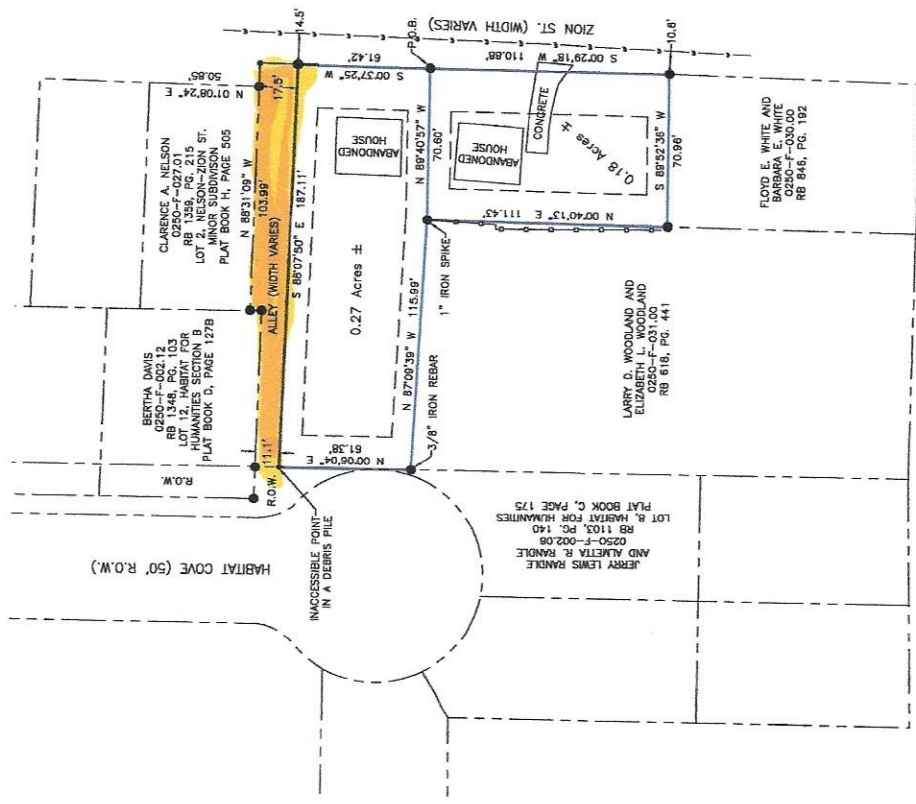


**BOUNDARY SURVEY
FOR
RONNIE HALL**

1ST CIVIL DISTRICT, TIPTON COUNTY, TENNESSEE
TMA land surveys, llc
SURVEYING, MAPPING, & CONSULTING SERVICES
P.O. BOX 282
DREDFORD, TN 38023
PH: (601) 413-3461
steven@tmalandsurveys.com

SCALE: 1" = 40'
DATE: 9/27/2019
DRAWN BY: SC
PROJECT No: 19-043
SHEET 1 OF 1

- SYMBOLS LEGEND**
- ANGLE POINT (NO MONUMENT)
 - FOUND CAPPED 1/2" IRON REBAR UNLESS OTHERWISE NOTED
 - RECORD
 - BOUNDARY
 - EXISTING FENCE
 - PHYSICAL CENTERLINE
 - BUILDING SETBACK



CHAPTER 2

BEER¹

SECTION

- 8-201. Beer board established.
- 8-202. Meetings of the beer board.
- 8-203. Record of beer board proceedings to be kept.
- 8-204. Requirements for beer board quorum and action.
- 8-205. Powers and duties of the beer board.
- 8-206. "Beer" defined.
- 8-207. Permit required for engaging in beer business.
- 8-208. Privilege tax.
- 8-209. Beer permits shall be restrictive.
- 8-210. Classes of permits.
- 8-211. Limitation upon issuance of beer permits.
- 8-212. Conditions.
- 8-213. Legal hours of sale.
- 8-214. Revocation of beer permits.
- 8-215. Civil penalty in lieu of suspension.
- 8-216. Effect of beer board action.

8-201. Beer board established. There is hereby established a beer board to be composed of the board of mayor and aldermen. The mayor shall be the chairman of the beer board and shall be entitled to vote on all matters coming before the beer board. (Ord. #1514, May 2003)

8-202. Meetings of the beer board. All meetings of the beer board shall be open to the public. The board shall hold regular meetings in the city hall at such times as it shall prescribe. When there is business to come before the beer board, a special meeting may be called by the chairman provided he gives a reasonable notice thereof to each member. The board may adjourn a meeting at any time to another time and place. (Ord. #1514, May 2003)

8-203. Record of beer board proceedings to be kept. The recorder/treasurer shall make a record of the proceedings of all meetings of the beer board. The record shall be a public record and shall contain at least the following: The date of each meeting; the names of the board members present and absent; the names of the members introducing and seconding motions and

¹Municipal code references

Alcohol: title 11, chapter 1.

Tax provisions: title 5.

resolutions, etc., before the board; a copy of each such motion or resolution presented; the vote of each member thereon; and the provisions of each beer permit issued by the beer board. (Ord. #1514, May 2003)

8-204. Requirements for beer board quorum and action. The attendance of at least a majority of the members of the beer board shall be required to constitute a quorum for the purpose of transacting business. Matters before the board shall be decided by a majority of the members present if a quorum is constituted. Any member present but not voting shall be deemed to have cast a "nay" vote. (Ord. #1514, May 2003)

8-205. Powers and duties of the beer board.¹ The beer board shall have the power and it is hereby directed to regulate the selling, storing for sale, distributing for sale, and manufacturing of beer within the City of Covington in accordance with the provisions of this chapter. (Ord. #1514, May 2003)

8-206. "Beer" defined. The term "beer" as used in this chapter shall mean and include all beers, ales, and other malt liquors or any other beverages having an alcoholic content of not more than five percent (5%) by weight. (Ord. #1514, May 2003)

8-207. Permit required for engaging in beer business.² It shall be unlawful for any person to sell, store for sale, distribute for sale, or manufacture beer without first making application to and obtaining a permit from the beer board. The application shall be made on such form as the beer board shall prescribe and/or furnish, and pursuant to Tennessee Code Annotated, § 57-5-104(a), shall be accompanied by a non-refundable application fee of two hundred and fifty dollars (\$250.00). Each applicant must be a person of good moral character and he must certify that he has read and is familiar with the provisions of this chapter. (Ord. #1514, May 2003)

8-208. Privilege tax.³ There is hereby imposed on the business of selling, distributing, storing or manufacturing beer a privilege tax of one hundred dollars (\$100.00). Any person, firm, corporation, joint stock company, syndicate or association engaged in the sale, distribution, storage or

¹State law reference
Tennessee Code Annotated, § 57-5-106.

²State law reference
Tennessee Code Annotated, § 57-5-103.

