TITLE 8

ALCOHOLIC BEVERAGES

CHAPTER
1. INTOXICATING LIQUORS.
2. BEER.

CHAPTER 1

INTOXICATING LIQUORS

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\footnote{Municipal code references
   Minors in beer places, etc.: title 11 chapter 2.
State law reference
   Tennessee Code Annotated, title 57, chapters 1 through 10.}
8-101. Definitions. For the purposes of this chapter, the following words and phrases shall have the meanings respectively ascribed to them by this section:

(1) "Alcoholic beverage" or "beverage" means alcohol, spirits, liquor, wine and every liquid containing alcohol, spirits, wine and capable of being consumed by a human being, other than patented medicine or beer containing an alcoholic content of five (5) percent by weight, or less.

(2) "Applicant" means a person, partnership or corporation applying for a certificate of compliance for a proposed license.

(3) "Certificate of compliance" means a certificate signed by the mayor or a majority of the board of mayor and aldermen certifying:
   (a) That the applicant(s) for a license before the alcoholic beverage commission who are to be in actual charge of the business have not been convicted of a felony within a ten (10) year period immediately preceding the date of application and, if a corporation, that the executive officers or those in control have not been convicted of a felony within a ten (10) year period immediately preceding the date of application; and further, that in the official's opinion, the applicant will not violate any of the provisions of this chapter.
   (b) That the applicant or applicants have secured a location for the business which complies with all restrictions of any local law, ordinance or resolution, duly adopted by the local authorities as to location within the town or county, and that the applicant or applicants meet all residency requirements, if any, established by such local authority; and
   (c) That the applicant or applicants have complied with any local law, ordinance or resolution duly adopted by the local authorities regulating the number of licenses to be issued within the jurisdiction.

(4) "License" means a license issued by the alcoholic beverage commission for the retail sale of alcoholic beverages to patrons or customers in sealed packages only, not for consumption on the premises.

(5) "Licensee" means any person to whom a license has been issued by the alcoholic beverage commission.

(6) "Retailer" means any person who sells at retail any beverage for the sale of which a license is required under the provisions of this chapter.

(7) "Retail sale" means a sale to any person for any purpose other than for resale or for consumption on the premises of the retailer.

(8) "Wholesaler" means any person who sells at wholesale any beverage for the sale of which a license is required by the alcoholic beverage commission.

(9) "Wholesale sale" or "sale at wholesale" means a sale to any person for purpose of resale. (as replaced by Ord. #2004-242, Jan. 2005)
8-102. **Scope of chapter.** The provisions of this chapter shall apply to all alcoholic beverages as defined by Tennessee Code Annotated, § 57-3-101, as amended. It shall not apply to beer and other beverages with an alcoholic content of five percent (5%) by weight or less regulated under the provisions of chapter 2 of this title. (as added by Ord. #2004-242, Jan. 2005)

8-103. **Dealing in beverages declared lawful.** It shall be lawful to store, transport, sell, possess, distribute and receive alcoholic beverages in the Town of Walden, subject to the provisions of this chapter. (as added by Ord. #2004-242, Jan. 2005)

8-104. **Powers and duties of inspectors.** The inspector(s) employed by the Town of Walden shall examine the records of wholesale and retail dealers in the Town of Walden and shall enforce in the town the state laws and town ordinances and rules and regulations promulgated by the alcoholic beverage commission of the state with reference to the sale, possession, storage, delivery and distribution of alcoholic beverages. (as added by Ord. #2004-242, Jan. 2005)

8-105. **Violations to be reported, request for revocation of license.** Each inspector shall report to the Hamilton County Sheriff any violations of state law and rules and regulations promulgated by the alcoholic beverage commission of the state or any other law or regulation relating to the possession, sale or delivery of alcoholic beverages. The Hamilton County Sheriff shall, when he deems it warranted, report any such violations to the board of mayor and aldermen, and a majority of the board of mayor and aldermen may in turn certify such facts to the alcoholic beverage commission of the state when deemed appropriate with the request that the license of such violator be revoked. (as added by Ord. #2004-242, Jan. 2005)

8-106. **Drinking in public prohibited.** It shall be unlawful for any person publicly to drink alcoholic beverages or beer on any public street, public sidewalk or in any public park. (as added by Ord. #2004-242, Jan. 2005)