³State law reference
Tennessee Code Annotated, § 57-5-104(b).

manufacture of beer shall remit the tax each successive January 1 to the City of Covington, Tennessee. At the time a new permit is issued to any business subject to this tax, the permit holder shall be required to pay the privilege tax on a prorated basis for each month or portion thereof remaining until the next tax payment date. (Ord. #1514, May 2003)

8-209. Beer permits shall be restrictive. All beer permits shall be restrictive as to the type of beer business authorized under them. Separate permits shall be required for selling at retail, storing, distributing, and manufacturing. It shall be unlawful for any beer permit holder to engage in any type or phase of the beer business not expressly authorized by his permit. It shall likewise be unlawful for him not to comply with any and all express restrictions or conditions which may be written into his permit by the beer board. (Ord. #1514, May 2003)

8-210. Classes of permits. Permits issued by the beer board shall consist of four (4) types:

(1) Manufacturing. A manufacturer's permit to a manufacturer of beer for the manufacture, possession, storage, sale, giveaway, distribution, and transportation of the product of each manufacturer, not to be consumed by the producer upon or near the premises of such manufacturer.

(2) Class 1 on premises permit. A Class 1 on premises permit shall be issued for the consumption of beer only on the premises. To qualify for a Class 1 on premise permit, an establishment must, in addition to meeting the other regulations and restrictions in this chapter:

(a) Must obtain and maintain a valid hotel-restaurant license from the State of Tennessee;

(b) Be able to seat a minimum of thirty (30), including children, in booths and at tables, in addition to any other seating it may have;

(c) Keep and maintain the premises in a clean and sanitary condition, and obtain the Tennessee Department of Health and Environment, Division of Food and General Sanitation, or its designee, or other proper state and local authority, all necessary permits as required for restaurants in the State of Tennessee;

(d) File with the City of Covington on a monthly basis a copy of the sales tax return due to the State of Tennessee; and

(e) Provide a state sales tax number and federal employee's identification number to the City of Covington.

In addition, the monthly beer sales of any establishment that holds a Class 1 on premises permit shall not exceed forty percent (40%) of the gross sales of the establishment. Any such establishment that for two (2) consecutive months has beer sales exceeding forty percent (40%) of its gross sales, shall have its beer permit revoked. It shall be the responsibility of each applicant to provide the City of Covington appropriate distinctions of the amount of beer and

food sold. Said information shall be provided to the City of Covington on a monthly basis on such forms and according to such procedures as the City of Covington may dictate. The city may, in its discretion, require each applicant to provide such additional information as the City of Covington deems necessary in order to make appropriate distinctions of the amount of beer and food sold. Failure to provide such information shall constitute a violation of this chapter and may result in a revocation or suspension of the permit.

(3) Class 2 on premises permit. Other establishments making application for a permit to sell or give away beer for consumption on the premises, which did not qualify, or do not wish to apply for a Class 1 on premises permit, but which otherwise meet all other regulations and restrictions in this chapter, shall apply for a Class 2 on premises permit. To qualify for a Class 2 on premises permit, an establishment must, in addition to meeting the other regulations and restrictions in this chapter:

(a) Allow no one under the age of twenty-one (21) years to be in or about the premises where beer is being sold or given away;

(b) Require all customers to have valid identification card on their person;

(c) Provide to the Covington Police Department prior to commencement of employment, the name and address and date of birth of each and every employee for the purpose of ascertaining whether said employee has a criminal record;

(d) Provide and maintain separate sanitary toilet facilities for men and women, and keep and maintain the premises in a clean and sanitary condition;

(e) Allow no assaults, fighting, damaging of property and breaches of peace occurring on or in the premises where beer is sold or given away;

(f) Provide a state sales tax number and federal employee's identification number to the City of Covington;

(g) In the event food is served, shall obtain from the Tennessee Department of Health and Environment, Division of Food and General Sanitation, or its designee, or other state or local authority, all necessary permits as required for sale of food; and

(h) Have all seating in the interior of the building under a permanent roof. No beer shall be allowed outside the building for sale, giveaway, or consumption.

(4) Off premises permit. An off premises permit shall be issued for the consumption of beer only off the premises. To qualify for an off premises permit, an establishment must, in addition to meeting the other regulations and restrictions in this chapter:

(a) Be a grocery store or a convenience type market;

(b) In either case, be primarily engaged in the sale of grocery and personal, home care and cleaning articles, but may also sell gasoline; and

(c) Provide a state sales tax number and federal employee's identification number to the City of Covington.

In addition, an establishment that holds an off premises permit shall not allow sale or giveaway of beer through any type of drive-through window. No beer shall be allowed outside the building for sale, giveaway, or consumption. (Ord. #1514, May 2003)

8-211. Limitation upon issuance of beer permits. No Class 2 on premises permit shall be issued to an applicant whose location:

(1) Is within two hundred fifty feet (250') from any hospital, church, school, public park or public playground or other place of public gathering and would cause congestion of traffic or interfere with hospitals, schools, churches, or other places of public gathering, or would otherwise interfere with the public health, safety and morals of the citizens; and

(2) The distances shall be measured in a straight line from the nearest point of the building of the Class 2 beer permit applicant to the nearest point of the property line of the hospital, church, school, public park or public playground or other place of public gathering. In the event the Class 2 applicant's business location is located in a building which is partitioned into separate business facilities, such as in a strip center or mall, the distances shall be measured in a straight line from the nearest point of the portion of the partitioned building occupied by the Class 2 beer permit applicant to the nearest point of the property line of the hospital, church, school or other place of public gathering. (Ord. #1566, Jan. 2007)

8-212. Conditions. The following are conditions for issuance of a permit under this chapter:

(1) In case of a partnership, a partner shall be the applicant, and, in case of a corporation, any officer or the local manager of the proposed location shall be the applicant. The license shall be issued in the name of the partnership or the corporation, as the case may be. In the case of a corporation, where the local manager is the applicant, the corporation shall report any change in that position.

(2) The applicant shall designate the location of the premises where beer shall be sold or given away and shall name the owner of the premises as well as the lessee thereof.

(3) The applicant shall not sell or give away beer at any place except the premises designated in the petition, except that an applicant may have a permit for more than one (1) location within the City of Covington, so long as a separate permit is issued for each location by the beer board.

(4) The applicant shall make no sales or give away of beer except upon the terms and conditions of the permit issued.

(5) The applicant shall designate in the application whether his application is for beer to be sold or given away for consumption on the premises or consumption off the premises. The application shall not be made for both consumption on and off the premises designated in the application.

(6) No sale or giveaway of beer shall be made to persons under the age of twenty-one (21) years and no such person shall be allowed to loiter about the area where beer is being sold or given away; however, any person eighteen (18) years of age or older may transport, possess, sell or dispense beer in the course of such person's employment in Class 1 on premises establishments and off premises establishments.

(7) The applicant shall allow no gambling upon the premises, nor allow any devices defined as gambling devices by state statute upon the premises designated for sale or giveaway of beer.

(8) Neither the applicant nor any person employed by him shall have been convicted of any violation of any liquor laws, any crime involving moral turpitude, or any felony within the last ten (10) years prior to filing the application.

(9) Neither the owner or any employee of the applicant shall drink intoxicating beverages during hours of operation.

(10) Only the person receiving the beer permit shall act as manager of any establishment granted the right to sell or give away beer within the City of Covington, however, the manager shall designate, in writing with a copy to the City of Covington, an alternative person who shall be in charge of the establishment when he is absent from the premises.

(11) No beer shall be sold or given away to drunk or disorderly persons.

(12) In all on premises locations, there must be sufficient lighting for customers to adequately read a menu, if applicable, and for employees to properly inspect the age and identification card of customers without aid of additional illumination.

(13) The licensee shall maintain an orderly establishment and not be in violation of any health, building or fire department regulations or ordinances of the City of Covington.

(14) The beer board has the full power and authority to enter, inspect and investigate any business operated pursuant to any permits issued by the beer board and has full authority to call upon any member of the police and health departments for assistance in the enforcement of the state laws, city ordinances and rules and regulations of the beer board pertaining to the sale or giveaway of beer.

(15) The licensee with an off premises beer permit shall not allow the consumption of beer anywhere on the premises of the licensee.

(16) No beer may be sold or given away except at places where such sale or giveaway will not cause congestion of traffic or interference with hospitals,

schools, churches or other places of public gathering, or otherwise interfere with public health, safety and morals. (Ord. #1514, May 2003, modified)

8-213. Legal hours of sale. Except as otherwise provided by state law:

(1) It shall be unlawful for any off-premises permit holder to make or allow any sale or giveaway of beer between the hours of 1:00 A.M. and 6:00 A.M. during any night of the week and between the hours of 1:00 A.M. on Sunday and 12:00 noon on Sunday.

(2) It shall be unlawful for any Class 1 permit holder to make or allow any sale or giveaway of beer between the hours of 2:00 A.M. and 6:00 A.M. during any night of the week and between the hours of 2:00 A.M. on Sunday and 11:00 A.M. on Sunday.

(3) It shall be unlawful for any Class 2 permit holder to make or allow any sale or giveaway of beer between the hours of 1:00 A.M. and 6:00 A.M. during any night of the week and between the hours of 1:00 A.M. on Sunday and 6:00 A.M. the following Monday.

(4) All Class 1 permit holders must have their place of business cleared of all customers by 2:00 A.M. and Class 2 permit holders must have their place of business cleared of all customers by 1:30 A.M. (Ord. #1638, Nov. 2012)

8-214. Suspension and revocation of beer permits.¹ The beer board shall have the power to suspend or revoke any beer permit issued under the provisions of this chapter when the holder thereof is guilty of making a false statement or misrepresentation in his application or of violating any of the provisions of this chapter. However, no beer permit shall be suspended or revoked until a public hearing is held by the board after reasonable notice to all the known parties in interest. Suspension or revocation proceedings may be initiated by the police chief or by any member of the beer board. (Ord. #1514, May 2003)

8-215. Civil penalty in lieu of suspension.² The beer board may, at the time it imposes a revocation or suspension, offer a permit holder the alternative of paying a civil penalty not to exceed one thousand five hundred dollars (\$1,500.00) for each offense of making or permitting to be made any sales or giveaway of beer to minors or a civil penalty not to exceed one thousand dollars (\$1,000.00) for any other offense or offenses. If a civil penalty is offered as an alternative to revocation or suspension, the holder shall have seven (7) days within which to pay the civil penalty before the revocation or suspension

¹State law reference

Tennessee Code Annotated, § 57-5-108(a)(1).

²State law reference

Tennessee Code Annotated, § 57-5-108(a)(2).

shall be deemed withdrawn. However, in no event shall a permit holder be allowed to pay a civil penalty for a second offense of making or permitting to be made a sale or giveaway of beer to minors. (Ord. #1514, May 2003)

8-216. Effect of board action. The action of the beer board in all such hearings shall be final, subject only to review by the court. When a permit is revoked, no new permit shall be issued hereunder for the sale or giveaway of beer at the same location or to the same permit holder, as the beer board may determine until the expiration of one (1) year from the date said revocation becomes final. When a permit is suspended, no new permit shall be issued hereunder for the sale or giveaway of beer at the same location or to the same permit holder until the period of suspension is over. (Ord. #1514, May 2003)

ORDINANCE NO. 1665

WHEREAS many of the ordinances under Title 8, Section 2 of the City of Covington Municipal Code are obsolete and in need of updating; and

WHEREAS, the Mayor and Board of Aldermen find that the health, safety and welfare of the citizens of the City of Covington is being compromised as a result of businesses that permit "brown bagging" and/or "BYOB" of beer and alcoholic beverages during the hours of 1:00 a.m. and 6:00 a.m.; and therefore:

BE IT ENACTED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF COVINGTON:

Section 1. Section 8-206 of the City of Covington Municipal Code titled "Beer defined" shall be deleted in its entirety and replaced with the following:

8-206. Definitions. For purposes of this chapter, the following words and phrases shall have the meanings respectively ascribed by this section:

- (1) "Agent" means any person who is a partner, member or otherwise involved in the permittee's business, any employee of the permittee, or the spouse, parent(s), step-parent(s), grandparent(s), sibling(s), step-sibling(s), child(ren), step-child(ren) or grandchild(ren) of the permittee.
- (2) "Beer" means and includes all beers, ales, and other malt liquors or any other beverages having an alcohol content of not more than five percent (5%) by weight.
- (3) "Business" shall be defined as it is in Tennessee Code Annotated § 67-4-704 in that the term "business" means any activity engaged in by a person, individual, firm, partnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate, or other group or combination acting as a unit, and the plural as well as the singular number or caused to be engaged in by a person, individual, firm, partnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate, or other group or combination acting as a unit, and the plural as well as the singular number with the object of gain, benefit or advantage, whether direct or indirect. For purposes of this section the term "business" shall also be defined as any person, individual, firm, partnership, joint venture, association, corporation, estate, trust, business trust, receiver, syndicate, or other group or combination acting as a unit, and the plural as well as the singular number that holds a valid business license.
- (4) "BYOB" means "bring your own bottle" but also mean a person bringing their own beer or other alcoholic beverage into a business or any other place for consumption.
- (5) "Caterer" means a business engaged in offering food and beverage service for a fee at various locations, which (a) operates a permanent catering hall on an exclusive basis; (b) has a complete and adequate commercial kitchen facility; and (c) is licensed as a caterer by the Tennessee Department of Health.
- (6) "Church" means a building or property where a congregation regularly meets at least one day per week for religious worship.