8-107. **State regulations for purchase and sale of intoxicating liquors adopted by reference.** Tennessee Code Annotated, §§ 57-3-404, 57-3-405 and 57-3-406, as amended, are hereby incorporated herein by reference and made a part hereof. (as added by Ord. #2004-242, Jan. 2005)

8-108. **Location and signs for liquor stores.** (1) The proposed location must be within the C-1 General Commercial Zone or the VC-1 Village Center Zone and have Taft Highway or Anderson Pike as its primary access. In addition, no premises proposed for a liquor store may be located within three hundred (300) feet of a place of public gathering, a recreational park, place or worship, school (an academic learning center whether public or private, from the
level of nursery through twelfth grade), day care center or other liquor store (each of which is a "protected use"). Such measurements shall be made from building to building and shall be made on a straight line (the shortest distance between the two buildings - the measurement to is be taken from the closest exterior point of the building which will contain the use in which the permit is required to the closest exterior point of the building or other structures constituting the "protected use" or any part thereof).

(2) Signs on liquor stores and on lots containing liquor stores shall conform to the requirements of chapter 2, title 14 of the Municipal Code of the Town of Walden and any other applicable laws, rules or regulations. (as added by Ord. #2004-242, Jan. 2005, and amended by Ord. #2005-250, Nov. 2005)

8-109. License required. Before any person in the Town of Walden shall engage in the sale at wholesale or retail of alcoholic beverages he shall obtain a license or permit as provided by the Tennessee Code Annotated, and shall have paid to the Town Recorder of the Town of Walden, any and all privilege taxes or inspection fees, including interest and penalties thereon, which the Town of Walden may be authorized by law to collect. (as added by Ord. #2004-242, Jan. 2005)

8-110. Application for certificate of compliance. (1) Before any certificate as required by Tennessee Code Annotated, § 57-3-208, shall be signed by the mayor or by a majority of the board of mayor and aldermen, an applicant must complete an application for a certificate of compliance. Such application shall be accompanied by the following:

(a) Information relating to the applicant:
   (i) A completed certificate of compliance (either corporate, limited liability, sole proprietor or partnership);
   (ii) A copy of driver's license;
   (iii) A copy of the required newspaper ad;
   (iv) A copy of the completed Tennessee Alcoholic Beverage Commission Application;¹ and
   (v) A copy of the completed Tennessee Alcoholic Beverage Commission questionnaire.

(b) Information relating to the location of the store:
   (i) A site plan showing the parking, loading facilities, points of ingress and egress, and existing zoning;
   (ii) A list identifying all schools, religious facilities, or other places of public gathering that are believed to be within the distance specified in § 8-108; and

¹A copy of required applications and questionnaires are available in the office of the town recorder.
Additional information necessary to adequately review the proposed site as determined by the board of mayor and aldermen.

The applicant shall give notice of its application by advertising in the newspaper in which legal advertisements of the Town of Walden are carried and in the form provided by the town recorder. The running of the notice in the newspaper may be concurrently made at the time the application for the certificate of compliance is filed. If the notice is not made before the filing of the application for the certificate of compliance, the application states that the advertisement is being made.

The board of mayor and aldermen shall conduct an analysis of the proposed liquor store site to determine its suitability; such analysis shall include, but shall not be limited to, the following:

(i) A land use survey of the surrounding development;
(ii) Off-street parking and loading facilities;
(iii) Proposed points of access and ease of ingress and egress;
(iv) The lot, yard and open space requirements;
(v) Whether a traffic hazard will be created;
(vi) The probable effect on the property adjacent to the site under consideration; and
(vii) The consistency of the proposal with the intent and purpose of this chapter to promote the public health, safety, morals and general welfare.

The original and five (5) copies of the application for the certificate of compliance shall be filed with the town recorder. The copies of the application shall be forwarded by the town recorder as follows:

(a) One (1) copy shall be promptly forwarded by the town recorder to the Hamilton County Sheriff, who shall cause an investigation of the applicant to be made relative to his or her prior criminal record, if any, and shall report in writing the findings to the board of mayor and aldermen within thirty (30) days.

(b) One (1) copy shall be promptly forwarded by the town recorder to the Chattanooga-Hamilton County Regional Planning Agency, who shall determine whether the proposed site of the liquor store complies with all applicable ordinances and shall report its findings in writing within thirty (30) days to the board of mayor and aldermen.