- (7) "Clerk" means any person working in a capacity to sell beer directly to consumers for off-premises consumption.
- (8) "Beer Board" means that administrative body organized and empowered under the authority of Tennessee Code Annotated, Title 57, Chapter 5.
- (9) "Minor" with respect to purchasing, consuming or possessing beer means any person who has not attained the age of twenty-one (21) years.
- (10) "Moral Turpitude" includes but is not limited to the crimes of premeditated homicide, all sex related crimes, selling of any schedule and/or controlled substances illegally, fraud, and theft. For purposes of this definition, identification of Schedule substances are as defined by Tennessee Code Annotated sections 39-17-406, 39-17-408, 39-17-410, 39-17-412, 39-17-414, 39-17-416 respectively.
- (11) "Park" means a piece of property either owned or maintained by the City of Covington where persons regularly gather for recreational purposes or as spectators.
- (12) "Permit" means any permit issued pursuant to this Title.
- (13) "Permittee" means any person to whom any permit has been issued pursuant to this title.
- (14) "Premises" means any building, portion of a building, or property that is utilized for a particular business enterprise.
- (15) "Resident" means any person who at present is living within the City of Covington corporate limits with the intent that his permanent home shall be within such city.
- (16) "Responsible vendor" means a person, corporation or other entity that has been issued a permit to sell beer for off-premises consumption and has received certification by the Tennessee Alcoholic Beverage Commission under the "Tennessee Responsible Vendor Act of 2006," Tennessee Code Annotated § 57-5-606, et seq.
- (17) "Retailer" means any person licensed by the Beer Board who sells beer for consumption and not for resale.
- (18) "Off-Premises permit" means a permit issued by the Beer Board to a retailer engaged in the sale of beer which is not to be consumed by the purchaser upon the premises of such permittee.
- (19) "On-Premises permit" means a permit issued by the Beer Board to a retailer engaged in the sale of beer which is to be consumed by the purchaser only upon the premises of such permittee
- (20) "School" means any institution, including kindergarten, where regular classes are conducted under the supervision of a teacher or instructor, including schools or colleges where specialized subjects are taught to students of all ages. Such term shall include vocational, medical, law, art, cosmetology, and other institutions where similar subjects are taught; provided however, mortuary colleges shall not be included in such term.
- (21) "Sell" means and includes taking or receiving an order for, keeping or exposing for sale, delivering for value, keeping for intent of sell and trafficking in beer.

- (22) "Valid Identification" means (a) a valid driver's license issued by the State of Tennessee or any other state of the United States, (b) United States Active Military identification, (c) a valid passport, (d) valid identification card showing a recent photograph issued by any agency of a state or county for the purpose of identification.

Section 2. Section 8-208 of the City of Covington Municipal Code titled "Privilege tax" shall be deleted in its entirety and replaced with the following:

"There is hereby imposed on the business of selling, distributing, storing or manufacturing beer an annual privilege tax of one hundred dollars (\$100), pursuant to Tennessee Code Annotated §57-5-104(b)(1).

- (1) Any person, firm, corporation, joint stock company, syndicate or association engaged in the sale, distribution, storage or manufacture of beer shall remit to tax each successive January 1 to the City of Covington, Tennessee.
- (2) The Beer Board shall mail written notice to each permit holder of the payment date of the annual privilege tax at least thirty (30) days prior to January 1st of each year. Notice shall be mailed to the address specified by the permit holder on its permit application. If a permit holder does not pay the tax by January 31st or within thirty days after written notice of the tax was mailed, whichever is later, then the Beer Board shall notify the permit holder by certified mail that the tax payment is past due. If the permit holder does not pay the tax within ten (10) days after receiving notice of its delinquency by certified mail, then the permit may be suspended, revoked or the permit holder may be given a civil penalty subject to the procedures set forth in Tennessee Code Annotated § 57-5-108 and sections 8-214, 8-215, and 8-216 of this title.
- (3) The City of Covington may use the tax funds for any public purpose.
- (4) At the time a new permit is issued to any business subject to this tax, the permit holder shall be required to pay the privilege tax on a prorated basis for each month or portion thereof remaining until the next payment date.

Section 3. Section 8-210 of the City of Covington Municipal Code titled "Classes of permits" shall be amended by changing the number of permits issued from four (4) to five (5) types, and by amending/adding the following language:

- (2)
 - (a) change the words "hotel restaurant license" to "Food Service Establishment Permit."
 - (f) Provide to the Covington Police Department prior to commencement of employment, the name, address, date of birth, and copy of valid identification of each and every employee for the purposes of ascertaining whether said employee has a criminal record.
- (3)
 - (b) remove the word "card."
 - (c) include copy of valid identification after the words "date of birth."

(4)

(c) Provide a state sales tax number and federal employee's identification number to the City of Covington.

(d) An establishment that holds an off premises permit shall not allow the sale or giveaway of beer through any type of drive-through window.

(e) No beer shall be allowed outside the building of an off premises permit holder for sale, giveaway, or consumption.

(5) Temporary permits. In addition to the permanent permits provided for in this section, the Beer Board shall have the authority to issue temporary permits to bona fide charitable, nonprofit or political organizations upon the same terms and conditions governing permanent permits, including limitations on the hours of sale. Temporary permits shall be issued as one (1) of two (2) types:

(a) A Single Event Permit. A single event permit shall be valid for a maximum period of 3 days, with the actual number of days to be determined by the Beer Board.

(b) A Multiple Event Permit. A multiple event permit may be issued for a fixed number of events during a calendar year, not to exceed six events per calendar year. The exact dates, time and location of each individual event must be approved by the Beer Board at the time of the issuance of the permit. If exact dates are not known at the time of permit issuance, subsequent approval at a future Beer Board meeting must be obtained prior to the event.

(c) Temporary permits do not permit the seller to sell beer anywhere within the city limits of their choosing, but are specific to the location wherein the event is being held. If the seller is found to be selling beer anywhere other than the location where the event is being held that is specified on the permit it will be considered a violation of their permit.

(d) No organization possessing a temporary permit shall purchase, for sale or distribution, beer from any source not properly licensed provided by State law.

(e) Failure of a temporary permittee to abide by the conditions of the permit and all laws of the State of Tennessee and the City of Covington will result in a denial of a temporary permit for the sale of beer for a period of one year

(f) For purposes of this section:

(i) Bona fide charitable or nonprofit organization means any entity which has been recognized as exempt from federal taxes under §501(c) of the Internal Revenue Code (26 U.S.C. §501(c)) or any organization having been existence for at least two (2) consecutive years which expends at least sixty (60%) of its gross revenue exclusively for religious, educational or charitable purposes;

(ii) Bona fide political organization means any political campaign committee as defined in Tennessee Code Annotated §2-10-102 or any political party as defined in Tennessee Code Annotated §2-13-101.

(h) The application for a temporary permit shall set forth the following

information:

- (i) The name, address, and telephone number of the chairperson of the charitable, nonprofit, or political organization seeking a temporary permit;
- (ii) The name, address, and telephone number of the person responsible for beer sales under the permit;
- (iii) The date, time and location when the event will be held;
- (iv) If the event requested to be covered by the temporary permit will be held on land not owned by the applicant, a written statement of approval from the landowner must accompany the application; and
- (v) The hours which beer sales will be conducted during the event.

(6) Events not subject to permit; notice required. Any event which is catered and the caterer has a valid Tennessee Alcoholic Beverage Commission (TABC) license to serve alcohol is not required to obtain a temporary permit. For the safety and welfare of the citizens of the City of Covington, the Beer Board requires prior notice of each event which is catered and not required to obtain a permit. Event coordinators shall furnish to the City of Covington Code Enforcement Officer and the City of Covington Police Chief a copy of the form submitted to the TABC no later than five (5) business days prior to the event.

Section 4. Section 8-212 of the City of Covington Municipal Code titled "Conditions" shall be amended by adding the following language:

(13) The permittee shall maintain an orderly establishment and not be in violation of any health, building or fire department regulations or ordinances of the City of Covington.

(14) The Beer Board, Police Department, Fire Department, and City of Covington Codes Division has the full power and authority to enter, inspect, and investigate any business operated pursuant to any permits issued by the Beer Board, and has full authority to call upon any member of the police and health departments for assistance in the enforcement of the State laws, City ordinances, and rules and regulations of the Beer Board pertaining to the sale or giveaway of beer.

(17) The permittee shall not allow or engage in any criminal activity on the premises.

Section 8-212 of the City of Covington Municipal Code shall be further amended as follows:

"(15) The permittee with an off premises beer permit shall not allow the consumption of beer anywhere on the premises of the permittee" shall be moved to Section 8-210(4)(e).

Section 5. Section 8-213 of the City of Covington Municipal Code titled "Legal hours of sale" shall be amended by adding the following:

(5) It shall be unlawful for any temporary permit holder to make or allow any sale or giveaway of beer between the hours of 12:00 A.M. and 12:00 P.M.

Section 6. Section 8-214 of the City of Covington Municipal Code titled “Suspension and Revocation of beer permits” shall be deleted in its entirety and replaced with the following:

“The Beer Board shall have the power to suspend or revoke any beer permit issued under the provisions of this chapter when the holder thereof is guilty of making a false statement(s) or misrepresentation(s) on his application. The Beer Board shall also have the power to suspend or revoke any beer permit issued in accordance with the provisions of Tennessee Code Annotated § 57-5-108. No beer permit shall be suspended or revoked until a public hearing is held by the board after reasonable notice to all the known parties in interest. Suspension or revocation proceedings may be initiated by the police chief, fire chief, building official, or by any member of the Beer Board.”

Section 7. Section 8-215 of the City of Covington Municipal Code titled “Civil penalty in lieu of suspension” shall be deleted in its entirety and replaced with the following:

“The Beer Board may, at the time it imposes a revocation or suspension, offer a permit holder the alternative of paying a civil penalty as follows:

- (1) If the permit holder and the clerk that commit any offense, including making or permitting to be made any sales or giveaway of beer to a minor, have both complied with Tennessee Code Annotated § 57-5-606 then the civil penalty imposed is not to exceed one thousand dollars (\$1,000) for each offense.
- (2) If the permit holder is not a “Responsible Vendor” or has failed to comply with Tennessee Code Annotated § 57-5-606 then a penalty not to exceed two thousand five hundred dollars (\$2,500) may be imposed for each offense of making or permitting to be made any sales or giveaway of beer to a minor, or a civil penalty not to exceed one thousand dollars (\$1,000) for any other offense or offenses.
- (3) If a civil penalty is offered as an alternative to revocation or suspension, the permit holder shall have seven (7) days within which to pay the civil penalty before the revocation or suspension shall be deemed withdrawn.
- (4) In no event shall a permit holder be allowed to pay a civil penalty for a second offense of making or permitting to be made the sale or giveaway of beer to minors.”

Section 8. Section 8-216 of the City of Covington Municipal Code titled “Effect of board action” shall be amended as follows:

The sentence “When a permit is revoked, no new permit shall be issued hereunder for the sale or giveaway of beer at the same location or to the same permit holder, as the Beer Board may determine until the expiration of one (1) year from the date of said revocation becomes final” shall be deleted and replaced with the following: “When a permit is revoked, no new permit shall be issued hereunder for the sale or giveaway of beer to the same permit holder or any agents of the permit holder at the same location as the Beer Board may determine until the expiration of one (1) year from the date said revocation becomes final.”

Section 9. That the following shall be added to Title 8 of the City of Covington municipal code as section 217:

8-217. **"Brown Bagging" and/or "BYOB"**. This section shall make the unregulated and unlicensed possession and consumption of beer and alcoholic beverages in a business in the City of Covington between the hours of 1:00 a.m. and 6:00 a.m. unlawful.

(1) Between the hours of 1:00 a.m. and 6:00 a.m. during any night of the week and between the hours of 1:00 a.m. on Sunday and 12:00 noon on Sunday it is unlawful for any person to consume beer or an alcoholic beverage not lawfully sold by the business on the premises of any business open for business during these hours in the City.

(2) Between the hours of 1:00 a.m. and 6:00 a.m. during any night of the week and between the hours of 1:00 a.m. on Sunday and 12:00 noon on Sunday it is unlawful for any person to possess an open container of beer or an alcoholic beverage not lawfully sold by the business on the premises of any business open for business during these hours in the City.

(3) Between the hours of 1:00 a.m. and 6:00 a.m. during any night of the week and between the hours of 1:00 a.m. on Sunday and 12:00 noon on Sunday it is unlawful for any owner of a business open for business during these hours in the city to knowingly or intentionally permit any person to possess an open container of beer or an alcoholic beverage not lawfully sold by the business or to consume beer or an alcoholic beverage not lawfully sold by the business on the premises of said business. For the purposes of this section, notice to an agent or employee of a business shall constitute notice to the owner of the business.

(4) Between the hours of 1:00 a.m. and 6:00 a.m. during any night of the week and between the hours of 1:00 a.m. on Sunday and 12:00 noon on Sunday the open display by any person on the premises of a business open for business during these hours of any open container of beer or an alcoholic beverage marked as if for resale and lawfully sold by the business, shall be evidence of a violation of subsection (3) above.

(5) Any owner of a business open between the hours of 1:00 a.m. and 6:00 a.m. during any night of the week and between the hours of 1:00 a.m. on Sunday and 12:00 noon on Sunday, having notice, either actual or constructive, prior to 1:00 a.m. that beer and/or alcoholic beverages not lawfully sold by the business are being consumed on the premises shall at 1:00 a.m. or within a reasonable time thereafter give notice reasonably calculated to inform all persons on the premises that the consumption of beer or alcoholic beverages or the possession of an open container of beer or an alcoholic beverage on the premises is prohibited by this section. Failure of the owner of a business to give notice pursuant to this section, personally or through an agent or employee, shall be unlawful and shall constitute a separate violation of this section. However, such failure shall not provide a defense to prosecution of any person under any other subsections herein.