(c) One (1) copy shall be promptly forwarded by the town recorder to the office of the town attorney.

Within sixty (60) days from the date when the application is filed, the board of mayor and aldermen shall require the applicant to appear for a hearing as provided in § 8-114 and after which the board of mayor and aldermen shall by motion either grant or deny the application. If granted, the mayor or a majority of the board of mayor and aldermen shall then sign the certificate as
8-111. Effect of conviction of violating alcoholic beverage laws. No certificate of compliance required by this chapter, or which may be issued hereunder, shall under any condition be issued to any person who, within ten (10) years preceding application for such license, shall have been convicted of any offense under the laws of the state, or of any state of the United States, prohibiting or regulating the sale, possession, transportation, storing or otherwise handling alcoholic beverages or who has during such period been engaged in business, alone or with others, in violation of any of such laws or rules and regulations promulgated pursuant thereto. (as added by Ord. #2004-242, Jan. 2005)

8-112. Effect of felony conviction involving moral turpitude. (1) No person shall make application who has been convicted of a felony involving moral turpitude within ten (10) years prior to the time he or the partnership, corporation or association with which he is connected shall make application; provided, that this provision shall not apply to any person who has been so convicted, but whose rights of citizenship have been restored or judgment of infamy has been removed by a court of competent jurisdiction, and in case of any such conviction occurring after a license has been issued and received, the certificate of compliance shall immediately be revoked, if such convicted felon is an individual licensee, and, if not, the partnership, corporation or association with which he is connected shall immediately discharge him.

(2) No wholesaler or retailer shall employ in the storage, sale or distribution of alcoholic beverages, any person who, within ten (10) years prior to the date of his employment, shall have been convicted of a felony involving moral turpitude, and in case an employee should be so convicted he shall be immediately discharged; provided, that this provision shall not apply to any person who has been so convicted, but whose rights of citizenship have been restored, or judgment of infamy has been removed by a court of competent jurisdiction. (as added by Ord. #2004-242, Jan. 2005)

8-113. Applicant to agree to comply with laws. The applicant for a certificate for a license under this chapter shall agree to comply with the state and federal laws and ordinances of the Town of Walden and rules and regulations of the alcoholic beverage commission of the state. (as added by Ord. #2004-242, Jan. 2005)

8-114. Applicant to appear before the board of mayor and aldermen; duty to give information. An applicant for a certificate for a license under this chapter, a renewal of a license or a transfer of a license, whether to a new owner or a different location, shall be required to appear in person before the board of
mayor and aldermen for such examination as may be desired by the board of
mayor and aldermen. The applicant shall furnish such information as may be
required under this chapter.  (as added by Ord. #2004-242, Jan. 2005)

8-115. Action on application. The action of the board of mayor and
aldermen on an application for a certificate of compliance under this chapter
shall be noted and the certificate of compliance shall be forwarded to the
alcoholic beverage commission by the town recorder.  (as added by

8-116. Number limited. The number of retail licenses outstanding for the
operation of a retail store which sells alcoholic beverages in the Town of Walden
at any time shall be limited to two (2).  (as added by Ord. #2004-242, Jan. 2005)

8-117. Expiration of certificate of compliance. A certificate of compliance
issued pursuant to this chapter shall be valid for a period of two (2) years from
the date of issuance.  (as added by Ord. #2004-242, Jan. 2005, and replaced by
Ord. #2006-252, June 2006)

8-118. Inspection fee levied; amount; collection. There is hereby levied
upon licensed retailers of alcoholic beverages in the Town of Walden an
inspection fee to be measured by the wholesale price of the alcoholic beverage
purchased by the retailer. The inspection fee shall be five (5) percent of the
wholesale price of alcoholic beverages supplied by a wholesaler. The inspection
fee shall be added by the wholesaler to each invoice for alcoholic beverages sold
to each retailer within the Town of Walden and shall be collected by such
wholesaler from such retailer and remitted to the town recorder as provided in
§ 8-119.  (as added by Ord. #2004-242, Jan. 2005)