(6) This section does not prohibit the sale of beer or alcoholic beverages by any business that possesses a valid beer permit or alcoholic beverage license during such hours authorized by the laws of the State and the ordinances of the City, nor does this section prohibit any other conduct permitted under the laws of the State or the ordinances of the City. This section does not prohibit the owner of a business who resides on the premises of the business from consuming beer or alcoholic beverages at any time on the

premises or from possession of an open container of beer or alcoholic beverages at any time on the premises. This section does not prohibit the consumption of beer or alcoholic beverages by any person within the confines of the person's individual room in any hotel within the City.

(8) The provisions of this section are severable. If any provision of this section or its application to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this section which can be given effect without the invalid provisions or application.

BE IT FURTHER ORDAINED, that this Ordinance shall take effect from and after its passage, the public welfare of the corporation demanding it.

Passed by the Board of Mayor and Aldermen of the City of Covington, Tennessee this 28th day of April, 2015.

Passed on 1st Reading: 24th March 2015

Passed on 2nd Reading: 14th April 2015

Passed on 3rd and final Reading: 28th April 2015

ATTEST: Joe C. Dunn
Recorder-Treasurer

[Signature]
Mayor

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Tenn. Code Ann. § 57-5-106

Copy Citation

Current through the 2018 Regular Session.

[Tennessee Code Annotated](#) [Title 57 Intoxicating Liquors](#) [Chapter 5 Beer](#) [Part 1 General Provisions](#)

57-5-106. Licensing powers of cities, towns, and Class B counties.

(a) All incorporated cities, towns and Class B counties in this state are authorized to pass proper ordinances governing the issuance and revocation or suspension of licenses for the storage, sale, manufacture and/or distribution of beer within the corporate limits of the cities and towns and within the general services districts of Class B counties outside the limits of any smaller cities as defined in § 7-1-101 and to provide a board of persons before whom such application shall be made, but the power of such cities, towns and Class B counties to issue licenses shall in no event be greater than the power herein granted to counties, but cities, towns and Class B counties may impose additional restrictions, fixing zones and territories and provide hours of opening and closing and such other rules and regulations as will promote public health, morals and safety as they may by ordinance provide. The ordinance power granted to a municipality by this subsection (a) does not permit a municipality to establish residency requirements for its applicants. The ordinance power granted to a municipality by this section does not permit a municipality to impose training or certification restrictions or requirements on employees of a permittee if those employees possess a server permit issued by the alcoholic beverage commission pursuant to chapter 3, part 7 of this title.

(b) Cities, towns and Class B counties may authorize the sale of beer in the rooms of regularly conducted hotels and motels and in regularly incorporated clubs and lodges.

(c)

(1) Notwithstanding subsection (a), any county that is the owner of property used as a park that is within the corporate boundaries of a municipality within that county has the exclusive authority to issue, revoke, and suspend licenses for the storage, sale, manufacture, and distribution of beer within the boundaries of the park consistent with the county rules governing the issuance, revocation, and suspension of licenses for other locations in the county, except there is no restriction of distance from residences or churches, schools, or other public gathering places.

(2) This subsection (c) applies only in counties with a population of not less than one hundred seventy-two thousand three hundred (172,300) nor more than one hundred seventy-two thousand four hundred (172,400), according to the 2010 federal census or any subsequent federal census.



MEMORANDUM

TO: City of Covington Finance & Administration Committee Members
FROM: Rachel Witherington, City Attorney
DATE: January 14, 2019
SUBJECT: Requiring Beer Permit Applicants to be certified Responsible Vendors through the Alcoholic Beverage Commission

Question: Can the City of Covington pass an amendment to its beer ordinance requiring any applicant for a beer permit, whether it is an initial permit or a renewal of an existing permit, to be certified as a Responsible Vendor pursuant to the Tennessee Responsible Vendor Act?

Short Answer: No in some cases, and not advisable in others

History & Analysis:

History: Since the majority of the Board members have been recently sworn in and may be unfamiliar with this subject I will include a brief explanation of the Board's power when it comes to regulating the sale of beer and the Responsible Vendor Program. Generally, municipalities have broad authority to regulate the sale of beer within the city limits so long as those regulations don't conflict with state laws. Municipalities may prohibit the sale of beer all together in the city limits, or restrict the sale of beer to specific areas of the city, establish minimum distances from residences, schools, churches and other public gathering places, set certain hours during which beer can be sold, and other regulations or restrictions that protect the "public health, morals and safety." The City's ordinance governing the sale of beer sets forth restrictions on times, distance from schools and churches, and sets the maximum penalties for violations of the ordinance, among other things.

There are, of course, certain restrictions placed on the power of municipalities to regulate such activities by state law. For example, the

Responsible Vendor Act, which narrowed the City's regulatory authority when it comes to the sale of beer. The Responsible Vendor Program (RVP) requires participating vendors to comply with specific employee training, universal customer identification for the sale of beer, and mandatory posting of signage on their premises. In exchange for complying with the program's requirements, "Responsible vendors" are subject to reduced penalties for the illegal sale of beer to minors. If a vendor sells beer to a minor and is *not* a certified responsible vendor then they are subject to (1) suspension of their beer permit; (2) revocation of their beer permit; or (3) a civil penalty in lieu of suspension or revocation not to exceed \$2,500 per offense of selling beer to a minor or \$1,000 for any other offense. On the other hand, if they *are* a certified responsible vendor they are only subject to a maximum penalty of \$1,000, regardless of the offense, **and** their permit cannot be suspended or revoked unless there are two violations for selling beer to minors within any 12-month period. That is a significant discrepancy that should incentivize vendors to get their certification as a responsible vendor.

Analysis: The answer as to whether or not the City can *require* all beer permit holders to be certified responsible vendors is definitively "no." Tennessee Code Annotated § 57-5-106 says, among other things, "*The ordinance power granted to a municipality by this section does not permit a municipality to impose training or certification restrictions or requirements on employees of a permittee if those employees possess a server permit issued by the alcoholic beverage commission.*"

Server permits are required by any retail food establishment that serves or sells alcohol *other than beer* for on premises consumption, and are granted by the Tennessee Alcoholic Beverage Commission (ABC). I confirmed with the ABC that the training for "server permits" and "responsible vendor certification" covers the same material regarding underage consumption of alcohol. Regardless, the City cannot require any beer permit holder whose employees

have server permits to be Responsible Vendors. Furthermore, all retail package stores, grocery stores and any other food retailer that sell beer and wine are required by state law to be certified responsible vendors in order to obtain and keep their license.

Therefore, the only class of permits the City could possibly require to have responsible vendor certification is Off-Premises vendors that do not also sell wine or liquor – convenience stores, gas stations and the like. While this class of permit holders is fairly easily identifiable, passing a new requirement that only applies to a certain class of permit holders may pose legal liability to the City. While the City has powerful authority to regulate the sale of beer or even prohibit the sale of beer all together in the city limits, anytime the imposition of a rule would only apply to a select class of permit holders and not others unequal application of the law is a likely result.

There are, however, other regulations the City could put into place to further incentivize beer permit holders in the City to become certified responsible vendors. For example:

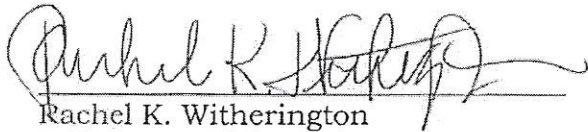
1. The Board could lower the maximum fine for offenses of responsible vendors from \$1,000;
2. The Board could pass written policies and procedures for the beer board to suspend or revoke permits of vendors that are caught selling beer to a minor twice in 18 or 24 months;
3. If the Board chooses to pass policies and procedures it could determine that any vendor caught selling beer to a minor that is not a certified responsible vendor will be fined the maximum amount of \$2,500 or face a 6 month suspension of their permit.

In addition to those possible modifications of our ordinance to further incentivize vendors to be a part of the responsible vendor program, the following paragraph needs to be added to the current beer ordinance. State law requires that the beer board report the name of a clerk of any certified responsible vendor who sold beer to a minor within fifteen (15) days of that determination.

Loss of clerk's certification for sale to minor. If the beer board determines that a clerk of an off-premises beer permit holder

certified under Tennessee Code Annotated, §57-5-606, sold beer to a minor, the beer board shall report the name of the Clerk to an alcoholic beverage commission within fifteen (15) days of determination of the sale. The certification of the clerk shall be invalid, and the clerk may not reapply for a new certificate for a period of one (1) year from the date of the beer board's determination. 57-5-607

Obviously, the regulation and sale of beer and other intoxicating liquors in the State of Tennessee is complex. Different agencies have regulatory authority based on what you sell, and there are different requirements within each regulatory agency. The bottom line that this board needs to remember is any business that has the privilege of selling beer in the city limits of Covington does so because you have given them that privilege. You have the authority to revoke that privilege if they cannot do so responsibly.


Rachel K. Witherington

Drug Free Tipton

Responsible Vendor FAQ

- What is Responsible Vendor Training?

Responsible Vendor Training is a course that includes important information about employee and company liability, laws regulating the sale of alcohol, how to properly check IDs, and company policy.

- Where is the Responsible Vendor training offered?

You can get information on training that is offered through Drug Free Tipton. Contact Sierra Butler at drugfreetipton@gmail.com or call (901) 378-0545.

- What is the cost of the training?

The online training is 15.00 and Tipton County Coalition will gladly do a private classroom for _____ (per person?)

- What is the difference in Responsible Vendor training and being a Certified Responsible Vendor?

Having the training will help you better understand the laws regulating the sale of alcohol and can also greatly reduce insurance premiums. This is the training your Beer Board is requiring for all employees.

To be a Certified Responsible Vendor a business must go through steps to register with the Tennessee Alcoholic Beverage Commission for each location they would like to have certified. Once all of the requirements have been completed and fees paid, each store will have a certification from the TABC.

- What is the advantage of being a Certified Responsible Vendor?

Responsible Vendors cannot be fined more than 1500.00 or have their license revoked on the first offense of selling to a minor. This is true for the second offense if it is not within one (1) year of the first.

However, if a Responsible Vendor is cited for selling alcohol to a minor within a certain amount of time the TABC will revoke the certification and the Beer Board can take whatever measures they see fit.

- What is the process of becoming a Certified Responsible Vendor?

Please contact the training department at the Tennessee Alcoholic Beverage Commission for this information.

County, Tennessee
Board of Commissioners

RESOLUTION NO.

**RESOLUTION REQUIRING MINIMUM MANDATORY TRAINING
REQUIREMENTS FOR EMPLOYEES OF BEER PERMIT HOLDERS**

WHEREAS, in order to protect the health, safety and welfare of _____ County citizens, the
County Beer Board desires to adopt minimum mandatory training requirements for all
employees of beer permit holders; and

WHEREAS, *Tennessee Code Annotated, Section 57-5-105 (j)* provides that:

A county legislative body may impose training or certification restrictions or
requirements on employees of a permit holder, but such restrictions or
requirements shall not apply to any employee who is possessed of a server permit
issued by the alcoholic beverage commission pursuant to chapter 3, part 7 of this
title.

WHEREAS, the Beer Board passed this resolution by unanimous vote on May 27, 2014 and
strongly encourages the Board of Commissioners approve this measure for the safety of all
citizens.

NOW THEREFORE, BE IT RESOLVED by the _____ County Board of Commissioners
meeting in regular session this 21st day of July 2014 that:

Section 1: No person holding a permit or license to sell beer in the county, outside the
municipal limits of _____ shall allow any
employee to sell or serve beer unless that employee has attended and completed a program of
alcoholic beverage sale or server instruction approved and certified by the Tennessee Alcoholic
Beverage Commission.

Section 2: No employee of a person holding a beer permit or license to sell beer in the
county, outside the municipal limits of _____
shall be allowed to sell or serve beer unless that person has attended and completed a program of
alcoholic sale or server instruction approved and certified by the Tennessee Alcoholic Beverage
Commission.

- A) New employees of permit holders will have thirty (30) days to obtain proper
certification from the date of hire.
- B) Certificate of training is transferable between alcohol outlets except for outlets
that are certified Responsible Vendors by the Tennessee Alcoholic Beverage
Commission.

C) Employees holding a valid Tennessee Alcoholic Beverage Commission certification or license shall be exempt from the terms of this resolution.

Section 3: Employees of permit holders shall annually complete a program of alcoholic sale or server instruction approved and certified by the Tennessee Alcoholic Beverage Commission.

Section 4: Documentation demonstrating compliance with the terms of this resolution shall be maintained on premises and shall be available for inspection by proper authorities at all times.

Section 5: The _____ County Beer Board may issue Show Cause Orders to any permit holders or employees to command their presence and answer charges before the Board upon information and belief received that a violation of this resolution has occurred.

Section 6: Failure to comply with annual training requirements will result in the suspension of a beer permit for up to ten (10) days, or in the alternative, the imposition of a monetary fine. Underage sales violation shall be punishable by permit suspension, revocation and/or monetary fines commensurate with the attached *Exhibit I*.

Section 7: The _____ County Clerk shall cause a copy of this resolution to be mailed to all beer permit holders within thirty (30) days of passage and all new applicants shall be provided a copy of this resolution at the time of application.

Section 8: The terms of this resolution are hereby incorporated by reference in the _____ County Beer Board Rules and Regulations.

Section 9: If any provision of this resolution shall be invalidated by a court of law the remaining sections shall remain valid, effective and enforceable.