8-119. Inspection fee to be remitted to town recorder by wholesalers; sale
on credit; reports by wholesalers. The inspection fee provided for in §§ 8-118
through 8-120 shall be remitted by all wholesalers who sell alcoholic beverages
within the Town of Walden to the town recorder not later than the twentieth
(20th) day of each month for the preceding month. The wholesaler is hereby
required to collect the inspection fee from the retailer at the time of delivery of
all alcoholic beverages on which the inspection fee is levied, and if credit is
granted by the wholesalers to the retailers, then the obligation to the Town of
Walden for the inspection fee shall be that of the wholesaler. Every wholesaler
who makes sales to retailers within the Town of Walden shall make a monthly
report to the town recorder as set forth more particularly in Tennessee Code
Annotated, § 57-3-503, as amended. The town recorder shall have the authority
to audit the records of wholesalers reporting to her in order to determine the
accuracy of such reports.  (as added by Ord. #2004-242, Jan. 2005)
8-120. Inspection fee; compensation of wholesalers. Every wholesaler of alcoholic beverages, in reporting and paying the inspection fee imposed by §§ 8-118 through 8-119, shall be entitled to deduct and retain from the inspection fee collected as compensation or reimbursement for his services in collecting the inspection fee five (5) percent of the inspection fee collected and remitted. Failure to collect and timely report and/or pay the inspection fee collected shall result in a penalty of ten (10) percent of the fee due to the Town of Walden. (as added by Ord. #2004-242, Jan. 2005)

8-121. Violations; penalties. Any violation of the provisions of this chapter shall constitute a misdemeanor and shall, upon conviction be punishable by a fine of not less than fifty dollars ($50.00). Upon conviction of any person under this chapter, it shall be mandatory for the municipal judge to immediately certify said conviction, whether on appeal or not, directly to the alcoholic beverage commission, together with petition that all licenses be revoked, pursuant to the provisions of Tennessee Code Annotated, and the rules and regulations of the alcoholic beverage commission. (as added by Ord. #2004-242, Jan. 2005)
CHAPTER 2

BEER¹

SECTION

8-201. Beer board established.
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8-204. Requirements for beer board quorum and action.
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8-206. "Beer" defined.
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8-208. Beer permits shall be restrictive.
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8-210. Issuance of permits to persons convicted of certain crimes prohibited.
8-211. Prohibited conduct or activities by beer permit holders.
8-212. Revocation of beer permits.

8-201. Beer board established. There is hereby established a beer board to be composed of the board of mayor and aldermen of the Town of Walden. A chairman shall be elected annually by the board from among its members. Members of the beer board shall serve without compensation. (Ord. #15, Feb. 1977)

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 town 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 reasonable notice thereof to each member. The board may adjourn a meeting at any time to another time and place. (Ord. #15, Feb. 1977)

8-203. Record of beer board proceedings to be kept. The recorder 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

1Municipal code references
Minors in beer places, etc.: title 11, chapter 2.
Tax provisions: title 5.
State law reference
For a leading case on a municipality's authority to regulate beer, see the Tennessee Supreme Court decision in Watkins v. Naifeh, 635 S.W.2d 104 (1982).
members introducing and seconding motions and 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 board. (Ord. #15, Feb. 1977)

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. #15, Feb. 1977)

8-205. Powers and duties of the beer board. 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 this municipality in accordance with the provisions of this chapter. (Ord. #15, Feb. 1977)

8-206. "Beer" defined. The term "beer" as used in this chapter shall mean and include all beers, ales, and other malt liquors having an alcoholic content of not more than five percent (5%) by weight. (Ord. #15, Feb. 1977)

8-207. Permit required for engaging in beer business. 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 board shall prescribe and/or furnish. 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.

The application for a permit shall be on such form as the beer board from time to time shall prescribe and pursuant to T.C.A. § 57-5-101(b) shall be accompanied by a one time, non-refundable fee of $250. This application fee shall not be required of any existing permit holders in order to retain their permits. Effective January 1, 1994, each person holding a permit from the Town of Walden to engage in the beer business, as defined by section 8-207 of the Walden Municipal Code, shall pay a $100 annual privilege tax on each such permit held by them. Such annual privilege tax will be due and payable on the first day of each year commencing January 1, 1994 and will be delinquent if not paid on or before January 31 of such year. If delinquent and not paid within ten (10) days of receipt of a delinquency notice, sent certified mail by the town recorder, such permit shall automatically be terminated and become void. If a permit was issued prior to January 1, 1993, to a person authorizing such person to engage in the beer business, the beer board may not revoke such permit or refuse such permit to be renewed on the basis of proximity to a place of public gathering if a valid permit had been issued at that location prior to January 1,
1993, and, if it was sold or distributed on a continuous basis (without more than a six month break in operations) since that date. (Ord. #15, Feb. 1977, as amended by Ord. #157, Sept. 1993 and Ord. #158, Sept. 1993)