Section 10: This resolution shall take effect ninety (90) days from the date of passage of this Resolution.

DULY RESOLVED, PASSED AND APPROVED this _____ day of _____.

, County Commission Chair

, County Mayor

ATTEST:

County Clerk

EXHIBIT 1

A vendor whose agent sells or distributes beer to a minor shall be guilty of an offense and shall be punished by the Anderson County Beer Board as follows:

- (1) For a first offense:
 - (a) a vendor who has received certification from the Alcoholic Beverage Commission pursuant to the Tennessee Responsible Vendor Act of 2006 shall be fined not less than five hundred (\$500.00) dollars nor more than one thousand (\$1,000.00) dollars in lieu of suspension; or,
 - (b) a vendor who has not received certification from the Alcoholic Beverage Commission shall be fined not less than five hundred (\$500.00) dollars nor more than two thousand, five hundred (\$2,500.00) dollars in lieu of suspension.
- (2) For a second offense:
 - (a) a vendor who has received certification from the Alcoholic Beverage Commission pursuant to the Tennessee Responsible Vendor Act of 2006 shall be fined one thousand (\$1,000.00) in lieu of suspension; or,
 - (b) a vendor who has not received certification from the Alcoholic Beverage Commission shall be fined not less than one thousand (\$1,000.00) dollars nor more than two thousand, five hundred (\$2,500.00) dollars in lieu of suspension.
- (3) A vendor who is guilty of an offense shall not be considered a repeat or multiple offender and subject to the enhanced penalties described in this section if twenty-four (24) or more months have elapsed between the date of the present offense and the date of any preceding violations.
- (4) A Responsible Vendor's certification shall be revoked if it has two (2) offenses within a twelve (12) month period.
- (5) All fines shall be paid within seven (7) calendars days of assessment or permit will be suspended on the 8th day.

RESOLUTION NO. _____

WHEREAS, the City of Covington (hereinafter referred to as "City"), a Tennessee municipal corporation, has been vested with substantial power to regulate the use and zoning of real property for the purposes of maintain the health, morals, safety, security, peace and general public welfare of the city and its residents, which includes the governmental purpose of implementing moratoria for the reasons stated herein; and

WHEREAS, the City's Board of Mayor and Aldermen (hereinafter referred to as "Board") considers it paramount that land use regulation continue in the most orderly and predictable fashion with the least amount of disturbance to landowners and City residents; and

WHEREAS, the concept of general public welfare is broad and inclusive, and it is within the power and prerogative of the Board to determine and ensure that development be implemented in the best interests of the City as a whole; and

WHEREAS, the US Highway 51 corridor has irregular zoning districts that has resulted in disorderly development resulting in disproportionate impacts on City resources, irregular aesthetic qualities, and negatively impacted property values of adjacent and neighboring properties; and

WHEREAS, the Board has determined it to be in the best interests of the City and its residents to maintain the status quo on the US Highway 51 corridor by imposing a six (6) month moratorium, as set forth in more detail below, temporarily halting both the acceptance of new applications for new development, rezoning, text amendments or variances and the processing of applications for new development, rezoning, text amendments or variances in all B-2 City/Highway Orientated Business District and in R-1 City/Low Density Residential District and R-2 City/Medium Density Residential Districts that are contiguous with US Highway 51. Excepted from this moratorium are new developments in the above listed districts that have already been approved at any stage of the development process by the City; and

WHEREAS, the purpose of the temporary moratorium is to allow the City an opportunity to study, research, analyze the irregular zoning districts on the US Highway 51 corridor and their impacts on the general welfare of the City of Covington, Tennessee and its citizens, and study, research, analyze and/or assess the likely impacts and nature of any future development in the above listed zoning districts including, without limitation and as the City deems appropriate, development and demographic trends, aesthetic qualities, burdens upon and access to City services, resources, schools, infrastructure, utilities, parks, public areas/facilities, and emergency and police services, traffic congestion, public safety, and neighborhood characteristics; and

WHEREAS, based upon the conclusions and opinions of City officials after studying the zoning along the US Highway 51 corridor as set forth hereinabove, work with the Municipal Planning Commission to amend the Municipal Zoning Ordinance to promote more orderly development along US Highway 51 that preserves the public welfare.

WHEREAS, said moratorium is in the best interests of the health, welfare, and safety of the City and its residents, and also wholly consistent with the police and other powers vested in the City.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN OF THE CITY OF COVINGTON, TENNESSEE, that, except as otherwise provided herein, a six (6) month moratorium is hereby imposed, effective upon the adoption of this resolution, to (1) temporarily halt the acceptance of applications for new development, rezoning, text amendments or variances in the B-2 City/Highway Orientated Business District and in parcels zoned R-1 and/or R-2 that are contiguous with US Highway 51, and (2) temporarily halt the processing of applications and/or issuance of building permits in the B-2 City/Highway Orientated Business District and in parcels zoned R-1 and/or R-2 that are contiguous with US Highway 51.

BE IT FURTHER RESOLVED, that notwithstanding the foregoing, this moratorium shall not apply to any new development, rezoning, text amendments or variances in the B-2 City/Highway Orientated Business District and in parcels zoned R-1 and/or R-2 that are contiguous with US Highway 51 that have already been approved at any stage of the process by the City, including any of its boards, departments, or commissions. However, said developments or approvals otherwise remain subject to all existing approval requirements of the city.

BE IT FURTHER RESOLVED, that, unless further extended, this moratorium shall expire on March 10, 2020.

APPROVED AND ADOPTED by the Board of Mayor and Aldermen of the City of Covington this 10th day of September, 2019, the public welfare requiring it.

Justin Hanson, Mayor

Tina Dunn, City Clerk/Recorder

RESOLUTION NO. _____

A RESOLUTION of the City of Covington, Tennessee to study the benefits and amend the Municipal Zoning Ordinance creating a Design Review Commission.

WHEREAS, *Tennessee Code Annotated* § 6-54-133 authorizes municipalities to create a Design Review Commission; and

WHEREAS, pursuant to the City of Covington Vision and Strategic Plan blight removal and code enforcement issues are top priorities of the citizens of the City of Covington; and

WHEREAS, the City has an interest in maintain and improving the aesthetic beauty of the community and in preserving and promoting high-quality design standards;

NOW, THEREFORE BE IT RESOLVED BY THE CITY OF COVINGTON, TENNESSEE THAT:

The Code Enforcement Department, city planner, city attorney and the Municipal Planning Commission shall further study the benefits of creating a Design Review Commission pursuant to T.C.A. § 6-54-133 and amend the Municipal Zoning Ordinance creating said commission.

This resolution shall take effect from and immediately after its passage, the public welfare requiring it.

APPROVED AND ADOPTED by the Board of Mayor and Aldermen of the City of Covington this 10th day of September, 2019

Justin Hanson, Mayor

Tina Dunn, City Clerk/Recorder