8-208. 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. The proposed location of all establishments selling at retail, storing, distributing or manufacturing beer must be located within the C-1 General Commercial Zone or the VC-1 Village Center Zone and have Taft Highway or Anderson Pike as its primary access. Beer permits for the retail sale of beer may be further restricted by the beer board so as to authorize sales only for off-premises consumption and to provide for such other restrictions as the beer board feels is necessary to protect the public health, safety, morals and welfare of the town. It shall be unlawful for any beer permit holder to engage in any type or phase of the beer business not expressly authorized by the permit. It shall likewise be unlawful for the present holder not to comply with any and all express restrictions or conditions which may be written into the permit by the beer board. (Ord. #15, Feb. 1977, as replaced by Ord. #2005-250, Nov. 2005)

8-209. Interference with public health, safety, and morals prohibited. No permit authorizing the sale of beer will be issued when such business would cause congestion of traffic or would interfere with schools, churches, or other places of public gathering, or would otherwise interfere with the public health, safety, morals and welfare. No premises proposed for the storage, sale or manufacture of beer, may be located within three hundred (300) feet of a place of public gathering, a recreational park, place of worship, school (an academic learning center whether public or private, from the level of nursery through twelfth grade), or day care center (each of which is a "protected use"). Such measurement shall be made from building to building and shall be made on a straight line (the shortest distance between two buildings -- the measurement is to be taken from the closest exterior point of the building which will contain the use in which the permit is required to the closest exterior point of the building or other structures constituting the "protected use" or any part thereof). (Ord. #15, Feb. 1977, as replaced by Ord. #2005-250, Nov. 2005)

8-210. Issuance of permits to persons convicted of certain crimes prohibited. No beer permit shall be issued to any person who has been convicted for the possession, sale, manufacture, or transportation of intoxicating liquor, or any crime involving moral turpitude within the past ten (10) years. (Ord. #15, Feb. 1977)

8-211. Prohibited conduct or activities by beer permit holders. It shall be unlawful for any beer permit holder to:
(1) Employ any person convicted for the possession, sale, manufacture, or transportation of intoxicating liquor, or any crime involving moral turpitude within the past ten (10) years.

(2) Employ any minor under twenty-one (21) years of age in the sale, storage, distribution, or manufacture of beer. (This provision shall not apply to grocery stores selling beer for off premises consumption only.)

(3) Make or allow any sale of beer between the hours of 12:00 midnight and 6 a.m. during any day of the week and at any time before 12:00 noon on Sunday.

(4) Allow any loud, unusual, or obnoxious noises to emanate from his premises.

(5) Make or allow any sale of beer to a minor under twenty-one (21) years of age.

(6) Make or allow any sale of beer to any intoxicated person or to any feeble-minded, insane, or otherwise mentally incapacitated person.

(7) Allow drunk or disreputable persons to loiter about his premises.

(8) Serve, sell, or allow the consumption on his premises of any alcoholic beverage with an alcoholic content of more than five percent (5%) by weight. (Ord. #15, Feb. 1977)

8-212. Revocation of beer permits. The beer board shall have the power to 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 revoked until a public hearing is held by the board after reasonable notice to all the known parties in interest. Revocation proceedings may be initiated by the police chief or by any member of the town governing body.

The beer board, at its option, may at the time it imposes a revocation or suspension offer the permit holder the alternative of paying a civil penalty to the Town of Walden of up to $1,500 for each offense involving the making or allowing of sales of beer to minors and up to $1,000 for other offenses. The amount of such civil penalty shall, within the limits hereby prescribed, be set at the discretion of the beer board. Payment of the civil penalty by the permit holder shall not be a waiver of such rights, if any, which exist on the part of the permit holder to seek judicial review pursuant to T.C.A. § 57-5-108(d). If a civil penalty is offered as an alternative to revocation or suspension, the holder of the permit shall have seven (7) days within which to pay the civil penalty by certified or bank cashier's check before the revocation or suspension shall be imposed. If the civil penalty is paid within that time, the revocation or suspension shall be deemed withdrawn. (Ord. #15, Feb. 1977, as amended by Ord. #157, Sept. 1993, and Ord. #158, Sept. 1993)